



Moon Township Public Library Board of Trustees meeting

May 12, 2026

Township of Moon Municipal Building, 1000 Beaver Grade Road, Moon Township, PA 15108

Trustees Roll Call:

- Rochelle Stachel – President
- Michele DeWitt – Vice President
- Luanne Vitale – Board of Trustees member
- Patricia Zusinas – Treasurer
- Mary Jo Wise – Secretary
- Deanne Heller – Board of Trustees member
- Absent: Barb Nolfi – Assistant Treasurer (Attended via TEAMS at 6:26 PM)

Quorum achieved

Also Present:

Heather Panella – Director, Moon Township Public Library

Meeting called to order: 6:00 PM

- Call for the approval of March Minutes as amended
Motion: Patty Zusinas
Second: Luanne Vitale
Motion passed unanimously
- Call for approval of April Minutes as amended
Motion: Michele DeWitt
Second: Luanne Vitale
Motion passed unanimously

Public Comment:

Leah McKee of Moon Township made an inquiry into the results of SWOT survey; when will they be published, dates of Strategic Planning Committee meetings, need for a facilitator or not.

Veronica White of Moon Township had additional comments regarding the Planning Committee; discouraged by the process, felt the process and actions were done in bad faith.

President's Report:

- No report was given

Treasurer's Report:

A formal report was not given

Patty remarked on the following; she is currently studying reports, ACLA does a great job of reporting our financials, Renee Varner, FNB advisor, will attend the June meeting.

Director Panella's Report: [\(Linked Here\)](#)

- Overview and Highlights
 - A secure self-checkout station has been installed in Children's department
 - Preparation for Battle of the Books
 - Day of giving happening in September, match by Buncher Foundation

Heather also shared results of the 2026 Community Perspectives survey. Key takeaways:

- 215 individuals responded
- Desire for more large print materials
- Faxing still utilized
- Need for community space, including tutoring room

Heather shared information on D&O insurance costs for the Library Board of Trustees [\(Please see attachments\)](#)

Old Business

Committee Reports

- Finance Committee
 - Patricia Zusinas reported that Renee Varner will be attending next month's meeting

- Fundraising Committee
 - Deanne Heller reported that she is continuing to draft the charter for the committee. She and Heather have met to develop fundraising plans. There will be a direct ask to local Foundations and community members. Looking at the list of past donors and developing a major gifts list.
- Personnel Committee
 - No Report
- Governance and Bylaws Committee
 - Luanne Vitale provided a draft of committee chairs and members. Boiler plates are being created for the June meeting. Michele met with Supervisors Chris Rolinson and David Bachman individually. Spoke about Township Board procedure in selecting candidates for the Library Board of Trustees. Discussed storage of files on Google workspace. There has been a deep dive into the review of the bylaws. They were amended in 2016, 2017, 2020, and 2022. Edits were proposed by the Township solicitor in 2022 and not accepted by the then sitting Library Board of Trustees.
- Building Committee
 - Reported that they are in the process of compiling information, reviewing building and rent costs and will meet every six weeks. Barb will be asking for a meeting with MTMA to discuss the lease, utilities, etc.
- Strategic Plan Committee
 - Chair stated that boilerplate will be developed for the June meeting

New Business:

Call for a motion to spend up to \$3.5K on ADA compliant doors for the entrance into the library.

Motion to accept: Luanne Vitalie

Second: Rochelle Stachel

Motion carries with a unanimous voice vote

Patricia Zusinas reported on the Mad Hatter Tea fundraiser provided by The Friends of the Library. ([Link to Friends Report](#))

Discussion of Memorandum written by Patty Zuzina highlighting the following:

procedural issues, lack of collaboration and need for ethical governance. Request to restore the Strategic Committee to a committee of the whole.

(Memorandum written by Patricia Zusinas)

Rochelle Stachel submitted a formal response to the memo. There was additional discussion surrounding the fact that three members do not violate the Sunshine law. In addition, there was comment that it is within the President's rights to appoint a committee. **(Response by Rochelle Stachel)**

Motion was brought forward to restore the Strategic Committee to a Committee of the whole by Patricia Zusinas.

Second: Deanne Heller

Voice Vote:

Yes: Patricia Zusinas, Deanne Heller, Louanne Vitalie

No: Michele DeWitt, Barb Nolfi, Rochele Stachel, Mary Jo Wise

Motion for no further committee meetings until clarification/research from Michele Dewitt on procedures – tasked to do research on bylaws, hiring of lawyer, sunshine act, etc. by Patricia Zusinas.

Second: Deanne Heller

Yes: Patricia Zusinas, Deanne Heller, Michele DeWitt, Mary Jo Wise

No: Luanne Vitalie, Rochelle Stachel

Abstain: Barbra Nolfi

Motion to adjourn, Luanne Vitalie

Second by Patricia Zusinas

Meeting adjourns at 8:55 PM

Respectfully submitted by:

Mary Jo Wise

Secretary, Moon Township Board of Trustees



Wrap+®

Donna Roberts
PO Box 2950
Hartford, CT 06104-2950
Phone: (412) 338-3039
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April 28, 2026

TARA MURRAY
DUNCAN INS GROUP LLC
311 MAIN ST
IRWIN, PA 15642

RE: Insured Name: MOON TOWNSHIP PUBLIC LIBRARY
1700 BEAVER GRADE RD
SUITE 100
CORAOPOLIS, PA 15108-3109

Expiring Policy Number: N/A

Policy Period: May 1, 2026 to May 1, 2027

Dear TARA MURRAY:

On behalf of **Travelers Casualty and Surety Company of America** we are pleased to provide the attached proposal of insurance for your review.

The quotes contained in this document are valid for 30 days, and are subject to the provision of, and Travelers' review and acceptance of, the required underwriting information noted in the Contingencies section. Travelers reserves the right to change the quotes in this document, or to refuse to bind coverage entirely, based on review of the required underwriting information or based on adverse change in the risk(s) to be insured prior to the quote expiration date noted in this document.

Travelers is pleased to offer Risk Management PLUS+ Online[®], the industry's most comprehensive program for mitigating your management liability exposures, which is available to you at no additional cost. Please visit www.rmplusonline.com to view the services that are available. If you have additional questions about the site please contact your Underwriter.

Travelers Casualty and Surety Company of America, a subsidiary of The Travelers Companies, Inc., has consistently earned high ratings for financial strength and claims-paying ability from independent rating services, including a current A.M. Best rating of A++*. Founded in 1853, The Travelers Companies, Inc. is a Fortune 500 company, a component of the Dow Jones Industrial Average, and a leading provider of property casualty insurance for businesses.

Thank you for considering Travelers for your client's insurance coverages. We look forward to discussing this opportunity with you.

Sincerely,

Donna Roberts

Travelers Bond & Specialty Insurance

*A.M. Best's rating of A++ applies to Travelers Casualty and Surety Company of America as well as to certain insurance subsidiaries of Travelers that are members of the Travelers Insurance Companies pool; other subsidiaries are included in another rating pool or are separately rated. For a listing of companies rated by A.M. Best and other rating services visit www.travelers.com. Ratings listed herein are as of July 2023, are used with permission, and are subject to changes by the rating services. For the latest rating, access www.ambest.com.

Travelers Casualty and Surety Company of America
QUOTE OPTION #1

LIABILITY COVERAGES:

Coverage	Limit	Additional Defense Limit	Retention	Continuity Date	Prior & Pending Proceeding Date
Non-Profit D&O	\$1,000,000	N/A	\$0 (A) \$0 (B) \$0 (C)	05/01/2026	05/01/2026
EPL	\$1,000,000	N/A	\$0 (A)	05/01/2026	05/01/2026
EPL - Third Party Claim Coverage (Part of EPL Limit)	\$1,000,000	N/A	\$0 (B)	05/01/2026	05/01/2026

TOTAL ANNUAL PREMIUM - \$2,100.00

(Other term options listed below, if available)

COVERAGE DETAILS:

Supplemental Personal Indemnification Coverage: \$500,000

for all Non-Profit Organization Directors and Officers Liability **Claims**

LIMIT DETAIL:

Shared Additional Defense Limit of Liability: N/A

EXTENDED REPORTING PERIOD AND RUN-OFF:

Extended Reporting Period for Liability Coverages:

Additional Premium Percentage: 75%
 Additional Months: 12

Run-Off Extended Reporting Period for Liability Coverages:

Additional Premium Percentage: N/A
 Additional Months: N/A

CLAIM DEFENSE FOR ASSOCIATION MANAGEMENT LIABILITY COVERAGE, LIABILITY COVERAGES AND/OR CYBER COVERAGE:

Duty to Defend

ANNUAL REINSTATEMENT:

Liability Coverage Limit of Liability: N/A

PREMIUM DETAIL:

Term	Payment Type	Premium	Taxes	Surcharges	Total Premium	Total Term Premium
1 Year	Prepaid	\$2,100.00	\$0.00	\$0.00	\$2,100.00	\$2,100.00

POLICY FORMS APPLICABLE TO QUOTE OPTION # 1:

ACF-2001-0222 Modular Declarations Page
 EPL-3001-0109 Employment Practices Liability Policy
 NDO-3001-0109 Non Profit Organization Directors and Officers Liability Policy

ENDORSEMENTS APPLICABLE TO QUOTE OPTION # 1:

ACF-7006-0511	Removal of Short-Rate Cancellation Endorsement
ACF-7007-0811	Cross-Coverage Notice Endorsement
AFE-19029-0719	Cap On Losses From Certified Acts Of Terrorism Endorsement
AFE-19030-0920	Federal Terrorism Risk Insurance Act Disclosure Endorsement
EPL-10004-0111	Amend Prior and Pending Exclusion Endorsement
EPL-10008-0111	Insured Person Redefined to Include Indemnified Independent Contractor Endorsement
EPL-19007-0712	Section 510 of Erisa Endorsement
EPL-19020-0712	Employment-Related Disparagement and False Imprisonment Endorsement
EPL-19046-0615	Third Party Wrongful Act Coverage Endorsement
EPL-19050-0316	Workplace Violence Expenses Endorsement
EPL-19057-0517	Amend Wrongful Employment Practice Definition Endorsement
EPL-19058-0517	Amend Wrongful Act Definition Endorsement
EPL-19059-0517	Amend Definition Of Employee Endorsement
EPL-19060-0517	Amend Definition Of Workplace Harassment Endorsement
EPL-19063-0319	Immigration Claims Endorsement
EPL-19075 -0924	Wrongful Reassignment And USERRA Endorsement
EPL-7060-0109	Wage and Hour Law Defense Expenses Limit of Liability Endorsement
EPL-7062-0109	Employment Network and Information Security Offense Coverage Endorsement
EPL-7110-0109	Outside Entity To Include Any Non-Profit Entity Endorsement
LIA-10001-0610	Settlement Condition Endorsement
LIA-19002-1111	Advancement of the Retention Endorsement
LIA-19030-0712	Non-Rescindability and Non-Imputation Endorsement
LIA-19053-0712	Amend Cancellation Condition -- Pro Rata Computation of Premium Refund Endorsement
LIA-19097-0315	Global Coverage Compliance Endorsement
LIA-3001-0109	Liability Coverage Terms and Conditions
LIA-4024-0720	Pennsylvania Changes Endorsement
LIA-5037-1107	Pennsylvania Cancellation and Nonrenewal Endorsement
LIA-7097-0109	Amend Number of Days for Electing Extended Reporting Period Endorsement
	90
	<i>Number of Days</i>
LIA-7115-0911	Amend Definition of Subsidiary Endorsement
LIA-7116-0109	Amend Insured's Duties In Event of a Claim Condition Endorsement -- Replace Executive Officer Designation
	<i>CEO, CFO, HR Manager, Risk Manager, General Counsel or the functional equivalents thereof;</i>
	<i>Name or Title</i>
NDO-19001-0512	Amend Definition of Outside Entity Endorsement
NDO-19005-0525	Extradition Coverage Endorsement
NDO-19006-1112	Bankruptcy And Whistleblower Carvebacks Endorsement
NDO-19009-0713	Amend Section III. Exclusions B. 1. Final Non-Appealable in Any Proceeding Other Than A Proceeding Initiated By The Company
NDO-19016-0517	Amend Definition of Insured Person to Include Advisory Board Members Endorsement
NDO-19017-0517	Amend Loss Definition To Include Coverage Carvebacks For Liquidated Damages Under The Family Medical Leave Act And Civil Penalties Under The Foreign Corrupt Practices Act Endorsement
NDO-19030-0122	Data And Privacy Exclusion With Side A Carveback Endorsement
NDO-7003-0109	Amend Bodily Injury Exclusion (Broad) Endorsement
NDO-7011-0109	Addition of Publishing, Broadcasting, and Advertising Exclusion Endorsement
NDO-7012-0819	Addition Of Sexual Misconduct And Child Abuse Exclusion With Sexual And Workplace Harassment Carveback Endorsement
NDO-7017-0720	Crisis Event Management Coverage Endorsement
NDO-7019-0109	Supplemental Personal Indemnification Coverage Endorsement

CONTINGENCIES APPLICABLE TO QUOTE OPTION # 1:

This quote is contingent on the acceptable underwriting review of the following information prior to the quote expiration date.

1 CONFIRMATION THAT THE INSURED IS NOT AWARE OF ANY FACT OR CIRCUMSTANCE THAT COULD GIVE RISE TO A D & O OR EPL CLAIM

QUOTE NOTES:

NOTICES:

It is the agent's or broker's responsibility to comply with any applicable laws regarding disclosure to the policyholder of commission or other compensation we pay, if any, in connection with this policy or program.

Important Notice Regarding Compensation Disclosure

For information about how Travelers compensates independent agents, brokers, or other insurance producers, please visit this website: http://www.travelers.com/w3c/legal/Producer_Compensation_Disclosure.html

If you prefer, you can call the following toll-free number: 1-866-904-8348. Or you can write to us at Travelers, Agency Compensation, P.O. Box 2950, Hartford, CT 06104-2950.

FEDERAL TERRORISM RISK INSURANCE ACT DISCLOSURE

The federal Terrorism Risk Insurance Act of 2002 as amended ("TRIA"), establishes a program under which the Federal Government may partially reimburse "Insured Losses" (as defined in TRIA) caused by "Acts Of Terrorism" (as defined in TRIA). Act Of Terrorism is defined in Section 102(1) of TRIA to mean any act that is 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.

The Federal Government's share of compensation for such Insured Losses is 80% of the amount of such Insured Losses in excess of each Insurer's "Insurer Deductible" (as defined in TRIA), subject to the "Program Trigger" (as defined in TRIA).

In no event, however, will the Federal Government be required to pay any portion of the amount of such Insured Losses occurring in a calendar year that in the aggregate exceeds \$100 billion, nor will any Insurer be required to pay any portion of such amount provided that such Insurer has met its Insurer Deductible. Therefore, if such Insured Losses occurring in a calendar year exceed \$100 billion in the aggregate, the amount of any payments by the Federal Government and any coverage provided by this policy for losses caused by Acts Of Terrorism may be reduced.

For each coverage provided by this policy that applies to such Insured Losses, the charge for such Insured Losses is no more than one percent of your premium, and does not include any charge for the portion of such Insured Losses covered by the Federal Government under TRIA. Please note that no separate additional premium charge has been made for coverage for Insured Losses covered by TRIA. The premium charge that is allocable to such coverage is inseparable from and imbedded in your overall premium.

Coverage Disclaimer:

THIS QUOTE DOES NOT AMEND, OR OTHERWISE AFFECT, THE PROVISIONS OR COVERAGE OF ANY RESULTING INSURANCE POLICY ISSUED BY TRAVELERS. IT IS NOT A REPRESENTATION THAT COVERAGE DOES OR DOES NOT EXIST FOR ANY PARTICULAR CLAIM OR LOSS UNDER ANY SUCH POLICY. COVERAGE DEPENDS ON THE APPLICABLE PROVISIONS OF THE ACTUAL POLICY ISSUED, THE FACTS AND CIRCUMSTANCES INVOLVED IN THE CLAIM OR LOSS AND ANY APPLICABLE LAW.

THE PRECEDING OUTLINES THE COVERAGE FORMS, LIMITS OF INSURANCE, POLICY ENDORSEMENTS AND OTHER TERMS AND CONDITIONS PROVIDED IN THIS QUOTE. ANY POLICY COVERAGES, LIMITS OF INSURANCE, POLICY ENDORSEMENTS, COVERAGE SPECIFICATIONS, OR OTHER TERMS AND CONDITIONS THAT YOU HAVE REQUESTED THAT ARE NOT INCLUDED IN THIS QUOTE HAVE NOT BEEN AGREED TO BY TRAVELERS. PLEASE REVIEW THIS QUOTE CAREFULLY AND IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT YOUR TRAVELERS REPRESENTATIVE.

Affiliate (non-Subsidiary) Coverage Disclaimer:

Regardless of the submission of information or typical availability of coverage for any entity that is not a Subsidiary of the Named Insured, **such entity is not covered by the Policy unless an endorsement is provided that specifically schedules it.** Under the Wrap+® policy, coverage is generally afforded to the following entities (unless otherwise excluded): (1) the Named Insured and (2) its majority-owned Subsidiaries. A Subsidiary is defined in each coverage part of the Wrap+® policy and the definition can vary between coverage parts. An affiliate is not defined but generally has some ownership and/or management in common with the Named Insured or its Subsidiaries (but itself is not a Subsidiary of either one). Affiliate coverage will not be considered on a blanket basis nor will an individual entity be scheduled without proper underwriting information (please contact your underwriter to discuss specific requirements). For an actual description of coverages, terms and conditions, refer to the Policy. Sample policies can be found on the travelers.com website or contact your underwriter.



PO Box 2950
Hartford, CT 06104-2950

Employment Practices Liability Hotline

As part of the services provided through Risk Management PLUS+ Online®, Travelers Bond & Specialty Insurance is pleased to provide its Employment Practices Liability policyholders with up to one hour of access to a toll-free hotline designed to provide quick, practical risk management guidance on day-to-day workplace issues.

From reviewing the proper steps for a sexual harassment investigation to discussing general factors to consider before making employment decisions, the firm's attorneys are available to assist policyholders in managing their workplace risk and minimizing employment-related claims. This hotline is staffed by a nationally recognized employment law firm exclusively dedicated to representing management on workplace issues and is available at no additional cost to Employment Practices Liability policyholders.

To utilize the hotline, call **1-866-EPL-TRAV (1-866-375-8728)**.

We encourage policyholders to take advantage of this risk management tool. For more information about the hotline, go to www.rmplusonline.com/EPLhotline.

This material does not amend, or otherwise affect, the provisions or coverages of any insurance policy or bond issued by Travelers. It is not a representation that coverage does or does not exist for any particular claim or loss under any such policy or bond. Coverage depends on the facts and circumstances involved in the claim or loss, all applicable policy or bond provisions, and any applicable law. Availability of coverage referenced in this document can depend on underwriting qualifications and state regulations.

Travelers Casualty and Surety Company of America, PO Box 2950, Hartford, CT 06104-2950



PO Box 2950
Hartford, CT 06104-2950

April 28, 2026

MOON TOWNSHIP PUBLIC LIBRARY
1700 BEAVER GRADE RD
SUITE 100
CORAOPOLIS, PA 15108-3109

Re: Important Information about Claims Information Line

Dear MOON TOWNSHIP PUBLIC LIBRARY

Travelers Bond & Specialty Insurance is pleased to announce its **1-800-842-8496** Claims Information Line. This line is designed to provide insureds with an additional resource on how to report claims or those circumstances or events which may become claims.

Policyholders will be able to obtain assistance on the following topics from the Claims Information Line:

- The information that needs to be included with the claim notice
- The address, electronic mail address and/or facsimile number to which the policyholder can send claims related information
- Get questions on the claim process answered

The Declarations Page of your policy sets forth where you should report claims and claims related information. You should also review the policy's reporting requirements to be aware of how much time you have to report a claim to Travelers. The sooner Travelers is notified, the sooner we can become involved in the process and offer assistance to our policyholder. A delay in reporting may result in all or part of a matter to fall outside of the coverage provided.

The Claims Information Line should streamline the claim reporting process and allow policyholders to ask questions on what information is needed as well as other questions which will assist them in working with Travelers. While the Claims Information Line provides policyholders a valuable resource by answering questions and providing information, the line does not replace the reporting requirements contained in the Policy.

We hope this improvement to customer service is something our policyholders will find helps them understand the claim process and provides them a resource for reporting.

Risk Management Plus+ Online[®]

BOND & SPECIALTY INSURANCE

As a Travelers Bond & Specialty Insurance policyholder you receive access to risk management services, **at no additional cost**, to help protect you and your business. *Risk Management Plus+ Online* is a robust website designed to assist you in the mitigation of risk. Purchase of any coverage below offers access to the entire library of tools.



Employment Practices Liability



Private Directors & Officers Liability



Nonprofit Directors & Officers Liability



Fiduciary Liability



Crime



Kidnap & Ransom



ID Fraud

Risk Management Plus+ Online offers resources that policyholders can use to help prepare and protect their organizations against a wide range of exposures, including:

- ▶ How organizations can mitigate employment-related exposures from their employees and/or volunteers.
 - ▶ Helpline – toll-free hotline designed to provide quick, practical guidance on day-to-day workplace issues.*
 - ▶ Training modules – an extensive library, including state-specific harassment training modules.
 - ▶ Sample manuals – sample handbooks with recommended policies and procedures.
- ▶ Understanding obligations of a board member and what they can do to reduce the likelihood of a lawsuit.
- ▶ Understanding 401(k), 403(b) and defined benefit plan litigation trends, who is exposed and how to mitigate exposure.
- ▶ Steps to protect your personal information.
- ▶ Tips for segregating duties to avoid a crime loss.
- ▶ Tips to consider before traveling to mitigate the risk of kidnapping.

To register:

1. Go to rmpplusonline.com.
2. In the sign-in box, click Register.
3. Enter the password/passcode: TRVP120000
4. Fill in the registration information and click Submit.
5. Your organization is registered, and you are registered as Site Administrator for your organization.

Once registered, you may add other site administrators.

For more information, call 888.712.7667 and ask for your Risk Management Plus+ Online representative.

*Assistance is not intended to replace your company's need to hire employment counsel to assist in making specific personnel decisions and in implementing policies and procedures. Assistance provided exclusively to EPL policyholders.

This notice provides no coverage, nor does it change any policy terms. To determine the scope of coverage and the insured's rights and duties under the policy, read the entire policy carefully. For more information about the content of this notice, the insured should contact their agent or broker. If there is any conflict between the policy and this notice, the terms of the policy prevail.

Independent Agent And Broker Compensation Notice

For information on how Travelers compensates independent agents, brokers, or other insurance producers, please visit this website: www.travelers.com/w3c/legal/Producer_Compensation_Disclosure.html.

Or write:

**Travelers, Agency Compensation
One Tower Square
Hartford, CT 06183**

This notice provides no coverage, nor does it change any policy terms. To determine the scope of coverage and the insured's rights and duties under the policy, read the entire policy carefully. For more information about the content of this notice, the insured should contact their agent or broker. If there is any conflict between the policy and this notice, the terms of the policy prevail.

Pennsylvania Insurance Consultation Services Exemption 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, are not liable for damages from injury, death or loss occurring as a result of any act of 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.

CROSS-COVERAGE NOTICE ENDORSEMENT

This endorsement changes the following:

Non-Profit Organization Directors and Officers Liability, Employment Practices Liability

It is agreed that:

Notice provided to the Company of any:

1. **Claim, Potential Claim, Settlement Program Notice**, or circumstances which may give rise to a **Claim** under any Management Coverage or **Liability Coverage**; or
2. loss or situation that may result in loss, **Insured Event**, or **Identity Fraud** under any Crime Coverage or Other Coverage;

shall be deemed to have been provided under the Policy in its entirety.

Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, exclusions or limitations of the above-mentioned policy, except as expressly stated herein. This endorsement is part of such policy and incorporated therein.

Issuing Company: **Travelers Casualty and Surety Company of America**

Policy Number:

ACF-7007 Ed. 08-11

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

REMOVAL OF SHORT-RATE CANCELLATION ENDORSEMENT

This endorsement changes the following:

Non-Profit Organization Directors and Officers Liability, Employment Practices Liability

It is agreed that:

In any cancellation, termination or non-renewal provision, any reference to computing a premium on a short rate basis is replaced with a reference to computing such premium on a pro-rata basis.

Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, exclusions or limitations of the above-mentioned policy, except as expressly stated herein. This endorsement is part of such policy and incorporated therein.

Issuing Company: **Travelers Casualty and Surety Company of America**

Policy Number:

ACF-7006 Ed. 05-11

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SPECIMEN - QUOTE 1

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This endorsement modifies any Coverage Part or Coverage Form included in this Policy that is subject to the federal Terrorism Risk Insurance Act of 2002 as amended.

Cap On Losses From Certified Acts Of Terrorism Endorsement

The following is added to this Policy. This provision can limit coverage for any loss arising out of a *Certified Act Of Terrorism* if such loss is otherwise covered by this Policy. This provision does not apply if and to the extent that coverage for the loss is excluded or limited by an exclusion or other coverage limitation for losses arising out of *Certified Acts Of Terrorism* in another endorsement to this policy.

If aggregate insured losses attributable to *Certified Acts Of Terrorism* exceed \$100 billion in a calendar year and the Insurer has met its insurer deductible under *TRIA*, the Insurer will 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 *TRIA*, to be an act of terrorism pursuant to *TRIA*. The criteria contained in *TRIA* 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 *TRIA*; 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.

TRIA means the federal Terrorism Risk Insurance Act of 2002 as amended.

This endorsement modifies any Coverage Part or Coverage Form included in this Policy that is subject to the federal Terrorism Risk Insurance Act of 2002 as amended.

Federal Terrorism Risk Insurance Act Disclosure Endorsement

The federal Terrorism Risk Insurance Act of 2002 as amended ("TRIA"), establishes a program under which the Federal Government may partially reimburse "Insured Losses" (as defined in TRIA) caused by "Acts Of Terrorism" (as defined in TRIA). Act Of Terrorism is defined in Section 102(1) of TRIA to mean any act that is 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.

The Federal Government's share of compensation for such Insured Losses is 80% of the amount of such Insured Losses in excess of each Insurer's "Insurer Deductible" (as defined in TRIA), subject to the "Program Trigger" (as defined in TRIA).

In no event, however, will the Federal Government be required to pay any portion of the amount of such Insured Losses occurring in a calendar year that in the aggregate exceeds \$100 billion, nor will any Insurer be required to pay any portion of such amount provided that such Insurer has met its Insurer Deductible. Therefore, if such Insured Losses occurring in a calendar year exceed \$100 billion in the aggregate, the amount of any payments by the Federal Government and any coverage provided by this policy for losses caused by Acts Of Terrorism may be reduced.

For each coverage provided by this policy that applies to such Insured Losses, the charge for such Insured Losses is no more than one percent of your premium, and does not include any charge for the portion of such Insured Losses covered by the Federal Government under TRIA. Please note that no separate additional premium charge has been made for coverage for Insured Losses covered by TRIA. The premium charge that is allocable to such coverage is inseparable from and imbedded in your overall premium.

Issuing Company: **Travelers Casualty and Surety Company of America**
Policy Number:

AFE-19030 Rev. 09-20
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SPECIMEN - QUOTE 1

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LIABILITY COVERAGE TERMS AND CONDITIONS

**THIS IS A CLAIMS-MADE COVERAGE WITH DEFENSE EXPENSES INCLUDED IN THE COVERAGE LIMITS.
PLEASE READ THE POLICY CAREFULLY.**

CONSIDERATION CLAUSE

IN CONSIDERATION of the payment of the premium, in reliance on the statements in the **Application**, subject to the Declarations, and pursuant to all the terms, conditions, exclusions and limitations of this **Policy**, the Company and the Insureds agree as follows:

I. GENERAL

These **Liability Coverage** Terms and Conditions apply to all **Liability Coverages**. Unless otherwise stated to the contrary, the terms and conditions of each **Liability Coverage** apply only to that particular **Liability Coverage**. If any provision in these Liability Coverage Terms and Conditions is inconsistent or in conflict with the terms and conditions of any particular **Liability Coverage**, such **Liability Coverage's** terms, conditions, and limitations will control for purposes of that **Liability Coverage**.

II. DEFINITIONS

Wherever appearing in this **Liability Policy**, the following words and phrases appearing in bold type will have the meanings set forth in this Section II. DEFINITIONS:

- A. *Additional Defense Limit of Liability*** means the amount set forth in ITEM 5 of the Declarations for each applicable **Liability Coverage**. If “*Not Applicable*” is shown as the amount of any **Liability Coverage's Additional Defense Limit of Liability**, then any reference to the **Additional Defense Limit of Liability** will be deemed to be deleted from such **Liability Coverage**.
- B. *Annual Reinstatement of the Liability Coverage Limit of Liability*** means, if included in ITEM 10 of the Declarations, the reinstatement of each applicable **Liability Coverage Limit of Liability** or, if applicable, the **Liability Coverage Shared Limit of Liability** for each applicable **Liability Coverage** for each **Policy Year** during the **Policy Period**.
- C. *Application*** means the application deemed to be attached to and forming a part of this **Liability Policy**, including any materials submitted and statements made in connection with that application. If the **Application** uses terms or phrases that differ from the terms defined in this **Liability Policy**, no inconsistency between any term or phrase used in the **Application** and any term defined in this **Liability Policy** will waive or change any of the terms, conditions and limitations of this **Liability Policy**.
- D. *Change of Control*** means:
 - 1. the acquisition of the **Named Insured**, or of all or substantially all of its assets, by another entity, or the merger or consolidation of the **Named Insured** into or with another entity such that the **Named Insured** is not the surviving entity; or
 - 2. the obtaining by any person, entity or affiliated group of persons or entities the right to elect, appoint or designate more than fifty percent (50%) of the board of directors, board of trustees, board of managers, or functional equivalent thereof or to exercise a majority control of the board of directors, board of trustees, board of managers, or a functional equivalent thereof of the **Named Insured**.
- E. *Claim*** has the meaning set forth in the applicable **Liability Coverage**.

- F. **Defense Expenses** means reasonable and necessary legal fees and expenses incurred by the Company or the **Insured**, with the Company's consent, in the investigation, defense, settlement and appeal of a **Claim**, including but not limited to, cost of expert consultants and witnesses, premiums for appeal, injunction, attachment or supersedeas bonds (without the obligation to furnish such bonds) regarding such **Claim**; provided, that **Defense Expenses** will not include the salaries, wages, benefits or overhead of, or paid to, any **Insured** or any employee of such **Insured**.
- G. **Executive Officer** has the meaning set forth in the applicable **Liability Coverage**.
- H. **Financial Insolvency** means, with respect to the **Insured Organization** or any **Outside Entity**, the appointment of a receiver, conservator, liquidator, trustee, or similar official; or the inability of the **Insured Organization** or **Outside Entity** financially to indemnify the **Insured Persons**.
- I. **Foreign Parent Corporation** means any entity incorporated outside the United States, which owns more than fifty percent (50%) of the outstanding securities or voting rights representing the right to vote for the election of, or to appoint the **Named Insured's** board of directors, board of trustees or board of managers, or to exercise a majority control of the board of directors, board of trustees or board of managers of the **Named Insured**.
- J. **Insured** has the meaning set forth in the applicable **Liability Coverage**.
- K. **Insured Organization** has the meaning set forth in the applicable **Liability Coverage**.
- L. **Insured Person** has the meaning set forth in the applicable **Liability Coverage**.
- M. **Liability Coverage** means, individually or collectively, the **Liability Coverages** that have been purchased, as indicated in ITEM 4 of the Declarations.
- N. **Liability Coverage Limit of Liability** means the amount set forth in ITEM 5 of the Declarations for each applicable **Liability Coverage**.
- O. **Liability Coverage Shared Limit of Liability** means the amount set forth in ITEM 12 of the Declarations. If "Not Applicable" is shown in ITEM 12 of the Declarations or ITEM 4 of the Declarations indicates that only one **Liability Coverage** is included in this **Liability Policy**, any reference to either the **Liability Coverage Shared Limit of Liability** or ITEM 12 of the Declarations will be deemed to be deleted from this **Liability Policy**.
- P. **Liability Policy** means, collectively, the Declarations, the **Application**, the Liability Coverage Terms and Conditions, each purchased **Liability Coverage**, and any endorsements attached thereto.
- Q. **LLC Manager** means any natural person who was, is or becomes a manager, member of the board of managers, or a functionally equivalent executive of an **Insured Organization** that is a limited liability company.
- R. **Loss** has the meaning set forth in the applicable **Liability Coverage**.
- S. **Named Insured** means any entity named in ITEM 1 of the Declarations.
- T. **Policy Period** means the period from the Inception Date to the Expiration Date set forth in ITEM 2 of the Declarations. In no event will the **Policy Period** continue past the effective date of cancellation or termination of this **Liability Policy**.
- U. **Policy Year** means:
1. the period of one year following the Inception Date set forth in ITEM 2 of the Declarations or any anniversary thereof;
 2. the time between the Inception Date set forth in ITEM 2 of the Declarations or any anniversary thereof and the effective date of cancellation or termination of this **Liability Policy** if such time period is less than one year;

3. with respect to a **Liability Coverage** added to this **Liability Policy** after the Inception Date set forth in ITEM 2, the time between the inception date of such **Liability Coverage** and any anniversary of this **Liability Policy** if the time between the inception date of such **Liability Coverage** and any anniversary of this **Liability Policy** is less than one year; and
 4. with respect to a **Liability Coverage** added to this **Liability Policy** after the Inception Date set forth in ITEM 2, the time between the inception date of such **Liability Coverage** and the effective date or cancellation or termination of this **Liability Policy**, if such time is less than one year.
- V. **Pollutant** means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
- W. **Potential Claim** means any **Wrongful Act** that may subsequently give rise to a **Claim**.
- X. **Related Wrongful Act** means all **Wrongful Acts** that have as a common nexus, or are causally connected by reason of, any fact, circumstance, situation, event or decision.
- Y. **Subsidiary** has the meaning set forth in the applicable **Liability Coverage**.
- Z. **Wage and Hour Law** means any federal, state, or local law or regulation governing or related to the payment of wages including the payment of overtime, on-call time, minimum wages, meals, rest breaks or the classification of employees for the purpose of determining employees' eligibility for compensation under such law(s).
- AA. **Wrongful Act** has the meaning set forth in the applicable **Liability Coverage**.

III. CONDITIONS

A. TERRITORY

This **Liability Policy** applies to **Claims** made or **Wrongful Acts** occurring anywhere in the world.

B. RETENTION

The **Insured** shall bear uninsured at its own risk the amount of any applicable Retention, which amount must be paid in satisfaction of **Loss**.

If any **Claim** gives rise to coverage under a single **Liability Coverage**, the Company has no obligation to pay **Loss**, including **Defense Expenses**, until the applicable Retention amount set forth in ITEM 5 of the Declarations has been paid by the **Insured**.

If any **Claim** is subject to different Retentions under a single **Liability Coverage**, the applicable Retentions will be applied separately to each part of such **Claim**, but the sum of such Retentions will not exceed the largest applicable Retention under such **Liability Coverage**.

If any **Claim** gives rise to coverage under two or more **Liability Coverages**, the Company shall have no obligation to pay **Loss**, including **Defense Expenses**, until the largest Retention that is applicable to such **Claim** under such **Liability Coverages** has been paid by the **Insured**.

No Retention will apply to an **Insured Person** if indemnification by the **Insured Organization** is not permitted by law or if the **Insured Organization** is unable to make such indemnification solely by reason of its **Financial Insolvency**. The **Insured Organization** will be conclusively deemed to have indemnified all **Insured Persons** to the extent that the **Insured Organization** is permitted or required to indemnify them pursuant to law, common or statutory, or contract, or the charter or by-laws of the **Insured Organization**.

The Company, at its sole discretion, may pay all or part of the Retention amount on behalf of any **Insured**, and in such event, the **Insureds** agree to repay the Company any amounts so paid.

C. LIMITS OF LIABILITY

1. Liability Coverage Limit of Liability

Regardless of the number of persons or entities bringing **Claims** or the number of persons or entities who are **Insureds**, and regardless of when payment is made by the Company or when an **Insured's** legal obligation with regard thereto arises or is established, and further subject to any applicable **Liability Coverage Shared Limit of Liability** or **Annual Reinstatement of the Liability Coverage Limit of Liability**:

- a. the Company's maximum limit of liability for all **Loss**, including **Defense Expenses**, for all **Claims** under each applicable **Liability Coverage** will not exceed the remaining **Liability Coverage Limit of Liability** stated in ITEM 5 of the **Declarations** for each applicable **Liability Coverage**; and
- b. in the event that a **Claim** triggers more than one **Liability Coverage**, the Company's maximum limit of liability for all **Loss**, including **Defense Expenses**, for any such **Claim** will not exceed the sum of the remaining **Liability Coverage Limits of Liability** of the applicable **Liability Coverages**.

2. Liability Coverage Shared Limit of Liability

Regardless of the number of persons or entities bringing **Claims** or the number of persons or entities who are **Insureds**, and regardless of when payment is made by the Company or when an **Insured's** legal obligation with regard thereto arises or is established; and further subject to any applicable **Annual Reinstatement of the Liability Coverage Limit of Liability**, if ITEM 4 of the **Declarations** indicates that more than one **Liability Coverage** has been purchased and a **Liability Coverage Shared Limit of Liability** is shown in ITEM 12 of the **Declarations**:

- a. the Company's maximum limit of liability for all **Loss**, including **Defense Expenses**, for all **Claims** under all **Liability Coverages** subject to the **Liability Coverage Shared Limit of Liability**, as set forth in ITEM 12 of the **Declarations**, will not exceed the remaining **Liability Coverage Shared Limit of Liability**; and
- b. if the **Liability Coverage Shared Limit of Liability** is exhausted by the payment of amounts covered under any **Liability Coverage** subject to the **Liability Coverage Shared Limit of Liability**, as set forth in ITEM 12 of the **Declarations**, the premium for all **Liability Coverages** subject to the **Liability Coverage Shared Limit of Liability**, as set forth in ITEM 12 of the **Declarations**, will be fully earned, all obligations of the Company under all **Liability Coverages** subject to the **Liability Coverage Shared Limit of Liability**, as set forth in ITEM 12 of the **Declarations**, will be completely fulfilled and exhausted, including any duty to defend, and the Company will have no further obligations of any kind or nature whatsoever under any **Liability Coverage** subject to the **Liability Coverage Shared Limit of Liability**, as set forth in ITEM 12 of the **Declarations**.

3. Annual Reinstatement of the Liability Coverage Limit of Liability

Regardless of the number of persons or entities bringing **Claims** or the number of persons or entities who are **Insureds**, and regardless of when payment is made by the Company or when an **Insured's** legal obligation with regard thereto arises or is established, if ITEM 10 of the **Declarations** includes an **Annual Reinstatement of the Liability Coverage Limit of Liability**:

- a. the Company's maximum limit of liability for all **Loss**, including **Defense Expenses**, for all **Claims** made during each **Policy Year** will not exceed the remaining **Liability Coverage Limit of Liability** stated in ITEM 5 of the **Declarations** for each applicable **Liability Coverage** or, if applicable, the remaining **Liability Coverage Shared Limit of Liability**; and
- b. with regard to the Extended Reporting Period or the Run-Off Extended Reporting Period, if applicable, the Company's maximum limit of liability for all **Claims** made during the Extended Reporting Period or the Run-Off Extended Reporting Period will not exceed the remaining **Liability Coverage Limit of Liability** or, if applicable, the **Liability Coverage Shared Limit of Liability** for the last **Policy Year** in effect at the time of the termination or cancellation of the **Liability Coverage** or the **Change of Control**.

4. Other Provisions

Payment of **Defense Expenses** will reduce and may exhaust all applicable limits of liability. In the event the amount of **Loss** exceeds the portion of the applicable limit of liability remaining after prior payments of **Loss**, the Company's liability will not exceed the remaining amount of the applicable limit of liability. In no event will the Company be obligated to make any payment for **Loss**, including **Defense Expenses**, with regard to a **Claim** after the applicable limit of liability has been exhausted by payment or tender of payment of **Loss**.

If a **Liability Coverage Limit of Liability** is exhausted by the payment of amounts covered under such **Liability Coverage**, the premium for such **Liability Coverage** will be fully earned, all obligations of the Company under such **Liability Coverage** will be completely fulfilled and exhausted, including any duty to defend, and the Company will have no further obligations of any kind or nature whatsoever under such **Liability Coverage**.

D. ADDITIONAL DEFENSE COVERAGE

Regardless of the number of persons or entities bringing **Claims** or the number of persons or entities who are **Insureds**, and regardless of when payment is made by the Company or when an **Insured's** legal obligation with regard thereto arises or is established, if ITEM 5 of the Declarations indicates that any **Liability Coverage** includes Additional Defense Coverage, **Defense Expenses** incurred by the Company or the **Insured**, with the Company's consent, in the defense of any **Claim** made during the **Policy Period** under any such **Liability Coverage** will apply first to and reduce the **Additional Defense Limit of Liability**. The **Additional Defense Limit of Liability** will be in addition to, and not part of, such **Liability Coverage's** applicable **Liability Coverage Limit of Liability** or **Liability Coverage Shared Limit of Liability**, if applicable. The **Additional Defense Limit of Liability** is applicable to **Defense Expenses** only. If the **Annual Reinstatement of the Liability Coverage Limit of Liability** is applicable, the **Additional Defense Limit of Liability** will be reinstated for each **Policy Year**.

Upon exhaustion of the Additional Defense Limit of Liability:

1. **Defense Expenses** incurred by the Company or the **Insured**, with the Company's consent, in the defense of a **Claim** are part of and not in addition to any applicable limit of liability; and
2. payment by the Company or the **Insured**, with the Company's consent, of **Defense Expenses** reduces any applicable limit of liability.

E. CLAIM DEFENSE

1. If Duty-to-Defend coverage is provided with respect to this **Liability Policy** as indicated in ITEM 7 of the Declarations, the Company will have the right and duty to defend any **Claim** covered by a **Liability Coverage**, even if the allegations are groundless, false or fraudulent, including the right to select defense counsel with respect to such **Claim**; provided, that the Company will not be obligated to defend or to continue to defend any **Claim** after the applicable limit of liability has been exhausted by payment of **Loss**.
2. If Reimbursement coverage is provided with respect to this **Liability Policy** as indicated in ITEM 7 of the Declarations:
 - a. the Company will have no duty to defend any **Claim** covered by a **Liability Coverage**. It will be the duty of the **Insured** to defend such **Claims**; and the Company will have the right to participate with the **Insured** in the investigation, defense and settlement, including the negotiation of a settlement of any **Claim** that appears reasonably likely to be covered in whole or in part by such **Liability Coverage** and the selection of appropriate defense counsel; and
 - b. upon written request, the Company will advance **Defense Expenses** with respect to such **Claim**. Such advanced payments by the Company will be repaid to the Company by the **Insureds** severally according to their respective interests in the event and to the extent that the **Insureds** are not entitled to payment of such **Defense Expenses** under such **Liability Coverage**. As a condition of any payment of **Defense Expenses** under this subsection, the Company may require a written undertaking on terms and conditions satisfactory to the Company guaranteeing the repayment of any **Defense Expenses** paid to or on behalf of any **Insured** if it is finally determined that any such **Claim** or portion of any **Claim** is not covered under such **Liability Coverage**.

3. The **Insured** agrees to cooperate with the Company and, upon the Company's request, assist in making settlements and in the defense of **Claims** and in enforcing rights of contribution or indemnity against any person or entity which may be liable to the **Insured** because of an act or omission insured under such **Liability Coverage**, will attend hearings and trials and assist in securing and giving evidence and obtaining the attendance of witnesses.

F. **INSURED'S DUTIES IN THE EVENT OF A CLAIM**

The **Insured's** duty to report a **Claim** commences on the earliest date a written notice thereof is received by an **Executive Officer**. If an **Executive Officer** becomes aware that a **Claim** has been made against any **Insured**, the **Insured**, as a condition precedent to any rights under this **Liability Policy**, must give to the Company written notice of the particulars of such **Claim**, including all facts related to any alleged **Wrongful Act**, the identity of each person allegedly involved in or affected by such **Wrongful Act**, and the dates of the alleged events, as soon as practicable. The **Insured** agrees to give the Company such information, assistance and cooperation as it may reasonably require.

All notices under this subsection must be sent by mail or prepaid express courier to the address set forth in ITEM 3 of the Declarations and will be effective upon receipt. The **Insured** agrees not to voluntarily settle any **Claim**, make any settlement offer, assume or admit any liability or, except at the **Insured's** own cost, voluntarily make any payment, pay or incur any **Defense Expenses**, or assume any obligation or incur any other expense, without the Company's prior written consent, such consent not to be unreasonably withheld. The Company is not liable for any settlement, **Defense Expenses**, assumed obligation or admission to which it has not consented.

G. **NOTICE OF POTENTIAL CLAIMS**

If an **Insured** becomes aware of a **Potential Claim** and gives the Company written notice of the particulars of such **Potential Claim**, including all facts related to the **Wrongful Act**, the identity of each person allegedly involved in or affected by such **Wrongful Act**, the dates of the alleged events, and the reasons for anticipating a **Claim**, as soon as practicable during the **Policy Period**, or if exercised, during the Extended Reporting Period or Run-Off Extended Reporting Period, any **Claim** subsequently made against any **Insured** arising out of such **Wrongful Act** will be deemed to have been made during the **Policy Period**.

All notices under this subsection must be sent by mail or prepaid express courier to the address set forth in ITEM 3 of the Declarations and will be effective upon receipt.

H. **RELATED CLAIMS**

All **Claims** or **Potential Claims** for **Related Wrongful Acts** will be considered as a single **Claim** or **Potential Claim**, whichever is applicable, for purposes of this **Liability Policy**. All **Claims** or **Potential Claims** for **Related Wrongful Acts** will be deemed to have been made at the time the first of such **Claims** or **Potential Claims** for **Related Wrongful Acts** was made whether prior to or during the **Policy Period**, or if exercised, during the Extended Reporting Period or Run-Off Extended Reporting Period.

I. **SUBROGATION**

In the event of payment under this **Liability Policy**, the Company is subrogated to all of the **Insured's** rights of recovery against any person or organization to the extent of such payment and the **Insured** agrees to execute and deliver instruments and papers and do whatever else is necessary to secure such rights. The **Insured** will do nothing to prejudice such rights.

J. **RECOVERIES**

All recoveries from third parties for payments made under this **Liability Policy** will be applied, after first deducting the costs and expenses incurred in obtaining such recovery, in the following order of priority:

1. first, to the Company to reimburse the Company for any Retention amount it has paid on behalf of any **Insured**;
2. second, to the **Insured** to reimburse the **Insured** for the amount it has paid which would have been paid hereunder but for the fact that it is in excess of the applicable limits of liability hereunder;

3. third, to the Company to reimburse the Company for the amount paid hereunder; and
4. fourth, to the **Insured** in satisfaction of any applicable Retention; provided, recoveries do not include any recovery from insurance, suretyship, reinsurance, security or indemnity taken for the Company's benefit.

K. CHANGE OF CONTROL

If, during the **Policy Period**, a **Change of Control** occurs, coverage will continue in full force and effect with respect to **Claims** for **Wrongful Acts** committed before such event, but coverage will cease with respect to **Claims** for **Wrongful Acts** committed after such event. No coverage will be available hereunder for **Loss**, including **Defense Expenses**, for any **Claim** based upon, alleging, arising out of, or in any way relating to, directly or indirectly any **Wrongful Act** committed or allegedly committed after such event. After any such event, the **Liability Policy** may not be canceled by the **Named Insured** and the entire premium for the **Liability Policy** will be deemed fully earned.

Upon the occurrence of any **Change of Control**, the **Named Insured** will have the right to give the Company notice that it desires to purchase a Run-Off Extended Reporting Period for any **Liability Coverage** for the period set forth in ITEM 9 of the Declarations following the effective date of such **Change of Control**, regarding **Claims** made during such Run-Off Extended Reporting Period against persons or entities who at the effective date of the **Change of Control** are **Insureds**, but only for **Wrongful Acts** occurring wholly prior to such **Change of Control** and which otherwise would be covered by such **Liability Coverage**, subject to the following provisions:

1. such Run-Off Extended Reporting Period will not provide new, additional or renewed limits of liability; and
2. the Company's total liability for all **Claims** made during such Run-Off Extended Reporting Period will be only the remaining portion of the applicable limit of liability set forth in the Declarations as of the effective date of the **Change of Control**.

The premium due for the Run-Off Extended Reporting Period will equal the percentage set forth in ITEM 9 of the Declarations of the annualized premium of the applicable **Liability Coverage**, including the fully annualized amount of any additional premiums charged by the Company during the **Policy Period** prior to the **Change of Control**. The entire premium for the Run-Off Extended Reporting Period will be deemed fully earned at the commencement of such Run-Off Extended Reporting Period.

The right to elect the Run-Off Extended Reporting Period will terminate unless written notice of such election, together with payment of the additional premium due, is received by the Company within thirty (30) days of the **Change of Control**. In the event the Run-Off Extended Reporting Period is purchased, the option to purchase the Extended Reporting Period in Section III. CONDITIONS O. EXTENDED REPORTING PERIOD of these Liability Coverage Terms and Conditions will terminate. In the event the Run-Off Extended Reporting Period is not purchased, the **Named Insured** will have the right to purchase the Extended Reporting Period under the terms of Section III. CONDITIONS O. EXTENDED REPORTING PERIOD of these Liability Coverage Terms and Conditions.

If, at any time during the **Policy Period**, the **Insured Organization** eliminates or reduces its ownership interest in, or control over a **Subsidiary**, such that it no longer meets the definition of a **Subsidiary**, coverage will continue for such entity but only with regard to **Claims** for **Wrongful Acts** which occurred wholly during the time that the entity was a **Subsidiary**.

L. ACQUISITIONS

If, during the **Policy Period**, the **Insured Organization** acquires or forms a **Subsidiary**, this **Liability Policy** will provide coverage for such **Subsidiary** and its respective **Insured Persons**, subject to all other terms and conditions of this **Liability Policy**, provided written notice of such acquisition or formation has been given to the Company, and specific application has been submitted on the Company's form in use at the time, together with such documentation and information as the Company may require, all within ninety (90) days after the effective date of such formation or acquisition. Coverage for such **Subsidiary** will not be afforded following such 90-day period unless the Company has agreed to provide such coverage, subject to any additional terms and conditions as the Company may require, and the **Named Insured** has paid the Company any additional premium as may be required by the Company.

The 90-day notice requirement and the 90-day limitation of coverage will not apply provided that: (1) the assets of the acquired or formed **Subsidiary** do not exceed 30% of the total assets of the **Insured Organization** as reflected in the **Insured Organization's** most recent fiscal year-end financial statement; or (2) the acquisition or formation occurs less than 90 days prior to the end of the **Policy Period**.

M. SPOUSAL AND DOMESTIC PARTNER LIABILITY COVERAGE

This **Liability Policy** will, subject to all of its terms, conditions, and limitations, be extended to apply to **Loss** resulting from a **Claim** made against a person who, at the time the **Claim** is made, is a lawful spouse or a person qualifying as a domestic partner under the provisions of any applicable federal, state or local law (a "Domestic Partner") of an **Insured Person**, but only if and so long as:

1. the **Claim** against such spouse or Domestic Partner results from a **Wrongful Act** actually or allegedly committed by the **Insured Person**, to whom the spouse is married, or who is joined with the Domestic Partner; and
2. such **Insured Person** and his or her spouse or Domestic Partner are represented by the same counsel in connection with such **Claim**.

No spouse or Domestic Partner of an **Insured Person** will, by reason of this subsection have any greater right to coverage under this **Liability Policy** than the **Insured Person** to whom such spouse is married, or to whom such Domestic Partner is joined.

The Company has no obligation to make any payment for **Loss** in connection with any **Claim** against a spouse or Domestic Partner of an **Insured Person** for any actual or alleged act, error, omission, misstatement, misleading statement, neglect or breach of duty by such spouse or Domestic Partner.

N. FOREIGN PARENT CORPORATION COVERAGE

This **Liability Policy** will, subject to all of its terms, conditions, and limitations, be extended to apply coverage for **Defense Expenses** resulting from any **Claim** made against a **Foreign Parent Corporation**, but only if and so long as:

1. such **Claim** results from a **Wrongful Act** actually or allegedly committed solely by any **Insured**;
2. such **Insured** and the **Foreign Parent Corporation** are represented by the same counsel in connection with such **Claim**; and
3. such **Insured** is included as a co-defendant.

No **Foreign Parent Corporation** will, by reason of this subsection, have any greater right to coverage under this **Liability Policy** than any **Insured**.

The Company has no obligation to make any payment for **Loss** in connection with any **Claim** against a **Foreign Parent Corporation** for any actual or alleged act, error, omission, misstatement, misleading statement, neglect or breach of duty by such **Foreign Parent Corporation** or any member of the board of directors, officer, employee, or functional equivalent thereof.

O. EXTENDED REPORTING PERIOD

At any time prior to or within 60 days after the effective date of termination or cancellation of any Liability Coverage for any reason other than nonpayment of premium, the **Named Insured** may give the Company written notice that it desires to purchase an Extended Reporting Period for the period set forth in ITEM 8 of the Declarations following the effective date of such termination or cancellation, regarding **Claims** made during such Extended Reporting Period against persons or entities who at or prior to the effective date of termination or cancellation are **Insureds**, but only for **Wrongful Acts** occurring wholly prior to the effective date of the termination or cancellation and which otherwise would be covered by such **Liability Coverage**, subject to the following provisions:

1. such Extended Reporting Period will not provide a new, additional or renewed limit(s) of liability; and
2. the Company's maximum limit of liability for all **Claims** made during such Extended Reporting Period will be only the remaining portion of the applicable limit of liability set forth in the Declarations as of the effective date of the termination or cancellation;

The premium due for the Extended Reporting Period will equal the percentage set forth in ITEM 8 of the Declarations of the annualized premium of the applicable **Liability Coverage**, including the fully annualized amount of any additional premiums charged by the Company during the **Policy Year** prior to such termination or cancellation. The entire premium for the Extended Reporting Period will be deemed to have been fully earned at the commencement of such Extended Reporting Period.

The right to elect the Extended Reporting Period will terminate unless written notice of such election, together with payment of the additional premium due, is received by the Company within 60 days of the effective date of the termination or cancellation.

P. ALLOCATION

1. If Duty-to-Defend coverage is indicated in ITEM 7 of the Declarations and there is a **Claim** under any **Liability Coverage** in which the **Insureds** who are afforded coverage for such **Claim** incur an amount consisting of both **Loss** that is covered by such **Liability Coverage** and also loss that is not covered by such **Liability Coverage** because such **Claim** includes both covered and uncovered matters or covered and uncovered parties, then such covered **Loss** and uncovered loss will be allocated as follows:
 - a. one hundred percent (100%) of **Defense Expenses** incurred by the **Insureds** who are afforded coverage for such **Claim** will be allocated to covered **Loss**; and
 - b. all loss other than **Defense Expense** will be allocated between covered **Loss** and uncovered loss based upon the relative legal and financial exposures of, and relative benefits obtained in connection with the defense and settlement of the **Claim** by the **Insured Persons**, the **Insured Organization**, and others not insured under such **Liability Coverage**. In making such a determination, the **Insured Organization**, the **Insured Persons** and the Company agree to use their best efforts to determine a fair and proper allocation of all such amounts. In the event that an allocation cannot be agreed to, then the Company will be obligated to make an interim payment of the amount of **Loss** which the parties agree is not in dispute until a final amount is agreed upon or determined pursuant to the provisions of the applicable **Liability Coverage** and applicable law.
2. If Reimbursement coverage is indicated in ITEM 7 of the Declarations and there is a **Claim** under any **Liability Coverage** in which the **Insureds** who are afforded coverage for such **Claim** incur an amount consisting of both **Loss** that is covered by such **Liability Coverage** and also loss that is not covered by such **Liability Coverage** because such **Claim** includes both covered and uncovered matters or covered and uncovered parties, the **Insureds** and the Company agree to use their best efforts to determine a fair and proper allocation of all such amounts. In making such a determination, the parties will take into account the relative legal and financial exposures of, and relative benefits obtained in connection with the defense and settlement of the **Claim** by the **Insured Persons**, the **Insured Organization**, and others not insured under the applicable **Liability Coverage**. In the event that an allocation cannot be agreed to, then the Company will be obligated to make an interim payment of the amount of **Loss** which the parties agree is not in dispute until a final amount is agreed upon or determined pursuant to the provisions of the applicable **Liability Coverage** and applicable law.

Q. CANCELLATION

The Company may cancel this **Liability Policy** for failure to pay a premium when due, in which case twenty (20) days written notice will be given to the **Named Insured**, unless, payment in full is received within twenty (20) days of the **Named Insured's** receipt of such notice of cancellation. The Company has the right to the premium amount for the portion of the **Policy Period** during which this **Liability Policy** was in effect.

Subject to the provisions set forth in Section III. CONDITIONS K. CHANGE OF CONTROL, the **Named Insured** may cancel any **Liability Coverage** by mailing the Company written notice stating when, thereafter, not later than the Expiration Date set forth in ITEM 2 of the Declarations, such cancellation will be effective. In the event the **Named Insured** cancels, the earned premium will be computed in accordance with the customary short rate table and procedure. Premium adjustment may be made either at the time cancellation is effective or as soon as practicable after cancellation becomes effective, but payment or tender of unearned premium is not a condition of cancellation.

The Company will not be required to renew this **Liability Policy** upon its expiration. If the Company elects not to renew, it will provide to the **Named Insured** written notice to that effect at least thirty (30) days before the Expiration Date set forth in ITEM 2 of the Declarations.

R. ACTION AGAINST THE COMPANY

No action will lie against the Company unless there has been full compliance with all of the terms of this **Liability Policy**.

No person or organization has any right under this **Liability Policy** to join the Company as a party to any action against the **Insured** to determine the **Insured's** liability, nor may the Company be impleaded by an **Insured** or said **Insured's** legal representative. Bankruptcy or insolvency of any **Insured** or an **Insured's** estate does not relieve the Company of any of its obligations hereunder.

S. CHANGES

Only the **Named Insured** is authorized to make changes in the terms of this **Liability Policy** and solely with the Company's prior written consent. This **Liability Policy's** terms can be changed, amended or waived only by endorsement issued by the Company and made a part of this **Liability Policy**. Notice to any representative of the **Insured** or knowledge possessed by any agent or by any other person will not effect a waiver or change to any part of this **Liability Policy**, or estop the Company from asserting any right under the terms, conditions and limitations of this **Liability Policy**, nor may the terms, conditions and limitations hereunder be waived or changed, except by a written endorsement to this **Liability Policy** issued by the Company.

T. ASSIGNMENT

This **Liability Policy** may not be assigned or transferred, and any such attempted assignment or transfer is void and without effect unless the Company has provided its prior written consent to such assignment or transfer.

U. REPRESENTATIONS

By acceptance of the terms set forth in this **Liability Policy**, each **Insured** represents and agrees that the statements contained in the **Application**, which is deemed to be attached hereto, incorporated herein, and forming a part hereof, are said **Insured's** agreements and representations, that such representations are material to the Company's acceptance of this risk, that this **Liability Policy** is issued in reliance upon the truth of such representations, and embodies all agreements existing between said **Insured** and the Company or any of its agents.

If any statement or representation in the **Application** is untrue with respect to any **Liability Coverage**, such **Liability Coverage** is void and of no effect whatsoever, but only with respect to:

1. any **Insured Person** who knew, as of the Inception Date set forth in ITEM 2 of the Declarations, that the statement or representation was untrue;
2. any **Insured Organization**, with respect to its indemnification coverage, to the extent it indemnifies any **Insured Person** referenced in 1. above; and
3. any **Insured Organization**, if the person who signed the **Application** knew that the statement or representation was untrue.

Whether an **Insured Person** had such knowledge will be determined without regard to whether the **Insured Person** actually knew the **Application**, or any other application completed for this **Liability Policy**, contained any such untrue statement or representation.

V. LIBERALIZATION

If, during the **Policy Period**, the Company is required, by law or by insurance supervisory authorities of the state in which this **Liability Policy** was issued, to make any changes in the form of this **Liability Policy**, by which the insurance afforded by this **Liability Policy** could be extended or broadened without increased premium charge by endorsement or substitution of form, then such extended or broadened insurance will inure to the benefit of the **Insured** as of the date the revision or change is approved for general use by the applicable department of insurance.

W. AUTHORIZATION

By acceptance of the terms herein, the **Named Insured** agrees to act on behalf of all **Insureds** with respect to the payment of premiums, the receiving of any return premiums that may become due hereunder, and the receiving of notices of cancellation, nonrenewal, or change of coverage, and the **Insureds** each agree that they have, individually and collectively, delegated such authority exclusively to the **Named Insured**; provided, that nothing herein will relieve the **Insureds** from giving any notice to the Company that is required under this **Liability Policy**.

X. ENTIRE AGREEMENT

The Declarations, the **Application**, the Liability Coverage Terms and Conditions, each **Liability Coverage**, and any endorsements attached thereto, constitute the entire agreement between the Company and the **Insured**.

Y. HEADINGS

The titles of the various paragraphs of this **Liability Policy** and its endorsements are inserted solely for convenience or reference and are not to be deemed in any way to limit or affect the provision to which they relate.

AMEND NUMBER OF DAYS FOR ELECTING EXTENDED REPORTING PERIOD ENDORSEMENT

This endorsement modifies the following:

Non-Profit Organization Directors and Officers Liability, Employment Practices Liability

It is agreed that:

Solely with respect to the **Liability Coverage(s)** shown above, section **III. CONDITIONS, O. EXTENDED REPORTING PERIOD** of the **Liability Coverage Terms and Conditions** is replaced by the following:

O. EXTENDED REPORTING PERIOD

At any time prior to or within **90** days after the effective date of termination or cancellation of any Liability Coverage for any reason other than nonpayment of premium, the **Named Insured** may give the Company written notice that it desires to purchase an Extended Reporting Period for the period set forth in ITEM 8 of the Declarations following the effective date of such termination or cancellation, regarding **Claims** made during such Extended Reporting Period against persons or entities who at or prior to the effective date of termination or cancellation are **Insureds**, but only for **Wrongful Acts** occurring wholly prior to the effective date of the termination or cancellation and which otherwise would be covered by such **Liability Coverage**, subject to the following provisions:

1. such Extended Reporting Period will not provide a new, additional or renewed limit(s) of liability; and
2. the Company's maximum limit of liability for all **Claims** made during such Extended Reporting Period will be only the remaining portion of the applicable limit of liability set forth in the Declarations as of the effective date of the termination or cancellation;

The premium due for the Extended Reporting Period will equal the percentage set forth in ITEM 8 of the Declarations of the annualized premium of the applicable **Liability Coverage**, including the fully annualized amount of any additional premiums charged by the Company during the **Policy Year** prior to such termination or cancellation. The entire premium for the Extended Reporting Period will be deemed to have been fully earned at the commencement of such Extended Reporting Period.

The right to elect the Extended Reporting Period will terminate unless written notice of such election, together with payment of the additional premium due, is received by the Company within **90** days of the effective date of the termination or cancellation.

Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, exclusions or limitations of the above-mentioned policy, except as expressly stated herein. This endorsement is part of such policy and incorporated therein.

Issuing Company: **Travelers Casualty and Surety Company of America**

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SETTLEMENT CONDITION ENDORSEMENT

This endorsement modifies the following when indicated below by :

It is agreed that:

Non-Profit Organization Directors and Officers Liability

The following replaces **B. SETTLEMENT** of the **CONDITIONS** section of the **Liability Coverage**:

B. SETTLEMENT

The Company may, with the written consent of the **Insured**, make such settlement or compromise of any **Claim** as the Company deems expedient. In the event that the Company recommends an offer of settlement (a "Settlement Offer") of any **Claim** which is acceptable to the claimant(s), and if the **Insured** refuses to consent to such Settlement Offer, the **Insured** will be solely responsible for twenty percent (20%) of all **Defense Expenses** incurred or paid by the **Insured** after the date the **Insured** refused to consent to the Settlement Offer, and the **Insured** will also be responsible for twenty percent (20%) of all **Loss**, other than **Defense Expenses**, in excess of the Settlement Offer, provided that the Company's liability under this **Liability Coverage** for such **Claim** does not exceed the remaining applicable limit of liability.

Financial Institution Professional Liability

The following replaces **B. SETTLEMENT** of the **CONDITIONS** section of the **Liability Coverage**:

B. SETTLEMENT

The Company may, with the written consent of the **Insured**, make such settlement or compromise of any **Claim** as the Company deems expedient. In the event that the Company recommends an offer of settlement (a "Settlement Offer") of any **Claim** which is acceptable to the claimant(s), and if the **Insured** refuses to consent to such Settlement Offer, the **Insured** will be solely responsible for twenty percent (20%) of all **Defense Expenses** incurred or paid by the **Insured** after the date the **Insured** refused to consent to the Settlement Offer, and the **Insured** will also be responsible for twenty percent (20%) of all **Loss**, other than **Defense Expenses**, in excess of the Settlement Offer, provided that the Company's liability under this **Liability Coverage** for such **Claim** does not exceed the remaining applicable limit of liability.

Employment Practices Liability

The following replaces section **IV. CONDITIONS, A. SETTLEMENT** of the **Liability Coverage**:

A. SETTLEMENT

1. The Company may, with the written consent of the **Insured**, make such settlement or compromise of any **Claim** as the Company deems expedient. In the event that:
 - a. the **Insured** and the party bringing a **Claim** hereunder consent to the first settlement offer recommended by the Company (the "Settlement Offer") within thirty (30) days of being made aware of such offer by the Company; and

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- b. the amount of such Settlement Offer:
 - i. is less than the remaining applicable limit of liability available at the time; and
 - ii. combined with **Defense Expenses** incurred with respect to such **Claim**, exceeds the Retention;

the Retention will be retroactively reduced by ten percent (10%) with respect to such **Claim**.

- 2. If the **Insured** does not consent to the Settlement Offer within thirty (30) days of being made aware of such offer by the Company:
 - a. the Retention will not be reduced as provided in paragraph 1. above even if consent is given to the same or subsequent Settlement Offer; and
 - b. the **Insured** will be solely responsible for twenty percent (20%) of all **Defense Expenses** incurred or paid by the **Insured** after the date the **Insured** refused to consent to the Settlement Offer, and the **Insured** will also be responsible for twenty percent (20%) of all **Loss**, other than **Defense Expenses**, in excess of the Settlement Offer, provided that the Company's liability under this **Liability Coverage** for such **Claim** will not exceed the remaining applicable limit of liability.

Fiduciary Liability

The following replaces section **V. CONDITIONS, A. SETTLEMENT** of the **Liability Coverage**:

A. SETTLEMENT

The Company may, with the written consent of the **Insured**, make such settlement or compromise of any **Claim** as the Company deems expedient. In the event that the Company recommends an offer of settlement of any **Claim** which is acceptable to the claimant(s) (a "Settlement Offer"), and if the **Insured** refuses to consent to such Settlement Offer, the **Insured** will be solely responsible for twenty percent (20%) of all **Defense Expenses** incurred or paid by the **Insured** after the date the **Insured** refused to consent to the Settlement Offer, and the **Insured** will also be responsible for twenty percent (20%) of all **Loss**, other than **Defense Expenses**, in excess of the Settlement Offer, provided that the Company's liability under this **Liability Coverage** for such **Claim** will not exceed the remaining applicable limit of liability.

Miscellaneous Professional Liability

The following replaces section **V. CONDITIONS, B. SETTLEMENT** of the **Liability Coverage**:

B. SETTLEMENT

The Company may, with the written consent of the **Insured**, make such settlement or compromise of any **Claim** as the Company deems expedient. In the event that the Company recommends an offer of settlement (a "Settlement Offer") of any **Claim** which is acceptable to the claimant(s), and if the **Insured** refuses to consent to such Settlement Offer, the **Insured** will be solely responsible for twenty percent (20%) of all **Defense Expenses** incurred or paid by the **Insured** after the date the **Insured** refused to consent to the Settlement Offer, and the **Insured** will also be responsible for twenty percent (20%) of all **Loss**, other than **Defense Expenses**, in excess of the Settlement Offer, provided that the Company's liability under this **Liability Coverage** for such **Claim** will not exceed the remaining applicable limit of liability.

Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, exclusions or limitations of the above-mentioned policy, except as expressly stated herein. This endorsement is part of such policy and incorporated therein.

ADVANCEMENT OF THE RETENTION ENDORSEMENT

This endorsement changes the following:

Employment Practices Liability, Non-Profit Organization Directors and Officers Liability

It is agreed that:

The following is added to section III. **CONDITIONS, B. RETENTION** of the Liability Coverage Terms and Conditions:

Notwithstanding anything in this section III. **CONDITIONS, B. RETENTION** to the contrary, if the **Insured Organization** is permitted by law to indemnify any **Insured Person** for any applicable Retention but refuses or fails to do so and such refusal or failure is not by reason of **Financial Insolvency**, then the Company will advance the amount of any applicable Retention that would otherwise be covered under this **Liability Coverage** on behalf of such **Insured Person** and will be subrogated to the rights of such **Insured Person** pursuant to section III. **CONDITIONS, I. SUBROGATION** for purposes of recovering such Retention amount from the **Insured Organization**.

The **Insured Organization's** failure or refusal to indemnify such **Insured Person** will be deemed to have occurred if the **Insured Organization** has neither paid such Retention on behalf of the **Insured Person**, nor acknowledged its obligation to do so, within 60 days of the **Insured Person's** written demand to the **Insured Organization** for indemnification or payment of such Retention.

Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, exclusions or limitations of the above-mentioned policy, except as expressly stated herein. This endorsement is part of such policy and incorporated therein.

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LIA-19002 Ed. 11-11

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**AMEND CANCELLATION CONDITION -- PRO RATA COMPUTATION OF PREMIUM REFUND
ENDORSEMENT**

This endorsement changes the following:

Liability Coverage Terms and Conditions

It is agreed that:

The following replaces paragraph two of **Section III. CONDITIONS, Q. CANCELLATION**:

Subject to the provisions set forth in Section III. CONDITIONS, K. CHANGE OF CONTROL, the **Named Insured** may cancel any **Liability Coverage** by mailing the Company written notice stating when, thereafter, not later than the Expiration Date set forth in ITEM 2 of the Declarations, such cancellation will be effective. In the event the **Named Insured** cancels, the Company will refund any unearned premium computed pro rata. Premium adjustment may be made either at the time cancellation is effective or as soon as practicable after cancellation becomes effective, but payment or tender of unearned premium is not a condition of cancellation.

Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, exclusions or limitations of the above-mentioned policy, except as expressly stated herein. This endorsement is part of such policy and incorporated therein.

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NON-RESCINDABILITY AND NON-IMPUTATION ENDORSEMENT

This endorsement changes the following:

Non-Profit Organization Directors and Officers Liability, Employment Practices Liability

It is agreed that:

The following replaces section **III. CONDITIONS, U., REPRESENTATIONS**, of the Liability Coverage Terms and Conditions:

U. REPRESENTATIONS

In consideration of issuing this **Liability Policy**, the Company has relied upon the statements and representations in the **Application**. The **Insureds** represent and agree that all such statements and representations are true and accurate and are the basis of the **Liability Policy**. This **Liability Policy** is issued in reliance upon the truth of all such statements and representations.

With respect to all statements and representations contained in the **Application**, no knowledge possessed by any one **Insured Person** will be imputed to any other **Insured Person**.

The Company will not, under any circumstance, rescind this **Liability Policy** with respect to any **Insured**. However, the **Insureds** agree that in the event any such statements or representations in the **Application** are untrue or inaccurate and materially affect either the acceptance of the risk or the hazard assumed by the Company, then no coverage will be afforded under this **Liability Policy** with respect to the following **Insureds** for any **Claim** based upon or arising out of the information that was not truthfully or accurately disclosed in the **Application**:

1. any **Insured Person** who knew, as of the Inception Date set forth in ITEM 2 of the Declarations, that the statement or representation was untrue;
2. any **Insured Organization**, with respect to indemnification coverage, to the extent it indemnifies any **Insured Person** referenced in 1. above; and
3. any **Insured Organization**, if the person who signed the **Application**, knew that the statement or representation was untrue.

Whether an **Insured Person** had such knowledge will be determined without regard to whether the **Insured Person** actually knew the **Application**, or any other application completed for this **Liability Policy**, contained any such untrue statement or representation.

Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, exclusions or limitations of the above-mentioned policy, except as expressly stated herein. This endorsement is part of such policy and incorporated therein.

Issuing Company: **Travelers Casualty and Surety Company of America**

Policy Number:

GLOBAL COVERAGE COMPLIANCE ENDORSEMENT

This endorsement changes the following:

Liability Coverage Terms and Conditions

It is agreed that:

1. The following is added to section II. DEFINITIONS:

Financial Interest means the **Named Insured's** insurable interest in an **Insured Organization** that is domiciled in a country or jurisdiction in which the Company is not licensed to provide this insurance, as a result of the **Named Insured's**:

1. ownership of the majority of the outstanding securities or voting rights of such **Insured Organization** representing the present right to elect, appoint, or exercise a majority control over such **Insured Organization's** board of directors, board of trustees, board of managers, natural person general partner, or functional foreign equivalent;
2. indemnification of, or representation that it has an obligation to indemnify, such **Insured Organization** for **Loss** incurred by such **Insured Organization**; or
3. election or obligation to obtain insurance for such **Insured Organization**.

2. The following is added to section III. CONDITIONS:

SANCTIONS

This **Liability Policy** will provide coverage, or otherwise will provide any benefit, only to the extent that providing such coverage or benefit does not expose the Company or any of its affiliated or parent companies to any trade or economic sanction under any law or regulation of the United States of America or any other applicable trade or economic sanction, prohibition, or restriction.

3. The following replaces section III. CONDITIONS, A. TERRITORY:

A. TERRITORY AND VALUATION

1. This **Liability Policy** applies anywhere in the world; provided, this **Liability Policy** does not apply to **Loss** incurred by an **Insured**, or a **Foreign Parent Corporation**, residing or domiciled in a country or jurisdiction in which the Company is not licensed to provide this insurance, to the extent that providing this insurance would violate the laws or regulations of such country or jurisdiction.
2. In the event an **Insured Organization** incurs **Loss** referenced in 1. above to which this insurance would have applied, the Company will reimburse the **Named Insured** for its **Loss**, on account of its **Financial Interest** in such **Insured Organization**. As a condition precedent to such reimbursement, or any rights under this **Liability Policy**, the **Named Insured** will cause the **Insured Organization** or its **Insured Persons** to comply with the conditions of this **Liability Policy**.
3. All premiums, Limits of Liability, Retention, **Loss**, and other amounts under this **Liability Policy** are expressed and payable in the currency of the United States. If a judgment is rendered, settlement is denominated, or another element of **Loss** under this **Liability Policy** is stated in a currency other than United States dollars, payment under this **Liability Policy** will be made in United States dollars at the rate of exchange published in *The Wall Street Journal* on the date the final judgment is reached, the amount of the settlement is agreed upon, or any other element of **Loss** is due, respectively.

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4. The following is added to section III. **CONDITIONS, E. CLAIM DEFENSE**:

In the event of a **Claim** against an **Insured** or **Foreign Parent Corporation** that resides or is domiciled in a country or jurisdiction in which the Company is not licensed to provide this insurance and if Duty-to-Defend coverage is provided with respect to this **Liability Policy** as indicated in ITEM 7 of the Declarations, the Company will have the right and duty to defend such **Claim** as set forth in this section III. **CONDITIONS, E. CLAIM DEFENSE, 1.** to the extent that doing so would not violate the laws or regulations of such country or jurisdiction.

If the Company is prohibited from defending such **Claim** or if Reimbursement coverage is provided with respect to this **Liability Policy** as indicated in ITEM 7 of the Declarations, then this section III. **CONDITIONS, E. CLAIM DEFENSE, 2.** applies to such **Claim**; provided, any such **Claim** is subject to section III. **CONDITIONS, P. ALLOCATION, 2.**

Nothing herein contained shall be held to vary, alter, waive, or extend any of the terms, conditions, exclusions, or limitations of the above-mentioned policy, except as expressly stated herein. This endorsement is part of such policy and incorporated therein.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PENNSYLVANIA CHANGES ENDORSEMENT

This endorsement changes the following:

Liability Coverage Terms and Conditions

It is agreed that:

1. The first sentence of section **III. CONDITIONS, O. EXTENDED REPORTING PERIOD** is amended by replacing within 30 days with within 60 days.
 2. Section **III. CONDITIONS, O. EXTENDED REPORTING PERIOD** is amended by adding the following paragraph:
The minimum Extended Reporting Period will be 12 months. Any provision prohibiting the purchase of an Extended Reporting Period as a result of nonpayment of premium is deleted. Once purchased, the Extended Reporting Period cannot be cancelled.
-

Nothing herein contained shall be held to vary, alter, waive, or extend any of the terms, conditions, exclusions, or limitations of the above-mentioned policy, except as expressly stated herein. This endorsement is part of such policy and incorporated therein.

Issuing Company: **Travelers Casualty and Surety Company of America**

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SPECIMEN - QUOTE 1

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NON-PROFIT ORGANIZATION DIRECTORS AND OFFICERS LIABILITY

**THIS IS A CLAIMS-MADE COVERAGE WITH DEFENSE EXPENSES INCLUDED IN THE LIMIT OF LIABILITY.
PLEASE READ THE POLICY CAREFULLY.**

I. INSURING AGREEMENTS

The Company will pay on behalf of:

- A. the **Insured Persons, Loss for Wrongful Acts**, except for **Loss** which the **Insured Organization** pays to or on behalf of the **Insured Persons** as indemnification;
- B. the **Insured Organization, Loss for Wrongful Acts** which the **Insured Organization** pays to or on behalf of the **Insured Persons** as indemnification; and
- C. the **Insured Organization, Loss for Wrongful Acts**,

resulting from any **Claim** first made during the **Policy Period**, or if exercised, during the Extended Reporting Period or Run-Off Extended Reporting Period.

II. DEFINITIONS

Wherever appearing in this **Liability Coverage**, the following words and phrases appearing in bold type will have the meanings set forth in this Section II. DEFINITIONS:

- A. **Claim** means:
 - 1. a written demand for monetary damages or non-monetary relief;
 - 2. a civil proceeding commenced by service of a complaint or similar pleading;
 - 3. a criminal proceeding commenced by filing of charges;
 - 4. a formal administrative or regulatory proceeding, commenced by a filing of charges, formal investigative order, service of summons or similar document;
 - 5. an arbitration, mediation or similar alternative dispute resolution proceeding if the **Insured** is obligated to participate in such proceeding or if the **Insured** agrees to participate in such proceeding, with the Company's written consent, such consent not to be unreasonably withheld; or
 - 6. a written request to toll or waive a statute of limitations relating to a potential civil or administrative proceeding;

against an **Insured** for a **Wrongful Act**, provided that **Claim** does not include any labor or grievance arbitration or other proceeding pursuant to a collective bargaining agreement.

A **Claim** is deemed to be made on the earliest date that any **Executive Officer** first receives written notice of such **Claim**. However, if any **Insured Person** who is not an **Executive Officer** first receives written notice of a **Claim** during the **Policy Period**, but no **Executive Officer** receives written notice of such **Claim** until after the **Policy Period** has expired, then such **Claim** will be deemed to have been made on the date such **Insured Person** first received written notice of the **Claim**.

- B. **Disqualified Person** means a "disqualified person" as that term is defined in Section 4958 of the Internal Revenue Code of 1986, as amended.
- C. **Excess Benefit Transaction** means an "excess benefit transaction" as that term is defined in Section 4958 of the Internal Revenue Code of 1986, as amended.

- D. **Excess Benefit Transaction Tax** means any excise tax imposed by the Internal Revenue Service on an **Insured Person** who is an **Organizational Manager** as a result of such **Insured Person's** participation in an **Excess Benefit Transaction**.
- E. **Executive Officer** means the chairperson, chief executive officer, president, chief financial officer, in-house general counsel, executive director, risk manager, human resources manager, or an individual acting in the capacity of a human resources manager, managing director of the **Insured Organization** or a functional equivalent thereof.
- F. **Insured** means the **Insured Persons** and the **Insured Organization**.
- G. **Insured Organization** means the **Named Insured**, any **Subsidiary**, and any such entity as a debtor in possession, as such term is used in Chapter 11 of the United States of America Bankruptcy Code, as amended, or the equivalent of a debtor in possession under any applicable foreign law.
- H. **Insured Person** means any natural person who was, is or becomes a duly elected or appointed member of the board of directors, officer, member of the board of trustees, member of the board of managers, member of the board of regents, member of the board of governors, or a functional equivalent thereof, **Executive Officer**, employee, volunteer, or member of a duly constituted committee, of the **Insured Organization**.

In the event of the death, incapacity or bankruptcy of an **Insured Person**, any **Claim** against the estate, heirs, legal representatives or assigns of such **Insured Person** for a **Wrongful Act** of such **Insured Person** will be deemed to be a **Claim** against such **Insured Person**.

- I. **Loss** means **Defense Expenses** and money which an **Insured** is legally obligated to pay as a result of a **Claim**, including settlements, judgments, back and front pay, compensatory damages, punitive or exemplary damages or the multiple portion of any multiplied damage award if insurable under the applicable law most favorable to the insurability of punitive, exemplary, or multiplied damages, prejudgment and postjudgment interest, and legal fees and expenses awarded pursuant to a court order or judgment. **Loss** does not include:
1. civil or criminal fines, sanctions, liquidated damages other than liquidated damages awarded under the Age Discrimination in Employment Act or the Equal Pay Act, payroll or other taxes, or damages, penalties or types of relief deemed uninsurable under applicable law; or
 2. any amount allocated to non-covered loss pursuant to Section III. CONDITIONS P. ALLOCATION of the Liability Coverage Terms and Conditions.

Notwithstanding the above, **Loss** includes any **Excess Benefit Transaction Tax**, in an amount not to exceed twenty thousand dollars (\$20,000), that an **Insured Person** is obligated to pay as a result of a **Claim**; provided that **Loss** does not include the twenty-five percent (25%) excise tax assessed against any **Disqualified Person** or the 200% tax assessed for failure to correct an **Excess Benefit Transaction**.

- J. **Organizational Manager** means an "organizational manager" as that term is defined in Section 4958 of the Internal Revenue Code of 1986, as amended.
- K. **Outside Entity** means a corporation or organization:
1. other than the **Insured Organization**, which is exempt from federal income tax as an entity described in Section 501(c)(3), 501(c)(4), or 501(c)(10) of the Internal Revenue Code of 1986, as amended; or
 2. specifically scheduled as an **Outside Entity** by endorsement to this **Liability Policy**.
- L. **Outside Position** means service by an **Insured Person** as a member of the board of directors, officer, member of the board of trustees, member of the board of managers, member of the board of regents, member of the board of governors or a functional equivalent thereof, with an **Outside Entity**, but only during such time that such service is with the knowledge, consent, and at the specific request of the **Insured Organization**.

- M. *Personal Injury*** means false arrest, wrongful detention or imprisonment, malicious prosecution, defamation including libel and slander, invasion of privacy or wrongful entry or eviction.
- N. *Publishers Liability*** means infringement of copyright or trademark, unauthorized use of title, plagiarism or misappropriation of ideas.
- O. *Subsidiary*** means:
1. any corporation, partnership, limited liability company or other entity organized under the laws of any jurisdiction in which, on or before the Inception Date set forth in ITEM 2 of the Declarations, the **Named Insured** owns, directly or indirectly, more than 50% of the outstanding securities or voting rights representing the present right to elect, appoint or exercise a majority control over such entity's board of directors, board of trustees, board of managers, natural person general partners, or functional equivalent;
 2. any non-profit entity over which, on or before the Inception Date set forth in ITEM 2 of the Declarations, the **Named Insured** has the ability to exercise managerial control;
 3. any entity operated as a joint venture, in which, on or before the Inception Date set forth in ITEM 2 of the Declarations, the **Named Insured** owns, directly or indirectly, exactly 50% of the issued and outstanding voting stock and whose management and operation the **Insured Organization** solely controls, pursuant to a written agreement with the owner(s) of the remaining issued and outstanding voting stock; or
 4. subject to the provisions set forth in Section III. CONDITIONS L. ACQUISITIONS of the Liability Coverage Terms and Conditions, any entity that the **Insured Organization** acquires or forms during the **Policy Period** in which the **Named Insured** owns, directly or indirectly, more than 50% of the outstanding securities or voting rights representing the present right to elect, appoint or exercise a majority control over such entity's board of directors, board of trustees, board of managers, natural person general partners, or functional equivalent, or, in the case of any non-profit entity that does not issue securities, over which the **Named Insured** has the ability to exercise managerial control.
- P. *Wrongful Act*** means:
1. any actual or alleged act, error, omission, misstatement, misleading statement or breach of duty or neglect by, including any **Personal Injury** or **Publishers Liability**, or any matter asserted against, an **Insured Person** in his or her capacity as such;
 2. any actual or alleged act, error, omission, misstatement, misleading statement or breach of duty or neglect by, including any **Personal Injury** or **Publishers Liability**, or any matter asserted against, an **Insured Person** in his or her **Outside Position**;
 3. any actual or alleged act, error, omission, misstatement, misleading statement or breach of duty or neglect by, including any **Personal Injury** or **Publishers Liability**, or any matter asserted against, the **Insured Organization**; or
 4. any matter asserted against an **Insured Person** solely by reason of his or her status as such.

All **Related Wrongful Acts** are a single **Wrongful Act** for purposes of this **Liability Coverage**, and all **Related Wrongful Acts** will be deemed to have occurred at the time the first of such **Related Wrongful Acts** occurred whether prior to or during the **Policy Period**.

III. EXCLUSIONS

A. EXCLUSIONS APPLICABLE TO ALL LOSS

1. The Company will not be liable for **Loss** for any **Claim** for any damage to, destruction of, loss of, or loss of use of any tangible property, including damage to, destruction of, loss of, or loss of use of tangible property that results from inadequate or insufficient protection from soil or ground water movement, soil subsidence, mold, toxic mold, spores, mildew, fungus, or wet or dry rot.
2. The Company will not be liable for **Loss** for any **Claim** for any bodily injury, sickness, disease, death, loss of consortium, emotional distress, mental anguish, humiliation, or loss of reputation; provided that this exclusion will not apply to allegations of emotional distress or mental anguish, if and only to the extent that such allegations are made as part of a **Claim**:

- a. for **Personal Injury**; or
 - b. for an employment related **Wrongful Act**.
3. The Company will not be liable for **Loss** for any **Claim** based upon or arising out of any nuclear reaction, nuclear radiation, radioactive contamination, or radioactive substance, or the hazardous properties of nuclear material; or infectious waste or medical waste.
 4. The **Company** will not be liable for **Loss** for any **Claim**:
 - a. based upon or arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of any **Pollutant**;
 - b. based upon or arising out of any request, demand, order, or statutory or regulatory requirement that any **Insured** or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, any **Pollutant**; or
 - c. brought by or on behalf of any governmental authority because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, any **Pollutant**.
 5. The Company will not be liable for **Loss** for any **Claim** based upon or arising out of any fact, circumstance, situation, event or **Wrongful Act** underlying or alleged in any prior or pending civil, criminal, administrative or regulatory proceeding against any **Insured** as of or prior to the applicable Prior and Pending Proceeding Date set forth in ITEM 5 of the Declarations for this **Liability Coverage**.
 6. The Company will not be liable for **Loss** for any **Claim** for any fact, circumstance, situation, or event that is or reasonably would be regarded as the basis for a claim about which any **Executive Officer** had knowledge prior to the applicable Continuity Date set forth in ITEM 5 of the Declarations for this **Liability Coverage**.
 7. The Company will not be liable for **Loss** for any **Claim** based upon or arising out of any fact, circumstance, situation, event, or **Wrongful Act** which, before the Inception Date set forth in ITEM 2 of the Declarations, was the subject of any notice of claim or potential claim given by or on behalf of any **Insured** under any policy of insurance of which this **Liability Coverage** is a direct renewal or replacement or which it succeeds in time.
 8. The Company will not be liable for **Loss** for any **Claim** for any violation of responsibilities, duties or obligations under the Employee Retirement Income Security Act of 1974 (ERISA), including amendments thereto and regulations promulgated thereunder, or any similar or related federal, state or local law or regulation; or for an **Insured's** failure or refusal to establish, contribute to, pay for, insure, maintain, provide benefits pursuant to, or enroll or maintain the enrollment of an employee or dependent in, any employee benefit plan, fund or program, including contracts or agreements which are not subject to the provisions of ERISA.
 9. The Company will not be liable for **Loss** for any **Claim** by or on behalf of, or in the name or right of, the **Insured Organization**; provided that this exclusion will not apply to any **Claim** that is brought and maintained independently of, and without the assistance, participation or intervention of any **Insured**.
 10. The Company will not be liable for **Loss** for any **Claim** by or on behalf, or in the name or right of, any **Outside Entity** against an **Insured Person** for a **Wrongful Act** in his or her **Outside Position** with respect to such **Outside Entity**.
 11. The Company will not be liable for **Loss** for any **Claim** based upon or arising out of, any **Wrongful Act** by an entity that is, or was a **Subsidiary**, or any **Insured Person** of such entity, occurring at any time during which such entity was not a **Subsidiary**.
 12. The Company will not be liable for **Loss** for any **Claim** for any liability of others assumed by an **Insured** under any contract or agreement, whether oral or written, except to the extent that the **Insured** would have been liable in the absence of such contract or agreement.
 13. The Company will not be liable for **Loss** for any **Claim**, with respect to Insuring Agreement C. only:
 - a. based upon or arising out of any employment related **Wrongful Act**; or
 - b. for any violation of responsibilities, duties or obligations under any law concerning Social Security, unemployment insurance, workers' compensation, disability insurance, or any similar or related federal, state or local law or regulation, or for any violation of the Worker Adjustment and Retraining Notification Act (WARN), Occupational Safety and

Health Act (OSHA), Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA), the National Labor Relations Act (NLRA), Fair Labor Standards Act (FLSA), or amendments thereto or regulations promulgated thereunder, or any similar or related federal, state or local law or regulation.

B. EXCLUSIONS APPLICABLE TO LOSS, OTHER THAN DEFENSE EXPENSES

1. The Company will not be liable for **Loss**, other than **Defense Expenses**, for any **Claim** based upon or arising out of any **Insured**:
 - a. committing any intentionally dishonest or fraudulent act or omission;
 - b. committing any willful violation of any statute, rule or law; or
 - c. gaining any profit, remuneration or advantage to which such **Insured** was not legally entitled;provided that this exclusion will not apply unless a final adjudication establishes that such **Insured** committed such intentionally dishonest or fraudulent act or omission, or willful violation of any statute, rule or law, or gained such profit, remuneration or advantage to which such **Insured** was not legally entitled.
2. The Company will not be liable for **Loss**, other than **Defense Expenses**, for any **Claim** seeking costs and expenses incurred or to be incurred to comply with an order, judgment or award of injunctive or other equitable relief of any kind, or that portion of a settlement encompassing injunctive or other equitable relief, including actual or anticipated costs and expenses associated with or arising from an **Insured's** obligation to provide reasonable accommodation under, or otherwise comply with, the Americans With Disabilities Act or the Rehabilitation Act of 1973, including amendments thereto and regulations promulgated thereunder, or any similar or related federal, state or local law or regulation.
3. The Company will not be liable for **Loss**, other than **Defense Expenses**, for any **Claim** with respect to Insuring Agreement C. only, for any liability of the **Insured Organization** under any express contract or agreement; except to the extent that the **Insured Organization** would have been liable in the absence of such contract or agreement. For the purposes of this exclusion, an express contract or agreement is an actual agreement among the contracting parties, the terms of which are openly stated in distinct or explicit language, either orally or in writing, at the time of its making.

IV. SEVERABILITY OF EXCLUSIONS

No conduct of any **Insured Person** will be imputed to any other **Insured Person** to determine the application of any of the exclusions set forth in Section III. EXCLUSIONS above. Solely with respect to exclusion B.1. set forth above, no conduct of any **Insured** will be imputed to any other **Insured** to determine if coverage is available.

V. CONDITIONS

A. RETENTION

This Section V. CONDITIONS A. RETENTION will supplement, and not replace, Section III. CONDITIONS B. RETENTION of the Liability Coverage Terms and Conditions.

No retention will apply to **Defense Expenses** resulting from any **Claim**, other than a **Claim** for an employment related **Wrongful Act**, and the Company will reimburse the **Insured Organization** for any such retention paid by the **Insured Organization** in connection with any such **Claim**, if:

1. with respect to such **Claim**, there is a final adjudication of no liability obtained prior to or during trial, in favor of all **Insureds**, by reason of a motion to dismiss or a motion for summary judgment or any similar motion or process, after exhaustion of all appeals, or a final judgment of no liability obtained after trial, in favor of all **Insureds**, after exhaustion of all appeals; or
2. such **Claim** is dismissed or there is a stipulation to dismiss such **Claim** with or without prejudice and without the payment of any monetary consideration by the **Insureds**.

In no event will a settlement of a **Claim** be considered a final adjudication of no liability for purposes of this subsection.

As a condition of any reimbursement of the retention as set forth above, the Company may require a written undertaking on terms and conditions satisfactory to the Company guaranteeing the repayment of such amounts in the event that such **Claim** is reinstated after payment by the Company.

B. SETTLEMENT

The Company may, with the written consent of the **Insured**, make such settlement or compromise of any **Claim** as the Company deems expedient. In the event that the Company recommends an offer of settlement (a "Settlement Offer") of any **Claim** which is acceptable to the claimant(s), and if the **Insured** refuses to consent to such Settlement Offer, the **Insured** will be solely responsible for thirty percent (30%) of all **Defense Expenses** incurred or paid by the **Insured** after the date the **Insured** refused to consent to the Settlement Offer, and the **Insured** will also be responsible for thirty percent (30%) of all **Loss**, other than **Defense Expenses**, in excess of the Settlement Offer, provided that the Company's liability under this **Liability Coverage** for such **Claim** does not exceed the remaining applicable limit of liability.

C. PRESUMPTION OF INDEMNIFICATION

Regardless of whether **Loss** resulting from any **Claim** against **Insured Persons** is actually indemnified, Insuring Agreement B and the Retention set forth in the Declarations will apply to any **Loss** as to which indemnification by the **Insured Organization** or any **Outside Entity** is legally permissible, whether or not actual indemnification is made, unless such indemnification is not made by the **Insured Organization** or such **Outside Entity** solely by reason of its **Financial Insolvency**.

The certificate of incorporation, charter, articles of association or other organizational documents of the **Insured Organization** and each **Outside Entity**, including by-laws and resolutions, will be deemed to have been adopted or amended to provide indemnification to the **Insured Persons** to the fullest extent permitted by law.

D. OTHER INSURANCE AND INDEMNIFICATION

This **Liability Coverage** will apply only as excess insurance over, and will not contribute with: (1) any other valid and collectible insurance available to any **Insured**, including any insurance under which there is a duty to defend, unless such insurance is written specifically excess of this **Liability Coverage** by reference in such other policy to the Policy Number of this **Liability Policy**; or (2) indemnification to which any **Insured Person** is entitled from any **Outside Entity** other than the **Insured Organization**. This **Liability Coverage** will not be subject to the terms of any other insurance.

E. OUTSIDE POSITIONS – LIMIT OF LIABILITY

If any **Claim** against the **Insureds** gives rise to an obligation both under this **Liability Coverage** and under any other coverage or policy of insurance issued by the Company or any of its affiliates to any **Outside Entity**, the Company's maximum aggregate limit of liability under all such policies for all **Loss**, including **Defense Expenses**, for such **Claim** will not exceed the largest single available limit of liability under any such coverage.

F. ORDER OF PAYMENTS

If **Loss**, other than **Defense Expenses**, from any **Claim** exceeds the remaining applicable limit of liability as set forth in ITEM 5 of the Declarations:

1. the Company will first pay **Loss** for such **Claim** to which Insuring Agreement A. applies; then
2. to the extent that any amount of the applicable limit of liability remains available, the Company will pay **Loss** for such **Claim** to which Insuring Agreements B. and C. apply.

Upon written request of the **Insured Organization** by and through any **Executive Officer**, the Company will either pay or withhold payment of **Loss** from such **Claim** under Insuring Agreements B. and C., as applicable. In the event of a written request to withhold payment, the Company will make any future payment only for **Loss** from any such **Claim** to which Insuring Agreement A. applies, unless otherwise so instructed upon written request by and through an **Executive Officer** of the **Insured Organization**.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMEND BODILY INJURY EXCLUSION (BROAD) ENDORSEMENT

This endorsement modifies the following:

Non-Profit Organization Directors and Officers Liability

It is agreed that:

The following replaces section III. **EXCLUSIONS, A. EXCLUSIONS APPLICABLE TO ALL LOSS, 2.** of the **Liability Coverage**:

2. The Company will not be liable for **Loss** for any **Claim** based upon or arising out of any bodily injury, sickness, disease, death, loss of consortium, emotional distress, mental anguish, humiliation, or loss of reputation; provided, that this exclusion will not apply to allegations of emotional distress or mental anguish, if and only to the extent that such allegations are made as part of a **Claim**:
 - a. for **Personal Injury**; or
 - b. for an employment related **Wrongful Act**.

Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, exclusions or limitations of the above-mentioned policy, except as expressly stated herein. This endorsement is part of such policy and incorporated therein.

Issuing Company: **Travelers Casualty and Surety Company of America**
Policy Number:

ADDITION OF PUBLISHING, BROADCASTING, AND ADVERTISING EXCLUSION ENDORSEMENT

This endorsement modifies the following:

Non-Profit Organization Directors and Officers Liability

It is agreed that:

1. The following replaces section **II. DEFINITIONS, P. Wrongful Act** of the **Liability Coverage**:
Wrongful Act means:
 1. any actual or alleged act, error, omission, misstatement, misleading statement or breach of duty or neglect by, including **Personal Injury**, or any matter asserted against, an **Insured Person** in his or her capacity as such;
 2. any actual or alleged act, error, omission, misstatement, misleading statement or breach of duty or neglect by, including **Personal Injury**, or any matter asserted against, an **Insured Person** in his or her **Outside Position**;
 3. any actual or alleged act, error, omission, misstatement, misleading statement or breach of duty or neglect by, including **Personal Injury**, or any matter asserted against, the **Insured Organization**; or
 4. any matter asserted against an **Insured Person** solely by reason of his or her status as such.
2. The following is added to section **III. EXCLUSIONS, A. EXCLUSIONS APPLICABLE TO ALL LOSS** of the **Liability Coverage**:

The Company will not be liable for **Loss** for any **Claim** based upon or arising out of any publishing, broadcasting, advertising, telecasting, re-broadcasting or re-televising activities or incidental activities including any such **Claim** alleging **Publisher's Liability, Personal Injury**, infringement of patent or slogan, piracy or unfair competition.

Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, exclusions or limitations of the above-mentioned policy, except as expressly stated herein. This endorsement is part of such policy and incorporated therein.

Issuing Company: **Travelers Casualty and Surety Company of America**
Policy Number:

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SUPPLEMENTAL PERSONAL INDEMNIFICATION COVERAGE ENDORSEMENT

This endorsement modifies the following coverage:

Non-Profit Organization Directors and Officers Liability

It is agreed that:

The following is added to the **Liability Coverage**:

If the **Liability Coverage Limit of Liability** under this **Liability Coverage** or a **Liability Coverage Shared Limit of Liability**, if applicable, has been exhausted, the Company shall provide the **Insured Persons** with an additional Supplemental Personal Indemnification Limit of Liability under Insuring Agreement A. Such Supplemental Personal Indemnification Limit of Liability will not to exceed **\$500,000**, which amount is in addition to and not part of the **Liability Coverage Limit of Liability** or **Liability Coverage Shared Limit of Liability**, if applicable. This Supplemental Personal Indemnification Limit of Liability applies solely to **Loss** resulting from any **Claim** other than a **Claim**, for an employment-related **Wrongful Act**, against an **Insured Person** to which Insuring Agreement A. is applicable.

Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, exclusions or limitations of the above-mentioned policy, except as expressly stated herein. This endorsement is part of such policy and incorporated therein.

Issuing Company: **Travelers Casualty and Surety Company of America**
Policy Number:

AMEND DEFINITION OF OUTSIDE ENTITY ENDORSEMENT

This endorsement modifies the following:

Non-Profit Organization Directors and Officers Liability

It is agreed that:

The following replaces section **II. DEFINITIONS, K. Outside Entity** of the **Liability Coverage**:

- K. *Outside Entity*** means a corporation or organization:
1. other than the **Insured Organization**, that is a non-profit entity; or
 2. any Specified Outside Entity as set forth in the Specified Outside Entity schedule below.

Specified Outside Entity

NONE

Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, exclusions or limitations of the above-mentioned policy, except as expressly stated herein. This endorsement is part of such policy and incorporated therein.

Issuing Company: **Travelers Casualty and Surety Company of America**

Policy Number:

BANKRUPTCY AND WHISTLEBLOWER CARVEBACKS ENDORSEMENT

This endorsement changes the following:

Non-Profit Organization Directors and Officers Liability

It is agreed that:

1. The following is added to section **II. DEFINITIONS** of the **Liability Coverage**:

Whistleblower Activity means activity protected under:

1. 18 U.S.C. 1514A(a) (whistleblower protection pursuant to section 806 of the Sarbanes-Oxley Act of 2002, as amended), other than the activity of "filing or the causing to be filed" any proceeding as specified under section 1514A(a)(2) and any other activity specified in section 1514A(a)(2) that is engaged in on a voluntary basis; or
 2. any similar whistleblower protection provision of any applicable federal, state, local, or foreign securities law or regulation that affords protection to a natural person, other than the filing, causing to be filed, or any other activity similar to the type specified in section 18 U.S.C. 1514A(a)(2) that is engaged in on a voluntary basis.
2. The following replaces section **III. EXCLUSIONS, A. EXCLUSIONS APPLICABLE TO ALL LOSS, 9.**, of the **Liability Coverage**:
 9. The Company will not be liable for **Loss** for any **Claim** by or on behalf of, or in the name or right of, the **Insured Organization**; provided that this exclusion will not apply to any **Claim**:
 - a. that is brought and maintained independently of, and without the assistance, participation or intervention of any **Insured**, except that any **Whistleblower Activity** by any member of the board of directors, officer, member of the board of managers, or a functional equivalent thereof will not be considered assistance, participation or intervention; or
 - b. in a bankruptcy proceeding brought or maintained by an examiner, trustee, receiver, liquidator, rehabilitator, creditors committee or any similar official of the **Insured Organization**.

Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, exclusions or limitations of the above-mentioned policy, except as expressly stated herein. This endorsement is part of such policy and incorporated therein.

Issuing Company: **Travelers Casualty and Surety Company of America**

Policy Number:

NDO-19006 Ed. 11-12

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AMEND SECTION III. EXCLUSIONS, B. 1. - FINAL NON-APPEALABLE ADJUDICATION IN ANY PROCEEDING OTHER THAN A PROCEEDING INITIATED BY THE COMPANY ENDORSEMENT

This endorsement changes the following:

Non-Profit Organization Directors and Officers Liability

It is agreed that:

The following replaces section *III. EXCLUSIONS, B. EXCLUSIONS APPLICABLE TO LOSS, OTHER THAN DEFENSE EXPENSES*, 1:

1. The Company will not be liable for **Loss** , other than **Defense Expenses**, for any **Claim** based upon or arising out of any **Insured**:
 - a. committing any intentionally dishonest or fraudulent act or omission;
 - b. committing any willful violation of any statute, rule, law; or
 - c. gaining any profit, remuneration or financial advantage to which such **Insured** was not legally entitled;

provided that this exclusion will not apply unless a final non-appealable adjudication in any proceeding other than a proceeding initiated by the Company establishes that such **Insured** committed such intentionally dishonest or fraudulent act or omission, willful violation of any statute, rule or law, or gained such profit, remuneration or advantage to which such **Insured** was not legally entitled.

Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, exclusions or limitations of the above-mentioned policy, except as expressly stated herein. This endorsement is part of such policy and incorporated therein.

Issuing Company: **Travelers Casualty and Surety Company of America**

Policy Number:

NDO-19009 Ed. 07-13

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**AMEND DEFINITION OF INSURED PERSON TO INCLUDE ADVISORY BOARD MEMBERS
ENDORSEMENT**

This endorsement changes the following:

Non-Profit Organization Directors and Officers Liability

It is agreed that:

1. The following is added to section **II. DEFINITIONS, H. Insured Person**:

Insured Person also means any natural person who was, is, or becomes a duly elected or appointed member of an advisory board of the **Insured Organization**.

Nothing herein contained shall be held to vary, alter, waive, or extend any of the terms, conditions, exclusions, or limitations of the above-mentioned policy, except as expressly stated herein. This endorsement is part of such policy and incorporated therein.

Issuing Company: **Travelers Casualty and Surety Company of America**

Policy Number:

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMEND LOSS DEFINITION TO INCLUDE COVERAGE CARVEBACKS FOR LIQUIDATED DAMAGES UNDER THE FAMILY MEDICAL LEAVE ACT AND CIVIL PENALTIES UNDER THE FOREIGN CORRUPT PRACTICES ACT ENDORSEMENT

This endorsement changes the following:

Non-Profit Organization Directors and Officers Liability

It is agreed that:

The following replaces section **II. DEFINITIONS, I. Loss, 1.:**

1. civil or criminal fines, sanctions, liquidated damages, payroll or other taxes, or damages, penalties or types of relief deemed uninsurable under applicable law; provided, **Loss** includes:
 - a. liquidated damages awarded under the Age Discrimination in Employment Act, the Equal Pay Act, or the Family Medical Leave Act;
 - b. civil penalties assessed against any **Insured Person** pursuant to the Foreign Corrupt Practices Act of 1977 §§ 15 U.S.C. 78dd-2(g)(2)(B) and 78ff(c)(2)(B) and the United Kingdom Bribery Act of 2010 (Eng.) § 11(1)(a), to the extent that the violations of such laws are neither intentional nor willful; or

Nothing herein contained shall be held to vary, alter, waive, or extend any of the terms, conditions, exclusions, or limitations of the above-mentioned policy, except as expressly stated herein. This endorsement is part of such policy and incorporated therein.

Issuing Company: **Travelers Casualty and Surety Company of America**

Policy Number:

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**ADDITION OF SEXUAL MISCONDUCT AND CHILD ABUSE EXCLUSION WITH SEXUAL AND
WORKPLACE HARASSMENT CARVEBACK ENDORSEMENT**

This endorsement changes the following:

Non-Profit Organization Directors and Officers Liability

It is agreed that:

1. The following are added to section **II. DEFINITIONS** of the **Liability Coverage**:

Sexual Harassment means any actual or alleged unwelcome sexual advances, requests for sexual favors or any other conduct of a sexual nature:

- a. which is made a term or condition of employment or advancement with the **Insured Organization**;
- b. which the submission to or rejection of is used as a basis for employment decisions by the **Insured Organization**;
or
- c. which has the purpose or effect of creating an intimidating, hostile, or offensive work environment.

Workplace Harassment means any actual or alleged harassment, other than **Sexual Harassment**, which creates a work environment that interferes with job performance, or creates an intimidating, hostile or offensive work environment.

2. The following is added to section **III. EXCLUSIONS, A. EXCLUSIONS APPLICABLE TO ALL LOSS** of the **Liability Coverage**:

The Company will not be liable for **Loss** for any **Claim**:

- a. based upon or arising out of any sexual abuse or injury, sexual molestation, sexually harassing behavior, sexual assault, sexual exploitation, child abuse or child neglect; provided that this exclusion will not apply to a **Claim** for **Sexual Harassment** or **Workplace Harassment**; or
- b. based upon or arising out of any wrongful hiring or retention, wrongful supervision, wrongful investigation, wrongful reporting or failure to report to the proper authorities in connection with any incident or pattern of incidents of alleged sexual abuse or injury, sexual molestation, sexually harassing behavior, sexual assault, sexual exploitation, child abuse or child neglect; provided, that this exclusion will not apply to a **Claim** for **Sexual Harassment** or **Workplace Harassment**.

Nothing herein contained shall be held to vary, alter, waive, or extend any of the terms, conditions, exclusions, or limitations of the above-mentioned policy, except as expressly stated herein. This endorsement is part of such policy and incorporated therein.

CRISIS EVENT MANAGEMENT COVERAGE ENDORSEMENT

This endorsement changes the following:

Non-Profit Organization Directors and Officers Liability

It is agreed that:

1. The following is added to ITEM 5 of the Declarations:

Crisis Event Management Limit of Liability: \$25,000. for all **Crisis Event Management Loss**, which amount is part of, and not in addition to, the **Liability Coverage Limit of Liability** or **Liability Coverage Shared Limit of Liability**, if applicable

2. The following is added to section I. **INSURING AGREEMENTS** of the **Liability Coverage**:

CRISIS EVENT MANAGEMENT COVERAGE

The Company will pay, on behalf of the **Insured Organization**, **Crisis Event Management Loss** for any **Crisis Event Management Matter** first occurring during the **Policy Period**.

3. The following are added to section II. **DEFINITIONS** of the **Liability Coverage**:

Crisis Event Management Firm means any Crisis event or crisis management firm or public relations firm hired by the **Insured Organization** with the Company's written consent, which will not be unreasonably withheld, to perform services for an **Insured** to minimize potential harm to the **Insured Organization** arising from a **Crisis Event Management Matter**.

Crisis Event Management Loss means the: reasonable costs, charges, fees, and expenses of the **Crisis Event Management Firm** in connection with the **Crisis Event Management Matter**, incurred subsequent to a **Crisis Event Management Matter**, regardless of whether a **Claim** is made against an **Insured** arising from the **Crisis Event Management Matter** and, in the event a **Claim** is made, regardless of whether the amount is incurred prior to or subsequent to the making of the **Claim**.

Crisis Event Management Matter means:

1. death, incapacity or criminal indictment of any **Insured Person** on whom the **Insured Organization** maintains key person life insurance;
2. public announcement or accusation that an individual under the management control of the **Insured Organization** has intentionally caused bodily injury to, or death of, or sexually abused a member of the **Insured Organization**;
3. public announcement that the **Insured Organization** has defaulted or intends to default on its debt;
4. public announcement that the **Insured Organization** intends to file for bankruptcy protection, that a third party is seeking to file for involuntary bankruptcy on behalf of the **Insured Organization**, or the imminence of bankruptcy proceedings, whether voluntary or involuntary against the **Insured Organization** are imminent; or
5. the withdrawal or return by the **Insured Organization** of a non-governmental grant, contribution, or bequest in excess of \$500,000.,

that causes a **Material Effect**.

A **Crisis Event Management Matter** will first begin when an **Executive Officer** becomes aware of the matter, and will conclude when the **Crisis Event Management Firm** advises the **Insured Organization** that such matter no longer exists or when the Crisis Event Management Limit of Liability set forth in ITEM 5 of the Declarations is exhausted.

Issuing Company: **Travelers Casualty and Surety Company of America**

Policy Number:

NDO-7017 Rev. 07-20

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Material Effect means the publication of unfavorable information regarding the **Insured Organization** which can reasonably be considered to lessen public confidence in the competence of the **Insured Organization**; provided that such publication must occur in either the daily newspaper of general circulation in the geographic area of the **Insured Organization** or on a radio or television news report about the **Insured Organization** which is received in the geographic area of the **Insured Organization**.

4. The following is added to section **III. CONDITIONS, C. LIMITS OF LIABILITY** of the Liability Coverage Terms and Conditions:

The Company's maximum limit of liability for all **Crisis Event Management Loss** first made during the **Policy Period** is the Crisis Event Management Limit of Liability set forth in ITEM 5 of the Declarations. Such Crisis Event Management Limit of Liability is part of, and not in addition to, the Directors, Officers, and Organization Limit of Liability under this **Liability Policy**.

5. The following is added to section **III. CONDITIONS, B. RETENTION** of the Liability Coverage Terms and Conditions:

No Retention applies to **Crisis Event Management Loss**.

6. The following is added to section **III. CONDITIONS** of the Liability Coverage Terms and Conditions:

As a condition precedent to exercising rights under this **Liability Policy**, the **Insured** must give the Company written notice of any **Crisis Event Management Matter** or circumstances that could give rise to a **Crisis Event Management Matter** as soon as practicable after an **Executive Officer** first becomes aware of a **Crisis Event Management Matter**.

As a condition precedent to exercising rights under this **Liability Policy**, the **Insured** must:

1. include within any notice of a **Crisis Event Management Matter** or circumstance a description of the **Crisis Event Management Matter** or circumstance, the nature of the **Crisis Event Management Matter** or circumstance, the nature of the alleged or potential damage, the names of **Insured Persons** involved, and a description of how the **Insured** first became aware of such **Crisis Event Management Matter** or circumstance; and
2. give to the Company such other information and cooperation as the Company may reasonably request.

All notices under this section must be sent or delivered to the Company, at the address set forth in ITEM 3 of the Declarations, and will be deemed received and effective upon the earliest of actual receipt by the addressee, or one day following the date such notice is sent.

Nothing herein contained shall be held to vary, alter, waive, or extend any of the terms, conditions, exclusions, or limitations of the above-mentioned policy, except as expressly stated herein. This endorsement is part of such policy and incorporated therein.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DATA AND PRIVACY EXCLUSION WITH SIDE A CARVEBACK ENDORSEMENT

This endorsement changes the following:

Non-Profit Organization Directors and Officers Liability

It is agreed that:

The following is added to section III. **EXCLUSIONS, A. EXCLUSIONS APPLICABLE TO ALL LOSS:**

The Company will not be liable for **Loss** for any **Claim** based upon or arising out of:

- a. any loss or theft of, disclosure of, or unauthorized access to or use of, personal private or personal confidential information;
- b. any unauthorized access to a computer system;
- c. any use of authorized access to cause intentional harm to a computer system;
- d. any denial-of-service attack against a computer system;
- e. any introduction of malicious code into a computer system;
- f. failure to provide an authorized user with access to a computer system;
- g. any violation of law regarding the protection, use, collection, destruction, disclosure of, loss of, access to, or storage of personal private or personal confidential information; or
- h. the failure to provide notification required by law in connection with a. through g.;

provided however, this exclusion will not apply to any **Claim** under Insuring Agreement A.

Nothing herein contained shall be held to vary, alter, waive, or extend any of the terms, conditions, exclusions, or limitations of the above-mentioned policy, except as expressly stated herein. This endorsement is part of such policy and incorporated therein.

Issuing Company: **Travelers Casualty and Surety Company of America**

Policy Number:

NDO-19030 Rev. 01-22

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EXTRADITION COVERAGE ENDORSEMENT

This endorsement changes the following:

Non-Profit Organization Directors and Officers Liability

It is agreed that:

1. The following is added to section II. **DEFINITIONS, A. Claim** of the **Liability Coverage**:

Claim also means a request for **Extradition**.

2. The following is added to section II. **DEFINITIONS, F. Defense Expenses** of the Liability Coverage Terms and Conditions:

Defense Expenses also means **Extradition Expenses**.

3. The following is added to section II. **DEFINITIONS** of the **Liability Coverage**:

Extradition means a formal process by which an **Insured Person** located in any country is surrendered, or sought to be surrendered, to any other country to answer any criminal accusation, including the execution of an arrest warrant where such execution is an element of such process.

Extradition Expenses means the reasonable legal fees and expenses incurred by an **Insured Person** in lawfully opposing, challenging, resisting, or defending against any request for, or any effort to obtain, the **Extradition** of such **Insured Person**.

Nothing herein contained shall be held to vary, alter, waive, or extend any of the terms, conditions, exclusions, or limitations of the above-mentioned policy, except as expressly stated herein. This endorsement is part of such policy and incorporated therein.

EMPLOYMENT PRACTICES LIABILITY COVERAGE

**THIS IS A CLAIMS MADE COVERAGE WITH DEFENSE EXPENSES INCLUDED IN THE LIMIT OF LIABILITY.
PLEASE READ ALL TERMS CAREFULLY.**

I. INSURING AGREEMENT

- A. The Company will pay on behalf of the **Insured, Loss** for any **Employment Claim** first made during the **Policy Period**, or if exercised, during the Extended Reporting Period or Run-Off Extended Reporting Period, for a **Wrongful Employment Practice**.
- B. If ITEM 5 of the Declarations indicates that Third Party Claim Coverage is applicable, the Company will pay on behalf of the **Insured, Loss** for any **Third Party Claim** first made during the **Policy Period**, or if exercised, during the Extended Reporting Period or Run-Off Extended Reporting Period, for a **Third Party Wrongful Act**.

II. DEFINITIONS

Wherever appearing in this **Liability Coverage**, the following words and phrases appearing in bold type will have the meanings set forth in section II. DEFINITIONS:

- A. **Claim** means an **Employment Claim** or, if ITEM 5 of the Declarations indicates that Third Party Claim Coverage is applicable, a **Third Party Claim**. A **Claim** is deemed to be made on the earliest date that any **Executive Officer** first receives written notice of such **Claim**. However, if any **Insured Person** who is not an **Executive Officer** first receives written notice of a **Claim** during the **Policy Period**, but no **Executive Officer** receives written notice of such **Claim** until after the **Policy Period** has expired, then such **Claim** will be deemed to have been made on the date such **Insured Person** first received written notice of the **Claim**.
- B. **Claimant** means:
 - 1. a past, present or future **Employee** of or applicant for employment with the **Insured Organization**;
 - 2. a governmental entity or agency, including the Equal Employment Opportunity Commission or similar federal, state or local agency, when acting on behalf of or for the benefit of a past, present or future **Employee** or applicant for employment with the **Insured Organization**; or
 - 3. any **Independent Contractor**.
- C. **Discrimination** means any actual or alleged:
 - 1. violation of any employment discrimination law; or
 - 2. disparate treatment of, or the failure or refusal to hire a **Claimant** or **Outside Claimant** because he or she is or claims to be a member of a class which is or is alleged to be legally protected.
- D. **Employee** means a natural person whose labor or service is engaged by and directed by the **Insured Organization** and:
 - 1. who is on the payroll of the **Insured Organization**, including:
 - a. any in-house general counsel of the **Insured Organization**; and

- b. any other full-time, part-time, and seasonal worker;
- 2. who is a volunteer or temporary worker; or
- 3. whose services have been leased by the **Insured Organization**.

Independent Contractors are not **Employees**. The status of an individual as an **Employee** will be determined as of the date of the alleged **Wrongful Act**.

E. *Employment Agreement* means any express or implied employment agreement regardless of the basis in which such agreement is alleged to exist, other than a collective bargaining agreement.

F. *Employment Claim* means:

- 1. a written demand for monetary damages or non-monetary relief;
- 2. a civil proceeding commenced by service of a complaint or similar pleading;
- 3. a criminal proceeding commenced by filing of charges;
- 4. a formal administrative or regulatory proceeding commenced by the filing of a notice of charges, formal investigative order, service of summons or similar document, including a proceeding before the Equal Employment Opportunity Commission or any similar governmental agency; provided that in the context of an audit conducted by the Office of Federal Contract Compliance Programs, **Employment Claim** will be limited to a Notice of Violation or Order to Show Cause or written demand for monetary damages or non-monetary relief;
- 5. an arbitration, mediation or similar alternative dispute resolution proceeding if the **Insured** is obligated to participate in such proceeding or if the **Insured** agrees to participate in such proceeding, with the Company's written consent, such consent not to be unreasonably withheld; or
- 6. a written request to toll or waive a statute of limitations relating to a potential civil or administrative proceeding,

against an **Insured** by or on behalf of or for the benefit of a **Claimant**, or against an **Insured Person** serving in an **Outside Position** by or on behalf of or for the benefit of an **Outside Claimant**, for a **Wrongful Employment Practice**; provided that **Employment Claim** does not include any labor or grievance arbitration or other proceeding pursuant to a collective bargaining agreement.

G. *Executive Officer* means an officer, member of the board of directors, natural person partner, principal, risk manager, **LLC Manager**, in-house general counsel, member of the staff of the human resources department of the **Insured Organization** or a functional equivalent thereof.

H. *Independent Contractor* means any natural person who is not an **Employee** but who performs labor or service for the **Insured Organization** pursuant to a written contract or agreement. The status of an individual as an **Independent Contractor** will be determined as of the date of the alleged **Wrongful Act**.

I. *Insured* means the **Insured Persons** and the **Insured Organization**.

J. *Insured Organization* means the **Named Insured**, any **Subsidiary**, and any such entity as a debtor in possession, as such term is used in Chapter 11 of the United States of America Bankruptcy Code, as amended, or the equivalent of a debtor in possession under any applicable foreign law.

K. *Insured Person* means any natural person who was, is or becomes an **Employee**, duly elected or appointed member of the board of directors, officer, member of the board of trustees, member of the board of regents, member of the board of governors, natural person partner, **LLC Manager** or a functional equivalent thereof of the **Insured Organization** for **Wrongful Acts** committed in the discharge of his or her duties as such, or while serving in an **Outside Position**.

In the event of the death, incapacity or bankruptcy of an **Insured Person**, any **Claim** against the estate, heirs, legal representatives or assigns of such **Insured Person** for a **Wrongful Act** of such **Insured Person** will be deemed to be a **Claim** against such **Insured Person**.

L. Loss means **Defense Expenses** and money which an **Insured** is legally obligated to pay as a result of a **Claim**, including settlements; judgments; back and front pay; compensatory damages; punitive or exemplary damages or the multiple portion of any multiplied damage award if insurable under the applicable law most favorable to the insurability of punitive, exemplary, or multiplied damages; prejudgment and postjudgment interest; and legal fees and expenses of a **Claimant** or **Outside Claimant** awarded pursuant to a court order or judgment. "**Loss**" does not include:

1. civil or criminal fines; sanctions; liquidated damages other than liquidated damages awarded under the Age Discrimination in Employment Act or the Equal Pay Act; payroll or other taxes; or damages, penalties or types of relief deemed uninsurable under applicable law;
2. future compensation, including salary or benefits, for a **Claimant** or **Outside Claimant** who has been or will be hired, promoted or reinstated to employment pursuant to a settlement, court order, judgment, award or other resolution of a **Claim**; or that part of any judgment or settlement which constitutes front pay, future monetary losses including pension and other benefits, or other future economic relief or the value or equivalent thereof, if the **Insured** has been ordered, or has the option pursuant to a judgment, order or other award or disposition of a **Claim**, to promote, accommodate, reinstate, or hire the **Claimant** or **Outside Claimant** to whom such sums are to be paid, but fails to do so;
3. medical, pension, disability, life insurance, **Stock Benefit** or other similar employee benefits, except and to the extent that a judgment or settlement of a **Claim** includes a monetary component measured by the value of:
 - a. medical, pension, disability, life insurance, or other similar employee benefits; or
 - b. **Stock Benefits** of an **Insured Organization** whose equity or debt securities are not publicly traded, including on a stock exchange or another organized securities market,as consequential damages for a **Wrongful Act**; or
4. any amount allocated to non-covered loss pursuant to Section III. CONDITIONS P. ALLOCATION of the Liability Coverage Terms and Conditions.

M. Outside Claimant means:

1. a past, present or future **Outside Employee** of or applicant for employment with an **Outside Entity**;
2. a governmental entity or agency, including the Equal Employment Opportunity Commission or similar federal, state or local agency, when acting on behalf of or for the benefit of present or former **Outside Employees** or applicants for employment; or
3. any natural person independent contractor who performs labor or service for the **Outside Entity** pursuant to a written contract or agreement, where such labor or service is under the exclusive direction of the **Outside Entity**.

N. Outside Employee means a natural person whose labor or service is engaged by and directed by an **Outside Entity** and:

1. who is on the payroll of an **Outside Entity**, including:
 - a. any in-house general counsel of the **Outside Entity**; and
 - b. any other full-time, part-time, and seasonal worker;

2. who is a volunteer or temporary worker; or
3. whose services have been leased by the **Outside Entity**.

The status of an individual as an **Outside Employee** will be determined as of the date of the alleged **Wrongful Employment Practice**.

O. Outside Entity means a corporation or organization:

1. other than the **Insured Organization**, which is exempt from federal income tax as an entity described in Section 501(c)(3), 501(c)(4), or 501(c)(10) of the Internal Revenue Code of 1986, as amended; or
2. specifically scheduled as an **Outside Entity** by endorsement to this **Liability Policy**.

P. Outside Position means service by an **Insured Person** as a member of the board of directors, officer, member of the board of trustees, member of the board of managers, member of the board of regents, member of the board of governors or a functional equivalent thereof with an **Outside Entity**, but only during such time that such service is with the knowledge, consent, and at the specific request of the **Insured Organization**.

Q. Retaliation means any actual or alleged **Wrongful Termination** or other adverse employment action against a **Claimant** or **Outside Claimant** on account of such **Claimant's** or **Outside Claimant's** exercise or attempted exercise of rights protected by law, refusal to violate any law, disclosure or threat to disclose to a superior or to any governmental agency alleged violations of the law, or on account of the **Claimant** or **Outside Claimant** having assisted or testified in or cooperated with a proceeding or investigation regarding alleged violations of law.

R. Sexual Harassment means any actual or alleged unwelcome sexual advances, requests for sexual favors or any other conduct of a sexual nature:

1. which is made a term or condition of a **Claimant's** or **Outside Claimant's** employment or advancement;
2. which the submission to or rejection of is used as a basis for decisions affecting the **Claimant** or **Outside Claimant**; or
3. which has the purpose or effect of creating an intimidating, hostile or offensive work environment.

S. Stock Benefit means compensation provided to **Employees** in the form of equity or debt securities or rights to purchase equity or debt securities or the value thereof, including any grant of stock, restricted stock, stock options or warrants, phantom stock, stock appreciation rights, or performance shares.

T. Subsidiary means:

1. any corporation, partnership, limited liability company or other entity organized under the laws of any jurisdiction in which, on or before the Inception Date set forth in ITEM 2 of the Declarations, the **Named Insured** owns, directly or indirectly, more than fifty percent (50%) of the outstanding securities or voting rights representing the present right to elect, appoint or exercise a majority control over such entity's board of directors, board of trustees, board of managers, natural person general partners, or functional equivalent;
2. any non-profit entity over which, on or before the Inception Date set forth in ITEM 2 of the Declarations, the **Named Insured** has the ability to exercise managerial control;
3. any entity operated as a joint venture, in which, on or before the Inception Date set forth in ITEM 2 of the Declarations, the **Named Insured** owns, directly or indirectly, exactly fifty percent (50%) of the issued and outstanding voting stock and whose management and operation the **Insured**

Organization solely controls, pursuant to a written agreement with the owner(s) of the remaining issued and outstanding voting stock; or

4. subject to the provisions set forth in Section III. CONDITIONS L. ACQUISITIONS of the Liability Coverage Terms and Conditions, any entity that the **Insured Organization** acquires or forms during the **Policy Period** in which the **Named Insured** owns, directly or indirectly, more than fifty percent (50%) of the outstanding securities or voting rights representing the present right to elect, appoint or exercise a majority control over such entity's board of directors, board of trustees, board of managers, natural person general partners, or functional equivalent, or, in the case of any non-profit entity that does not issue securities, over which the **Named Insured** has the ability to exercise managerial control.

U. *Third Party Claim* means:

1. a written demand for monetary damages or non-monetary relief;
2. a civil proceeding commenced by service of a complaint or similar pleading;
3. a formal administrative or regulatory proceeding commenced by the filing of a notice of charges, formal investigative order, service of summons, or similar document;
4. an arbitration, mediation or similar alternative dispute resolution proceeding if the **Insured** is obligated to participate in such proceeding or if the **Insured** agrees to participate in such proceeding, with the Company's written consent, such consent not to be unreasonably withheld; or
5. a written request to toll or waive a statute of limitations relating to a potential civil or administrative proceeding,

against an **Insured** by or on behalf of or for the benefit of any natural person other than a **Claimant** for a **Third Party Wrongful Act**; provided that **Third Party Claim** does not include any labor or grievance arbitration or other proceeding pursuant to a collective bargaining agreement or any type of criminal proceeding.

V. *Third Party Wrongful Act* means, with respect to any natural person other than a **Claimant**, any actual or alleged:

1. violation of any federal, state or local law or statute or any common law prohibiting any kind of discrimination; or
2. unwelcome sexual advances, requests for sexual favors or any other conduct of a sexual nature which violates the civil rights of any such person.

W. *Workplace Harassment* means any actual or alleged harassment, other than **Sexual Harassment**, which creates a work environment that interferes with job performance, or creates an intimidating, hostile, or offensive work environment.

X. *Wrongful Act* means:

1. a **Wrongful Employment Practice** occurring in the course of or arising out of a **Claimant's** employment, application for employment or performance of services with the **Insured Organization**;
2. a **Wrongful Employment Practice** by an **Insured Person** in his or her **Outside Position** occurring in the course of or arising out of an **Outside Claimant's** employment, application for employment or performance of services with an **Outside Entity**; or
3. a **Third Party Wrongful Act**, if ITEM 5 of the Declarations indicates that Third Party Claim Coverage has been purchased.

All **Related Wrongful Acts** are a single **Wrongful Act** for purposes of this **Liability Coverage**, and all **Related Wrongful Acts** will be deemed to have occurred at the time the first of such **Related Wrongful Acts** occurred whether prior to or during the **Policy Period**.

Y. Wrongful Employment Practice means any actual or alleged:

1. **Discrimination;**
2. **Retaliation;**
3. **Sexual Harassment;**
4. **Workplace Harassment;**
5. **Wrongful Termination;**
6. breach of **Employment Agreement;**
7. violation of the Family Medical Leave Act;
8. employment-related misrepresentation;
9. employment-related defamation, including libel or slander, or invasion of privacy;
10. failure or refusal to create or enforce adequate workplace or employment policies and procedures, employ or promote, including wrongful failure to grant bonuses or perquisites, or grant tenure;
11. wrongful discipline, wrongful demotion, denial of training, deprivation of career opportunity, denial or deprivation of seniority, or evaluation;
12. employment-related wrongful infliction of emotional distress; or
13. negligent hiring, supervision of others, training, or retention committed or allegedly committed by any **Insured**, but only if such act is alleged in connection with a **Wrongful Employment Practice** set forth in 1. through 12. above; provided that the **Claim** alleging the negligent hiring, supervision of others, training, or retention is brought by or on behalf of any **Claimant** or **Outside Claimant**.

Z. Wrongful Termination means the actual, alleged or constructive termination of an employment relationship between a **Claimant** and the **Insured Organization**, or the actual or constructive termination of an employment relationship between an **Outside Claimant** and an **Outside Entity**, in a manner or for a reason which is contrary to applicable law or public policy, or in violation of an **Employment Agreement**.

III. EXCLUSIONS

A. EXCLUSIONS APPLICABLE TO ALL LOSS

1. The Company will not be liable for **Loss** for any **Claim** for any damage to, or destruction of, loss of, or loss of use of, any tangible property including damage to, destruction of, loss of, or loss of use of, tangible property that results from inadequate or insufficient protection from soil or ground water movement, soil subsidence, mold, toxic mold, spores, mildew, fungus, or wet or dry rot.
2. The Company will not be liable for **Loss** for any **Claim** for any bodily injury, sickness, disease, death, or loss of consortium; provided that this exclusion will not apply to that portion of a **Claim** seeking **Loss** for emotional distress, mental anguish, humiliation, or loss of reputation.
3. The **Company** will not be liable for **Loss** for any **Claim**:

- a. based upon or arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of any **Pollutant**;
- b. based upon or arising out of any request, demand, order, or statutory or regulatory requirement that any **Insured** or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, any **Pollutant**; or
- c. brought by or on behalf of any governmental authority because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, any **Pollutant**;

provided that this exclusion will not apply to **Claims** for **Retaliation**.

- 4. The Company will not be liable for **Loss** for any **Claim** based upon or arising out of, any fact, circumstance, situation, event or **Wrongful Act** underlying or alleged in any prior or pending civil, criminal, administrative or regulatory proceeding, including audits initiated by the Office of Federal Contract Compliance Programs, against any **Insured** as of or prior to the applicable Prior and Pending Proceeding Date set forth in ITEM 5 of the Declarations for this **Liability Coverage**.
- 5. The Company will not be liable for **Loss** for any **Claim** for any fact, circumstance, situation or event that is or reasonably would be regarded as the basis for a claim about which any **Executive Officer** had knowledge prior to the applicable Continuity Date set forth in ITEM 5 of the Declarations for this **Liability Coverage**.
- 6. The Company will not be liable for **Loss** for any **Claim** based upon or arising out of, any fact, circumstance, situation, event or **Wrongful Act** which, before the Inception Date set forth in ITEM 2 of the Declarations, was the subject of any notice of claim or potential claim given by or on behalf of any **Insured** under any policy of insurance of which this **Liability Coverage** is a direct renewal or replacement or which it succeeds in time.
- 7. The Company will not be liable for **Loss** for any **Claim** for any violation of responsibilities, duties or obligations under any law concerning Social Security, unemployment insurance, workers' compensation, disability insurance, or any similar or related federal, state or local law or regulation; or for any actual or alleged violation of the Worker Adjustment and Retraining Notification Act (WARN), Occupational Safety and Health Act (OSHA), Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA), National Labor Relations Act (NLRA) or amendments thereto or regulations promulgated thereunder, or any similar or related federal, state or local law or regulation; provided that this exclusion will not apply to **Claims** for **Retaliation**.
- 8. The Company will not be liable for **Loss** for any **Claim** for any liability of others assumed by an **Insured** under any contract or agreement, whether oral or written, except to the extent that the **Insured** would have been liable in the absence of such contract or agreement.
- 9. The Company will not be liable for **Loss** for any **Claim** for any violation of responsibilities, duties or obligations under the Employee Retirement Income Security Act of 1974 (ERISA), including amendments thereto and regulations promulgated thereunder, or any similar or related federal, state or local law or regulation; or for an **Insured's** failure or refusal to establish, contribute to, pay for, insure, maintain, provide benefits pursuant to, or enroll or maintain the enrollment of an **Employee** or **Outside Employee** or dependent in, any employee benefit plan, fund or program, including contracts or agreements which are not subject to the provisions of ERISA; provided that this exclusion will not apply to **Claims** for **Retaliation**.
- 10. The Company will not be liable for **Loss** for any **Claim** based upon or arising out of, any **Wrongful Act** by a **Subsidiary** or any related **Insured Person** occurring at any time during which such entity was not a **Subsidiary**.
- 11. The Company will not be liable for **Loss** for any **Third Party Claim**:

- a. alleging price discrimination, or other violation of any antitrust or unfair trade practices law; or
 - b. against an **Insured Person** solely due to their service in an **Outside Position**.
12. The Company will not be liable for **Loss** for any **Claim** for any liability under any agreement governing the terms of the labor or service of an **Independent Contractor**, temporary worker or leased employee with the **Insured Organization** or for liability under any agreement governing the terms of the labor or service of any natural person independent contractor who performs labor or service solely for the **Outside Entity** on a full-time basis pursuant to a written contract or agreement.
13. The Company will not be liable for **Loss** for any **Claim** for violation of responsibilities, duties or obligations imposed on an **Insured** under any **Wage and Hour Law**; provided that this exclusion will not apply to:
 - a. **Claims for Retaliation**; or
 - b. any actual or alleged violation of the Equal Pay Act.

B. EXCLUSIONS APPLICABLE TO LOSS, OTHER THAN DEFENSE EXPENSES

1. The Company will not be liable for **Loss**, other than **Defense Expenses**, for any **Claim** seeking costs and expenses incurred or to be incurred to comply with an order, judgment or award of injunctive or other equitable relief of any kind, or that portion of a settlement encompassing injunctive or other equitable relief, including actual or anticipated costs and expenses associated with or arising from an **Insured's** obligation to provide reasonable accommodation under, or otherwise comply with, the Americans With Disabilities Act or the Rehabilitation Act of 1973, including amendments thereto and regulations promulgated thereunder, or any similar or related federal, state or local law or regulation.
2. The Company will not be liable for **Loss**, other than **Defense Expenses**, for any **Claim** seeking severance pay, damages or penalties under an express written **Employment Agreement**, or under any policy or procedure providing for payment in the event of separation from employment; or sums sought solely on the basis of a claim for unpaid services.

IV. CONDITIONS

A. SETTLEMENT

1. The Company may, with the written consent of the **Insured**, make such settlement or compromise of any **Claim** as the Company deems expedient. In the event that:
 - a. the **Insured** and the party bringing a **Claim** hereunder consent to the first settlement offer recommended by the Company (the "Settlement Offer") within thirty (30) days of being made aware of such offer by the Company; and
 - b. the amount of such Settlement Offer:
 - i. is less than the remaining applicable limit of liability available at the time; and
 - ii. combined with **Defense Expenses** incurred with respect to such **Claim**, exceeds the Retention;

the Retention will be retroactively reduced by ten percent (10%) with respect to such **Claim**.

2. If the **Insured** does not consent to the Settlement Offer within thirty (30) days of being made aware of such offer by the Company:
 - a. the Retention will not be reduced as provided in paragraph 1. above even if consent is given to the same or subsequent Settlement Offer; and
 - b. the **Insured** will be solely responsible for thirty percent (30%) of all **Defense Expenses** incurred or paid by the **Insured** after the date the **Insured** refused to consent to the Settlement Offer, and the **Insured** will also be responsible for thirty percent (30%) of all **Loss**, other than **Defense Expenses**, in excess of the Settlement Offer, provided that the Company's liability under this **Liability Coverage** for such **Claim** will not exceed the remaining applicable limit of liability.

B. OTHER INSURANCE

1. This **Liability Coverage** is primary, except as expressly stated otherwise in this **Liability Coverage**.
2. Except as stated in paragraph 3. of section IV. CONDITIONS B., this **Liability Coverage** will apply only as excess insurance over, and will not contribute with any insurance that applies to any **Claim**:
 - a. against any leased or temporary worker; or
 - b. for a **Third Party Wrongful Act**.
3. With respect to **Claims** against **Insured Persons** for **Wrongful Employment Practices** in their **Outside Positions**, this **Liability Coverage** will apply only as excess insurance over, and will not contribute with:
 - a. any other valid and collectible insurance available to any **Insured**, including any insurance under which there is a duty to defend, unless such insurance is written specifically excess of this **Liability Coverage** by reference in such other policy to the Policy Number of this **Liability Policy**; or
 - b. indemnification to which an **Insured Person** is entitled from any **Outside Entity** other than the **Insured Organization**.
4. This **Liability Coverage** will not be subject to the terms of any other insurance.

C. OUTSIDE POSITIONS - LIMIT OF LIABILITY

If any **Claim** against an **Insured Person** gives rise to an obligation both under this **Liability Coverage** and under any other coverage or policy of insurance issued by the Company or any of its affiliates to any **Outside Entity**, the Company's maximum aggregate limit of liability under all such policies for any **Loss**, for such **Claim** will not exceed the largest single available limit of liability under such coverage.

**WAGE AND HOUR LAW, RETENTION, PRIOR & PENDING PROCEEDING DATE AND CONTINUITY DATE
ENDORSEMENT**

This endorsement modifies the following:

Employment Practices Liability

It is agreed that:

1. The following is added to section **III. CONDITIONS, C. LIMITS OF LIABILITY**, 1. of the Liability Coverage Terms and Conditions:

However, the Company's maximum limit of liability for **Defense Expenses** for all **Wage and Hour Law Claims** is further limited by the following:

The Company's maximum limit of liability for **Defense Expenses** for all **Wage and Hour Law Claims** under the Employment Practices Liability coverage will not exceed the Wage and Hour Law Claim Limit of Liability for all **Wage and Hour Law Claims** set forth in ITEM 5 of the Declarations, which amount is included within and not in addition to, any applicable limit of liability.

2. The following is added to section **III. CONDITIONS, D. ADDITIONAL DEFENSE COVERAGE** of the Liability Coverage Terms and Conditions:

The Company's maximum limit of liability for **Defense Expenses** for all **Wage and Hour Law Claims** under the Employment Practices Liability coverage that are paid pursuant to the **Additional Defense Limit of Liability** will not exceed the Wage and Hour Law Claim Limit of Liability for all **Wage and Hour Law Claims** set forth in ITEM 5 of the Declarations. Such **Defense Expenses** will be part of, and not in addition to, the Wage and Hour Law Claim Limit of Liability for all **Wage and Hour Law Claims** set forth in ITEM 5 of the Declarations and such Wage and Hour Law Claim Limit of Liability for all **Wage and Hour Law Claims** will be reduced and may be exhausted by payment of such **Defense Expenses** under the **Additional Defense Limit of Liability**.

3. The following is added to ITEM 5. of the Declarations:

**Wage and Hour Law
Claim Limit of Liability** **\$250,000** for all **Wage and Hour Law Claims**

4. The items indicated below by are added to ITEM 5. of the Declarations:

Retention: **\$0** for all **Wage and Hour Law Claims**

Prior and Pending Proceeding Date: **Wage and Hour Law Claims: 05/01/2026**

Continuity Date: **Wage and Hour Law Claims: 05/01/2026**

Issuing Company: **Travelers Casualty and Surety Company of America**
Policy Number:

5. The following is added to section **II. DEFINITIONS** of the Employment Practices Liability coverage part:

Wage and Hour Law Claim means any **Employment Claim** for an alleged violation of responsibilities, duties or obligations imposed on an **Insured** under any **Wage and Hour Law**; provided that **Wage and Hour Law Claim** will not include **Claims** for **Retaliation** or any actual or alleged violation of the Equal Pay Act.

6. The following is added to section **II. DEFINITIONS, Y. Wrongful Employment Practice** of the Employment Practices Liability coverage part:

Wrongful Employment Practice also means the violation of responsibilities, duties or obligations imposed on an **Insured** under any **Wage and Hour Law**.

7. The following is deleted from section **III. EXCLUSIONS, A. EXCLUSIONS APPLICABLE TO ALL LOSS**, of the Employment Practices Liability coverage part:

13. The Company will not be liable for **Loss** for any **Claim** for violation of responsibilities, duties or obligations imposed on an **Insured** under any **Wage and Hour Law**; provided that this exclusion will not apply to:

a. **Claims** for **Retaliation**; or

b. any actual or alleged violation of the Equal Pay Act.

8. The following is added to section **III. EXCLUSIONS, B. EXCLUSIONS APPLICABLE TO LOSS, OTHER THAN DEFENSE EXPENSES** of the Employment Practices Liability coverage part:

The Company will not be liable for **Loss**, other than **Defense Expenses** up to the Wage and Hour Law Claim Limit of Liability set forth in ITEM 5 of the Declarations, for any **Claim** for the violation of responsibilities, duties or obligations imposed on an **Insured** under any **Wage and Hour Law**; provided that this exclusion will not apply to:

a. **Claims** for **Retaliation**; or

b. any actual or alleged violation of the Equal Pay Act.

Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, exclusions or limitations of the above-mentioned policy, except as expressly stated herein. This endorsement is part of such policy and incorporated therein.

EMPLOYMENT NETWORK AND INFORMATION SECURITY OFFENSE COVERAGE ENDORSEMENT

This endorsement modifies the following:

Employment Practices Liability

It is agreed that:

1. The following is added to section II. **DEFINITIONS, Y. Wrongful Employment Practice**:

Wrongful Employment Practice also means any actual or alleged **Employment Network and Information Security Offense** by any **Insureds** in their capacity as such.

2. The following are added to section II. **DEFINITIONS**:

Employment Network and Information Security Offense means:

1. the failure to prevent unauthorized access to, or use of, data containing **Private Employment Information** of any past, present or future **Employee** or any applicant for employment with the **Insured Organization**, or
2. the failure to notify any past, present or future **Employee** or any applicant for employment with the **Insured Organization** of any actual or potential unauthorized access to, or use of, data containing **Private Employment Information** of any such past, present or future **Employee** or applicants for employment with the **Insured Organization**, if such notification is required by any state or federal regulation or statute.

Private Employment Information means any information regarding any past, present or future **Employee** or any applicant for employment with the **Insured Organization**, collected or stored by an **Insured** for the purpose of establishing, maintaining or terminating the employment relationship.

Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, exclusions or limitations of the above-mentioned policy, except as expressly stated herein. This endorsement is part of such policy and incorporated therein.

Issuing Company: **Travelers Casualty and Surety Company of America**
Policy Number:

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**OUTSIDE ENTITY TO INCLUDE ANY NON-PROFIT
ENTITY ENDORSEMENT**

This endorsement modifies the following:

Employment Practices Liability

It is agreed that:

The following replaces section II. **DEFINITIONS, O. Outside Entity:**

- O. **Outside Entity** means any corporation or organization:
 - 1. other than the **Insured Organization**, which is a non-profit entity; or
 - 2. specifically scheduled as an **Outside Entity** by endorsement to this **Liability Policy**.

Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, exclusions or limitations of the above-mentioned policy, except as expressly stated herein. This endorsement is part of such policy and incorporated therein.

Issuing Company: **Travelers Casualty and Surety Company of America**

Policy Number:

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMEND PRIOR AND PENDING EXCLUSION ENDORSEMENT

This endorsement changes the following:

Employment Practices Liability

It is agreed that:

The following replaces section III. EXCLUSIONS, A. EXCLUSIONS APPLICABLE TO ALL LOSS, A.4.:

4. The Company will not be liable for **Loss** for any **Claim** based upon or arising out of, any fact, circumstance, situation, event or **Wrongful Act** underlying or alleged in any prior or pending civil, criminal, administrative or regulatory proceeding, including audits initiated by the Office of Federal Contract Compliance Programs, against any **Insured** as of or prior to the applicable Prior and Pending Proceeding Date set forth in ITEM 5 of the Declarations for this **Liability Coverage**; provided that this exclusion shall not apply to any unemployment compensation proceeding or any workers compensation proceeding in which a **Wrongful Act** has not been alleged.

Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, exclusions or limitations of the above-mentioned policy, except as expressly stated herein. This endorsement is part of such policy and incorporated therein.

Issuing Company: **Travelers Casualty and Surety Company of America**
Policy Number:

INSURED PERSON REDEFINED TO INCLUDE INDEMNIFIED INDEPENDENT CONTRACTOR ENDORSEMENT

This endorsement changes the following:

Employment Practices Liability

It is agreed that:

1. The following replaces section **II. DEFINITIONS, K. Insured Person**:

K. Insured Person means any natural person who was, is or becomes an **Employee**, duly elected or appointed member of the board of directors, officer, member of the board of trustees, member of the board of regents, member of the board of governors, natural person partner, **LLC Manager** or a functional equivalent thereof of the **Insured Organization** for **Wrongful Acts** committed in the discharge of his or her duties as such, or while serving in an **Outside Position**.

Insured Person also means any **Independent Contractor** of the **Insured Organization** for **Wrongful Acts** committed in the discharge of his or her duties as such, but only if and to the extent the **Insured Organization** provides indemnification to such natural person in the same manner as that provided to **Employees**.

In the event of the death, incapacity or bankruptcy of an **Insured Person**, any **Claim** against the estate, heirs, legal representatives or assigns of such **Insured Person** for a **Wrongful Act** of such **Insured Person** will be deemed to be a **Claim** against such **Insured Person**.

2. The following replaces section **IV. CONDITIONS, B. OTHER INSURANCE 2.**:

2. Except as stated in paragraph 3. of section IV. CONDITIONS B., this **Liability Coverage** will apply only as excess insurance over, and will not contribute with any insurance that applies to any **Claim**:

- a. against any **Independent Contractor** or leased or temporary worker: or
- b. for a **Third Party Wrongful Act**.

Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, exclusions or limitations of the above-mentioned policy, except as expressly stated herein. This endorsement is part of such policy and incorporated therein.

Issuing Company: **Travelers Casualty and Surety Company of America**
Policy Number:

SECTION 510 OF ERISA ENDORSEMENT

This endorsement changes the following:

Employment Practices Liability

It is agreed that:

1. The following replaces section *III. EXCLUSIONS, A. EXCLUSIONS APPLICABLE TO ALL LOSS, A.9.*:
 9. The Company will not be liable for **Loss** for any **Claim** for any violation of responsibilities, duties or obligations under the Employee Retirement Income Security Act of 1974 (ERISA), including amendments thereto and regulations promulgated thereunder, or any similar or related federal, state or local law or regulation; or for an **Insured's** failure or refusal to establish, contribute to, pay for, insure, maintain, provide benefits pursuant to, or enroll or maintain the enrollment of an **Employee** or **Outside Employee** or dependent in, any employee benefit plan, fund or program, including contracts or agreements which are not subject to the provisions of ERISA; provided that this exclusion will not apply to **Claims** for **Retaliation** or **Claims** for any actual or alleged violation of Section 510 of the Employee Retirement Income Security Act of 1974.

Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, exclusions or limitations of the above-mentioned policy, except as expressly stated herein. This endorsement is part of such policy and incorporated therein.

Issuing Company: **Travelers Casualty and Surety Company of America**
Policy Number:

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EMPLOYMENT-RELATED DISPARAGEMENT AND FALSE IMPRISONMENT ENDORSEMENT

This endorsement changes the following:

Employment Practices Liability

It is agreed that:

The following is added to section *II. DEFINITIONS, Y. Wrongful Employment Practice*:

Wrongful Employment Practice also means any actual or alleged employment-related disparagement and also means any actual or alleged false imprisonment.

Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, exclusions or limitations of the above-mentioned policy, except as expressly stated herein. This endorsement is part of such policy and incorporated therein.

Issuing Company: **Travelers Casualty and Surety Company of America**
Policy Number:

EPL-19020 Ed. 07-12

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WORKPLACE VIOLENCE EXPENSES ENDORSEMENT

This endorsement changes the following:

Employment Practices Liability

It is agreed that:

1. The following is added to ITEM 5 of the Declarations:

Workplace Violence Expenses Limit of Liability: \$250,000 for all **Workplace Violence Expenses**, which amount is in addition to, and not part of, any applicable limit of liability.

2. The following is added to section **I. INSURING AGREEMENT** of the **Liability Coverage**:

The Company will reimburse the **Insured Organization, Workplace Violence Expenses** incurred by the **Insured Organization** as a result of any **Workplace Violence Event**;

1. first occurring during the **Policy Period**; and,
2. reported to the Company as soon as practicable after an **Executive Officer** becomes aware such **Workplace Violence Event** has occurred, but in no event later than 90 days after the expiration of the **Policy Period**;

up to the amount of the **Workplace Violence Expenses** Limit of Liability set forth in ITEM 5 of the Declarations of this **Liability Coverage**.

3. The following is added to section **II. DEFINITIONS** of the **Liability Coverage**:

Premise means the buildings, facilities or properties occupied by the **Insured Organization** in conducting its business.

Workplace Violence Event means any intentional:

1. use of deadly force; or
2. threat of deadly force with the display of a lethal weapon;

which occurs on or in the **Premise** and which did or could result in bodily injury or death to an **Insured Person**.

Workplace Violence Expenses means the reasonable fees, costs, and expenses incurred and paid by the **Insured Organization** for:

1. the services of an independent security consultant for 90 days following a **Workplace Violence Event**;
2. the services of an independent public relations consultant for 90 days following a **Workplace Violence Event**;
3. counseling services provided to employees by an independent consultant on the **Premises** for up to 120 days following a **Workplace Violence Event**;
4. the services of an independent security guard(s) and other reasonable costs to secure the **Premises** for up to 15 days following a **Workplace Violence Event**; or
5. the services of an independent private forensic analyst for 120 days following a **Workplace Violence Event**.

Issuing Company: Travelers Casualty and Surety Company of America

Policy Number:

EPL-19050 Ed. 03-16

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4. The following is added to section **III. EXCLUSIONS** of the **Liability Coverage**:

The Company will not be liable for **Workplace Violence Expenses** based upon or arising out of a **Workplace Violence Event** arising out of war, invasion, acts of foreign enemies, hostilities (whether war is declared or not), civil war, rebellion, revolution, insurrection, military or usurped power, or confiscation, nationalization, requisition, or destruction of, or damage to, property by or under the order of any government, public or local authority; provided that this exclusion will not apply to any "act of terrorism" as defined in the Terrorism Risk Insurance Act of the United States of America as amended.

5. The following is added to section **III. CONDITIONS, B. RETENTION**, of the Liability Coverage Terms and Conditions:

No retention shall apply to **Workplace Violence Expenses** Coverage.

6. The following is added to section **III. CONDITIONS, C. LIMITS OF LIABILITY**, of the Liability Terms and Conditions:

The Company's maximum limit of liability for all **Workplace Violence Events** under the Employment Practices Liability coverage will not exceed the Workplace Violence Expenses Limit of Liability set forth in ITEM 5 of the Declarations.

The Workplace Violence Expenses Limit of Liability will be in addition to, and not part of, the **Liability Coverage Limit of Liability** as set forth in ITEM 5 of the Declarations.

Nothing herein contained shall be held to vary, alter, waive, or extend any of the terms, conditions, exclusions, or limitations of the above-mentioned policy, except as expressly stated herein. This endorsement is part of such policy and incorporated therein.

THIRD PARTY WRONGFUL ACT COVERAGE ENDORSEMENT

This endorsement changes the following:

Employment Practices Liability

It is agreed that:

1. The definition of **Third Party Wrongful Act** in section **II. DEFINITIONS**, is replaced by the following:
 - V. Third Party Wrongful Act** means, with respect to any natural person other than a **Claimant**, any actual or alleged:
 1. violation of any federal, state or local law or statute or any common law prohibiting any kind of discrimination; or
 2. unwelcome sexual advances, requests for sexual favors or any other conduct of a sexual nature directed toward a natural person who is neither a minor nor a **Customer** of the **Insured Organization**, and which violates the civil rights of any such person;
2. The following is added to section **II. DEFINITIONS**:

Customer means any natural person including a patient utilizing services provided by the **Insured Organization**.
3. The following exclusions are added to section **III. EXCLUSIONS, A**:

The Company will not be liable for **Loss** for any **Claim** based upon or arising out of any actual or alleged sexual conduct of any kind, whether physical or verbal, and whether consensual or nonconsensual, including but not limited to any sexual advances or requests for sexual favors, directed toward any person who is a minor or a **Customer** of the **Insured Organization**;

Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, exclusions or limitations of the above-mentioned policy, except as expressly stated herein. This endorsement is part of such policy and incorporated therein.

Issuing Company: **Travelers Casualty and Surety Company of America**

Policy Number:

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMEND WRONGFUL EMPLOYMENT PRACTICE DEFINITION ENDORSEMENT

This endorsement changes the following:

Employment Practices Liability

It is agreed that:

The following is added to section II. **DEFINITIONS**, Y. **Wrongful Employment Practice**:

Wrongful Employment Practice also means negligent employment reference.

Nothing herein contained shall be held to vary, alter, waive, or extend any of the terms, conditions, exclusions, or limitations of the above-mentioned policy, except as expressly stated herein. This endorsement is part of such policy and incorporated therein.

Issuing Company: **Travelers Casualty and Surety Company of America**

Policy Number:

EPL-19057 Ed. 05-17

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMEND WRONGFUL ACT DEFINITION ENDORSEMENT

This endorsement changes the following:

Employment Practices Liability

It is agreed that:

The following is added to section II. **DEFINITIONS, X. Wrongful Act:**

Wrongful Employment Practice or **Third Party Wrongful Act** includes such practice or act carried out by any means, including any electronic means of communication, such as the Internet, email, instant messaging, social networking services or blogs.

Nothing herein contained shall be held to vary, alter, waive, or extend any of the terms, conditions, exclusions, or limitations of the above-mentioned policy, except as expressly stated herein. This endorsement is part of such policy and incorporated therein.

Issuing Company: **Travelers Casualty and Surety Company of America**

Policy Number:

EPL-19058 Ed. 05-17

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMEND DEFINITION OF EMPLOYEE ENDORSEMENT

This endorsement changes the following:

Employment Practices Liability

It is agreed that:

The following replaces section **II. DEFINITIONS, D. Employee, 2.:**
who is a volunteer or temporary worker, including interns; or

Nothing herein contained shall be held to vary, alter, waive, or extend any of the terms, conditions, exclusions, or limitations of the above-mentioned policy, except as expressly stated herein. This endorsement is part of such policy and incorporated therein.

Issuing Company: **Travelers Casualty and Surety Company of America**

Policy Number:

EPL-19059 Ed. 05-17

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMEND DEFINITION OF WORKPLACE HARASSMENT ENDORSEMENT

This endorsement changes the following:

Employment Practices Liability

It is agreed that:

The following replaces section **II. DEFINITIONS, W. Workplace Harassment**:

Workplace Harassment means any actual or alleged harassment, including bullying, other than **Sexual Harassment**, which creates a work environment that interferes with job performance, or creates an intimidating, hostile, or offensive work environment.

Nothing herein contained shall be held to vary, alter, waive, or extend any of the terms, conditions, exclusions, or limitations of the above-mentioned policy, except as expressly stated herein. This endorsement is part of such policy and incorporated therein.

Issuing Company: **Travelers Casualty and Surety Company of America**

Policy Number:

EPL-19060 Ed. 05-17

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WRONGFUL REASSIGNMENT AND USERRA ENDORSEMENT

This endorsement changes the following:

Employment Practices Liability

It is agreed that:

1. The following replaces section **II. DEFINITIONS, Y. Wrongful Employment Practice, 11.:**
wrongful discipline, wrongful demotion, wrongful reassignment, denial of training, deprivation of career opportunity, denial or deprivation of seniority, or evaluation;
 2. The following is added to section **II. DEFINITIONS, Y. Wrongful Employment Practice:**
violation of the Uniformed Services Employment and Reemployment Rights Act of 1994 or any similar law or regulation.
-

Nothing herein contained shall be held to vary, alter, waive, or extend any of the terms, conditions, exclusions, or limitations of the above-mentioned policy, except as expressly stated herein. This endorsement is part of such policy and incorporated therein.

Issuing Company: **Travelers Casualty and Surety Company of America**

Policy Number:

EPL-19075 Ed. 09-24

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AMEND INSURED'S DUTIES IN EVENT OF A CLAIM CONDITION ENDORSEMENT – REPLACE EXECUTIVE OFFICER DESIGNATION ENDORSEMENT

This endorsement modifies the following:

Non-Profit Organization Directors and Officers Liability, Employment Practices Liability

It is agreed that:

Section III. CONDITIONS, F. INSURED'S DUTIES IN EVENT OF A CLAIM, is replaced by the following:

F. INSURED'S DUTIES IN THE EVENT OF A CLAIM

The **Insured's** duty to report a **Claim** commences on the earliest date a written notice thereof is received by **CEO, CFO, HR Manager, Risk Manager, General Counsel or the functional equivalents thereof**; . If **CEO, CFO, HR Manager, Risk Manager, General Counsel or the functional equivalents thereof**; becomes aware that a **Claim** has been made against any **Insured**, the **Insured**, as a condition precedent to any rights under this **Liability Policy**, must give to the Company written notice of the particulars of such **Claim**, including all facts related to any alleged **Wrongful Act**, the identity of each person allegedly involved in or affected by such **Wrongful Act**, and the dates of the alleged events, as soon as practicable. The **Insured** agrees to give the Company such information, assistance and cooperation as it may reasonably require.

All notices under this subsection must be sent by mail or prepaid express courier to the address set forth in ITEM 3 of the Declarations and will be effective upon receipt. The **Insured** agrees not to voluntarily settle any **Claim**, make any settlement offer, assume or admit any liability or, except at the **Insured's** own cost, voluntarily make any payment, pay or incur any **Defense Expenses**, or assume any obligation or incur any other expense, without the Company's prior written consent, such consent not to be unreasonably withheld. The Company is not liable for any settlement, **Defense Expenses**, assumed obligation or admission to which it has not consented.

Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, exclusions or limitations of the above-mentioned policy, except as expressly stated herein. This endorsement is part of such policy and incorporated therein.

Issuing Company: **Travelers Casualty and Surety Company of America**

Policy Number:

AMEND THE DEFINITION OF SUBSIDIARY ENDORSEMENT

This endorsement changes the following:

Non-Profit Organization Directors and Officers Liability, Employment Practices Liability

It is agreed that:

1. The following replaces section **DEFINITIONS**, **Subsidiary** in the **Liability Coverage**:

Subsidiary means:

1. any non-profit entity organized under the laws of any jurisdiction in which, on or before the Inception Date set forth in ITEM 2 of the Declarations, the **Named Insured** owns, directly or indirectly, more than 50% of the outstanding securities or voting rights representing the present right to elect, appoint or exercise a majority control over such entity's board of directors, board of trustees, board of managers, or functional equivalent, or, in the case of any non-profit entity that does not issue securities, over which, on or before the Inception Date set forth in ITEM 2 of the Declarations, the **Named Insured** has the ability to exercise managerial control;
 2. any for-profit entity, provided that it has been added specifically by endorsement to this **Liability Coverage's** definition of **Subsidiary**, or
 3. subject to the provisions set forth in section **III. CONDITIONS, L. ACQUISITIONS** of the Liability Coverage Terms and Conditions, any non-profit entity that the **Insured Organization** acquires or forms during the **Policy Period** in which the **Named Insured** owns, directly or indirectly, more than 50% of the outstanding securities or voting rights representing the present right to elect, appoint or exercise a majority control over such entity's board of directors, board of trustees, board of managers, or functional equivalent, or, in the case of any non-profit entity that does not issue securities, on or before the Inception Date set forth in ITEM 2 of the Declarations, over which the **Named Insured** has the ability to exercise managerial control.
2. The following is added to section **EXCLUSIONS**, **A. EXCLUSIONS APPLICABLE TO ALL LOSS** in the **Liability Coverage**:

Notwithstanding the provisions set forth in section **III. CONDITIONS, L. ACQUISITIONS** of the Liability Coverage Terms and Conditions, the Company will not be liable for **Loss** for any **Claim** based upon or arising out of the ownership, control, management or operations of any for-profit entity of the **Insured Organization** until and unless it has been added specifically by endorsement as a **Subsidiary** to this **Liability Coverage**.

Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, exclusions or limitations of the above-mentioned policy, except as expressly stated herein. This endorsement is part of such policy and incorporated therein.

Issuing Company: **Travelers Casualty and Surety Company of America**

Policy Number:

PENNSYLVANIA CANCELLATION AND NONRENEWAL ENDORSEMENT

This endorsement modifies insurance provided under the following if applicable:

Liability Policy
Kidnap and Ransom Policy
Identity Fraud Expense Reimbursement Policy

It is agreed that:

The CANCELLATION section of this policy is replaced by the following:

CANCELLATION

The Company may cancel this policy for failure to pay a premium when due, in which case **(twenty) (20)** days (number of days must equal or exceed twenty (20) days) written notice shall be given to the **Named Insured or Insurance Representative**, unless payment in full is received within twenty (20) days of the **Named Insured or Insurance Representative's** receipt of such notice of cancellation. The Company shall have the right to the premium amount for the portion of the **Policy Period** during which this policy was in effect.

Subject to the provisions set forth in Liability Coverage Terms and Conditions Section III. CONDITIONS K. CHANGE OF CONTROL, if applicable, the **Named Insured or Insurance Representative** may cancel any coverage by mailing the Company written notice stating when, thereafter, not later than the Expiration Date set forth in ITEM 2 of the Declarations, such cancellation will be effective. In the event the **Named Insured or Insurance Representative** cancels, the earned premium will be computed in accordance with the customary short rate table and procedure. Premium adjustment may be made either at the time cancellation is effective or as soon as practicable after cancellation becomes effective, but payment or tender of unearned premium is not a condition of cancellation.

The Company will not be required to renew this policy upon its expiration. If the Company elects not to renew, it will provide to the **Named Insured or Insurance Representative** written notice to that effect by first class mail, registered mail or by delivery, and **(sixty) (60)** days (number of days must equal or exceed sixty (60) days) before the Expiration Date set forth in ITEM 2 of the Declarations. The notice of nonrenewal will state the reason(s) for nonrenewal and be sent to the **Named Insured's or Insurance Representative's** mailing address last known to us.

Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, exclusions or limitations of the above-mentioned policy, except as expressly stated herein. This endorsement is part of such policy and incorporated therein.

Issuing Company: **Travelers Casualty and Surety Company of America**
Policy Number:

Nonprofit Directors and Officers Liability

COVERAGE CHECKLIST

Why your clients need our protection

Nonprofit Directors and Officers Liability Coverage from Travelers *Wrap+* is a critical component of the overall insurance protection package for any nonprofit organization. The following checklist illustrates key coverages and features every insured should have as part of their insurance program.

Coverage	Travelers policy	Their policy
Broad definition of insured – includes the insured organization, including subsidiaries, as well as past, present or future directors, officers, trustees, members of board of managers, members of board of regents, members of board of governors, or functional equivalent, employees, volunteers and committee members	✓	
Broad definition of claim includes: <ul style="list-style-type: none"> • Written demand for monetary damages or non-monetary relief • Civil proceeding • Criminal proceeding • Formal administrative or regulatory proceeding • Arbitration or mediation or similar alternative dispute resolution proceeding • Written request to toll or waive statute of limitations 	✓ ✓ ✓ ✓ ✓ ✓	
Defense expense coverage: <ul style="list-style-type: none"> • For allegations against the insured for gaining a profit that the insured is not legally entitled to • For allegations of dishonesty/fraud • Non-monetary and breach of contract claims 	✓ ✓ ✓	
Definition of loss – includes multiplied damages, punitive damages and exemplary damages with most favorable venue wording and excess benefit transaction tax (\$20,000)	✓	
Outside Directorship Liability coverage (ODL): <ul style="list-style-type: none"> • Automatic coverage for insured persons who serve as a director, officer, trustee, etc. or functional equivalent for a Section 501(c)(3), 501(c)(4) or 501(c)(10) organization • Ability to schedule service on boards of for-profit organizations 	✓ ✓	
No exclusions for: <ul style="list-style-type: none"> • Failure to maintain insurance • Anti-trust • Insured person vs. insured person claims • Patent, copyright infringement • Securities laws violations 	✓ ✓ ✓ ✓ ✓	
Defense outside the limit – available on eligible accounts		
Additional defense coverage: <ul style="list-style-type: none"> • Option to select additional defense limit of liability available on all accounts that are not eligible for defense outside of limit 	✓ ✓	
Worldwide coverage – applies to claims made and wrongful acts occurring anywhere in the world		
Acquisitions – automatic coverage for majority-owned nonprofit subsidiaries formed or acquired during the policy period with assets that do not exceed 30 percent of the total assets of the insured organization	✓	

Coverage	Travelers policy	Their policy
Other coverage features: <ul style="list-style-type: none"> • Full prior acts • Coverage for personal injury and publisher's liability • Order of payments protecting personal assets first • Non-entity employment practices liability • All exclusions are severable with respect to insured persons 	✓ ✓ ✓ ✓ ✓	
Defense option – option to select duty to defend or reimbursement coverage at policy inception (duty to defend is mandatory on all accounts with defense outside of limit)	✓ ✓	
Spousal and domestic partner liability coverage	✓	
Foreign parent corporation coverage extension	✓	
Insured organization includes debtor in possession		
Duty to defend – 100 percent pre-determined allocation of defense expenses for claims against any insured consisting of loss that is and is not covered by policy	✓	
Flexible limit options: <ul style="list-style-type: none"> • Choice of individual or shared limits of liability • Option to select annual reinstatement of limit of liability if policy is written on multi-year basis 	✓ ✓	
Extended reporting period: <ul style="list-style-type: none"> • Bilateral extended reporting period option – available if insurer or named insured cancels or fails to renew • Run-off extended reporting period option – available for a pre-determined premium upon change of control of named insured • Ability to report potential claims during extended reporting period or run-off extended reporting period 	✓ ✓ ✓	
Non-cancelable by insurer – except for non-payment of premium		
Amended settlement provision – provides named insured with coverage for 70 percent of loss in excess of settlement offer rejected by named insured on any account that does not provide defense outside the limit. Any account containing defense outside the limit will retain a full consent to settle.	✓	
Retentions: <ul style="list-style-type: none"> • Retention is waived if there is a finding of no liability • Only one retention must be satisfied when one claim triggers coverage under two or more liability coverages 	✓ ✓	
Representations – only knowledge and representations of signer of application are imputed to the insured organization	✓ ✓	
Duties in the event of a claim – only triggered by knowledge of an executive officer	✓	
Also available – sublimit for excess benefit claims of \$100,000 can be added by endorsement		

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Employment Practices Liability

COVERAGE CHECKLIST

Why your clients need our protection

Employers, big and small, are subject to federal, state and local laws regarding employment practices. The number of employment-related lawsuits has steadily increased over the years. This can be attributable to economic conditions, demographics and an ever-evolving legal environment.

Specifically designed to meet the needs of today’s employers, Travelers employment practices liability offering combines comprehensive coverage features, expert claims handling and state-of-the-art employment practices risk management services.

Coverage	Travelers policy	Their policy
Broad definition of insured – includes the insured organization, including subsidiaries; members of board of directors and officers; members of board of trustees; members of board of regents; members of board of governors; natural person partners; LLC managers; functional equivalents	✓	
Definition of employee – includes in-house general counsel; part-time, temporary and seasonal workers; volunteers; leased workers	✓	
Broad definition of subsidiary – entities greater than 50 percent-owned, non-profits over which the named insured has the ability to exercise management control, 50 percent-owned joint ventures under control of insured organization	✓	
Broad definition of claim includes: <ul style="list-style-type: none"> • Written demand for monetary damages or nonmonetary relief • Civil proceeding • Criminal proceeding • Formal administrative or regulatory proceeding • Arbitration or mediation or similar alternative dispute resolution proceeding • Written request to toll or waive statute of limitations 	✓ ✓ ✓ ✓ ✓ ✓	
Definition of loss – includes multiplied damages, punitive damages and exemplary damages with most favorable venue wording	✓✓	
Coverage for liquidated damages awarded under the Equal Pay Act and the Age Discrimination in Employment Act	✓	
Insured organization includes debtor in possession		
Outside position coverage for claims brought by outside claimants – automatic coverage for insured persons who serve as director, officer, trustee, etc. or functional equivalent for a Section 501(c)(3), 501(c)(4) or 501(c)(10) organization at the request of the insured organization	✓ ✓	
Third party claim coverage (optional)		
Workplace Violence Expense coverage (optional) <ul style="list-style-type: none"> • Reimbursement of the insured’s expenses for the services of an independent security consultant, public relations consultant, counsellor, security guard(s) and private forensic analyst following a Workplace Violence Event occurring on the Insured’s Premises • The coverage is provided via an additional limit, up to \$250,000 	✓ ✓✓	
Spousal and domestic partner liability coverage		
Carveback for claims alleging retaliation in connection with COBRA, ERISA, WARN, OSHA, NLRA, workers compensation and unemployment laws	✓✓	
No fraud exclusion or intentional acts exclusion		

Coverage	Travelers policy	Their policy
No office of federal contract compliance programs exclusion	✓	
Defense option – option to select duty to defend or reimbursement coverage at policy inception		
Duty to defend – 100 percent pre-determined allocation of defense expenses for claims against any insured consisting of loss that is and is not covered by policy	✓	
Additional defense coverage: <ul style="list-style-type: none"> • Option to select additional defense limit of liability • Survives exhaustion of base limit of liability 	✓ ✓	
Flexible limit options: <ul style="list-style-type: none"> • Choice of individual or shared limits of liability • Option to select annual reinstatement of limit of liability 	✓ ✓	
Extended reporting period: <ul style="list-style-type: none"> • Bi-lateral extended reporting period option – available if insurer or named insured cancels or fails to renew • Run-off extended reporting period option – available for a pre-determined premium upon change of control of named insured • Ability to report potential claims during extended reporting period or run-off extended reporting period 	✓ ✓ ✓	
Duties in the event of claim – only triggered by knowledge of an executive officer		
Amended settlement provision – provides named insured with coverage for 70 percent of loss in excess of settlement offer rejected by named insured	✓	
Other insurance – policy is primary except as expressly stated otherwise		
Worldwide coverage – applies to claims made and wrongful acts occurring anywhere in the world, where legally permissible	✓	
Retention: <ul style="list-style-type: none"> • Only one retention must be satisfied when one claim triggers coverage under two or more liability coverages • 10 percent retention reduction if insured consents to first settlement offer recommended by the company within 30 days 	✓ ✓	
Acquisitions – automatic coverage for majority-owned subsidiaries formed or acquired during the policy period with assets that do not exceed 30 percent of the total assets of the insured organization	✓	
Representations – only knowledge and representations of signer of application are imputed to the insured organization	✓	
Non-cancelable by insurer – except for nonpayment of premium	✓	

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Bylaws and Governance Report 5/12/2026

Submitted by Deanne Heller, Chair

Charters – The committee has been advised by the Board Chair to create a template/boilerplate for all committees to use as part of their charters before finalizing individual committee charters. These boilerplates will align with any bylaw changes. We plan to have the boilerplate available for discussion at the June Trustee meeting.

Board Member Selection – As part of our committee discussions, we considered whether board trustee selection should fall under the responsibilities of the B&G Committee rather than the Personnel Committee, since Personnel pertains to paid employees. Michele DeWitt met with Dave Bachman and Chris Rolinson to clarify the Trustees' role in board selection and the Township Supervisors' process. They both felt that the current process is not adding value commensurate with the effort the Board puts into it. They welcomed Board input regarding candidates we feel are either exceptionally desirable or clearly unfit, and indicated that such feedback could be communicated directly. This information will be taken into consideration as we revise the bylaws.

Policy Inventory – The committee completed an inventory of existing policies and will begin reviewing and revising them as needed. The committee asked Heather to review library-specific policies and make recommendations. The attached list is a draft inventory of all policies, along with related information. It is a working document that will be updated as we move forward. Please note that all policy updates will be approved by the Board, even if they pertain to library operational documents.

Bylaws – The committee has begun reviewing and revising the bylaws. We anticipate that this process may result in a near-complete rewrite. We have identified missing items, compliance issues, contradictory statements, and other areas needing clarification or improvement. We anticipate presenting the first draft for Board review and feedback at either the June or July meeting.

The Friends of the Moon Library prepared a delicious luncheon for the library staff during the week of National Library Week – on April 21st. Additionally, the Friends of the Library presented each Library staff member with a gift card in appreciation for their devoted service and as a measure of appreciation.

The Friends purchased 320 Kindergarten books for the Moon Area School District Kindergarten registration (Round up!). The Friends stuffed the books with Library information (how to obtain a library card, upcoming programs and Friends info) on April 23 – for pick up by the Moon Area School district for distribution.

The Friends purchased two ice vests to be used in the mascots – Bluey and Daniel Tiger – when the Library does community events in the heat of the summer/fall.

Mad Hatter Tea was held April 26 -- 59 tickets sold for \$2950 plus \$1210 for the 20 auction baskets equals \$4160 for the mad hatter... Minus any extra expenses. We had trivia games, coloring mats, wonderland name activity games, awards for best costumes, 11 gift card prizes were given, Alice in Wonderland bookmarks and beautiful tea and saucer favors filled with tea bags and misc. items.

We will be meeting next week – Tuesday, May 19 and begin working on assisting the Library for the Free picnic for Summer Reading Club celebration with Heather on August 1st – the end of the program. We would welcome contacts with local groups and organizations who might want to set up a community information table or with any companies who might want to donate toward the expenses of this free picnic. (We will be asking Clearview and Eat N Park). Last year, we anticipated 200 community participants – and we had 500 attend!

We will be attending a Book Fest on May 30 in Carnegie to scout possible authors for our “Meet the Authors” brunch in the Fall. We are working on other fundraisers that we can organize in the Fall, as well.

Fundraising Committee Report 5/12/2026

Submitted by Deanne Heller, Chair

Charter – The Fundraising Charter is on hold until the boilerplate/template is completed.

Fundraising Plan for the Remainder of 2026 – Deanne met with Heather to discuss fundraising plans for the remainder of 2026. The committee will develop a plan that includes activities such as the Love Your Library campaign (basket raffle, direct ask in the water bill, and other activities), several tried-and-true events, and a few new events for the rest of the year. We also plan to include several corporate and foundation solicitations, as well as participation in Give Big Pittsburgh and Giving Tuesday. Deanne will share a draft plan at the June meeting.

Funding Priorities – Heather will develop a list of three to five funding priorities/wishlist items to be used for foundation and corporate solicitations.

Donor Research – Heather will compile a list of past donors to identify potential major gift prospects for a direct year-end appeal. This research will also help the library determine what a prospective donor pool might look like should we pursue a comprehensive or capital campaign in the future. Trustee help may be requested.

Policy ID	Policy Name	Category	Summary/Purpose	Owner/Committee	Original Adoption Date	Last Review Date	Last Revision Date	Next Review Due	Status	Comments
	Conflict of Interest Policy	Trustees	Ensures that Trustees act in the best interests of the library rather than for personal, financial, or relational gain.	Trustees	Unknown	Unknown	Unknown			
	Investment Policy***	Trustees	Establishes guidelines for evaluating, accepting, declining, and managing donations or gifts offered to the library.	Fundraising Committee	Unknown	5/17/2017	5/17/2017			***This policy is incorrectly named. It is actually a Gift Acceptance Policy
	Public Comment Policy	Trustees	Establishes guidelines for how members of the public may address the board or employees during meetings.	Trustees	Jan-22	Jan-22	22-Jan			
	Diversity Plan	Shared	Establishes strategies and goals for promoting diversity, equity, inclusion, and accessibility within the library's services, programs, staffing, and operations.	Trustees	1/24/2018	1/24/2018	1/24/2018			
	Document Retention Policy	Shared	Establishes guidelines for how organizational records are created, maintained, stored, archived, and destroyed.	Library Director/Trustees	Unknown	Unknown	Unknown			
	Fraud Policy	Shared	Establishes the library's expectations for preventing, detecting, reporting, and responding to fraudulent or dishonest conduct.	Trustees	Unknown	Unknown	Unknown			
	Whistleblower Policy	Shared	Establishes procedures for reporting suspected misconduct, illegal activity, fraud, or ethical concerns within the library without fear of retaliation.	Trustees	1/24/2018	1/24/2018	1/24/2018			
	Borrowing Items	Library Operations	Establishes guidelines around checking out, reserving, renewing, and returning materials, as well as fines and fees for late, lost, or damaged items.	Library Director	Unknown	9/17/2009	9/17/2009			Should be updated based on fine free policy.
	Collection Development Policy	Library Operations	Establishes the principles and criteria used to select, maintain, evaluate, and remove materials within the library's collection.	Library Director/Trustees	Unknown	Unknown	Unknown			
	Computer and Internet Acceptable Use Policy	Library Operations	Establishes rules and expectations for the appropriate use of the library's technology resources, networks, devices, and internet access.	Library Director	Unknown	Unknown	Unknown			There is also a Computer use policy on the web. They are slightly different. Web version was updated in 2020.

	Confidentialiy Policy	Library Operations	Establishes the library's commitment to protecting the privacy of patron information and reading history.	Library Director	Unknown	8/21/2007	8/21/2007			
	Covid Exposure Policy	Library Operations	Establishes procedures for responding to potential or confirmed exposure to COVID-19 within the library.	Library Director	2019	May-22	May-22			
	Filming and Photography Policy	Library Operations	Establishes guidelines for taking, using, and managing photographs or video recordings within the library.	Library Director	9/30/2021	9/30/2021	9/30/2021			
	In Library Code of Conduct	Library Operations	Establishes expectations for respectful, safe, and appropriate behavior within the library and during library activities.	Library Director	Unknown	2/20/2007	2/20/2007			
	Library Closure Policy	Library Operations	Establishes the circumstances and procedures under which the library may close temporarily or modify operations.	Library Director/Trustees	Unknown	2019	2019			Version on web could be updated to reflect 2019 policy.
	Staff Handbook	Library Operations	Establishes the library's workplace policies, expectations, benefits, procedures, and standards of conduct for employees.	Library Director/Personnel Committee	1/24/2018	1/24/2018	1/24/2018			
	Unattended Children and Disruptive Patrons Policy	Library Operations	Establishes guidelines for the supervision of children and standards of behavior within the library.	Library Director	Unknown	9/17/2018	9/17/2018			
	Virtual Library Code of Conduct	Library Operations	Establishes expectations for respectful, safe, and appropriate behavior online.	Library Director	Unknown	9/17/2009	9/17/2009			
	Volunteer Policy	Library Operations	Establishes guidelines for the recruitment, responsibilities, conduct, and supervision of volunteers within the library.	Library Director	5/21/2015	6/6/2017	6/6/2017			

Bylaws and Governance Report 5/12/2026

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FORMAL MEMORANDUM

To: Moon Township Library Board of Trustees

TO BE READ INTO AND MADE PART OF THE OFFICIAL MAY 12, 2026 TRUSTEE PUBLIC MINUTES AND DISCUSSED

From: Patty Zusinas, Board Treasurer and Member, Moon Township Public Board of Trustees, and Bylaw and Governance Committee Member

Re: Strategic Plan Committee Composition, Sunshine Act Compliance and Required Corrective Action

Purpose of this Memo:

This memo addresses whether three Public Trustees may privately appoint themselves to a Strategic Planning committee after the Full Public Board of Trustees agreed to create a committee consisting of all seven Trustees. Outlined are Sunshine Act implications and corrective actions to be taken.

BACKGROUND OF SITUATION:

- The Moon Township Public Library Board submitted minutes of March 18, 2026 indicate the Board's approval for the creation of the 2026 Strategic Planning Committee: Rochelle Stachel was voted to be Chair. The Trustees all agreed that this would be a **Committee of the Whole**. SWOT (Strengths, Weaknesses, Opportunities and Threats) analysis sheets were distributed and requests were made for everyone to complete it as soon as possible.
- Rochelle Stachel announced during the March 18th meeting, that the first **Public** Strategic Planning Committee meeting would be held on April 7, 2026 at 6 PM in the Moon Township Municipal Building and it would be advertised. She provided copies of the draft to members of the audience at the March 18, 2026 meeting.
- The Strategic Planning committee meeting of April 7, 2026 was abruptly cancelled without notice or explanation.
- Rochelle indicated that she had asked for the assistance of an unidentified pro bono facilitator to direct the Strategic plan deliberations without consent or notification of the board.
- On April 13, 2026, Michele DeWitt sent an email indicting that the Strategic Planning Committee **had already met** and drafted their briefing for the Moon Township Public Library Trustee meeting to be presented the next day. She indicated that the Committee would cover all related Strategic Planning topics during the Committee report-out agenda line item. This would include a progress update, planning process schedule, discussion on potential use of facilitator and engagement with community volunteers.
- At 4 PM on April 14, 2026, (the same day as the Board meeting at 6 PM), the entire SWOT analysis from the Board was sent via email to the Board of Trustees. This document was 28 pages long – sent two hours before the meeting was to take place with instructions not to share it outside of the board prior to the meeting. Those outside of the Strategic Planning Committee had not seen this document, nor did they have time to reflect upon it and glean substantial information from the document. Since individual SWOT analyses reports were not shared by the entire board, members on the Board had no way of knowing what the other board members thought were their priorities, strengths, opportunities or weaknesses. The contributors to this

document were not identified by Rochelle Stachel, even when she was asked to provide this information, so there is no way of knowing who contributed to this document.

- The 28 page titled, Board of Trustees Strategic Planning SWOT Analysis April 2026 document was presented during this April 14, 2026 Full Trustee Board meeting on a PowerPoint with limited opportunity for complete Board or public deliberation, dissection and discussion. No print outs were distributed.
- On April 22, 2026, the Board was sent an email from Rochelle Stachel with a draft of a Strategic Planning Committee Charter, to be discussed at the May 12, 2026 meeting. Michele DeWitt, Mary Jo Wise and Rochelle Stachel will review and refine it as needed, but they would like this to serve as a general framework template for all other committees going forward. This was not vetted by the Bylaws and Governance Committee. This was not given to the Bylaws and Governance Committee, who is in charge of this area and currently working on this issue.

SUMMARY

Three Trustees cannot **privately** reconstitute a committee that the full Trustee Board previously created to have as a **membership of the Whole Board**. The Full Board, at the immediately following public meeting on April 14, 2026, was required to change or appoint committee membership before committee deliberations or reports could be issued. There was a suggestion that a committee of three trustees could meet without the necessary newspaper advertisement needed to comply with Sunshine Laws. Scheduling private subcommittee meetings, in lieu of the public meeting option proposed (which would have satisfied Sunshine Act notion requirements) is difficult to reconcile with an intent to comply. Sunshine Laws do require meetings where there is Trustee quorum (4 or more) to be advertised, **open and minutes taken** but the suggestion by Deanne Heller to hold the Strategic Plan meetings following the Monthly advertised Trustee meetings was disregarded and ignored, which would have sufficed this requirement. Committee membership is a **BOARD ACTION** and these three trustees had **no authority** to alter committee composition, without transparency and notification during the next public meeting in April, which they failed to do and in fact, held several private meetings of the committee **privately between public meetings**.

CORRECTIVE ACTION

This matter should be placed on the May 12th meeting agenda and this memorandum must be read into the official public minutes of the Board.

Corrective actions to be taken includes acknowledgement that the Strategic Planning Committee membership was altered outside of the Trustees' publicly held meetings. Clarification must be addressed that **only the entire Board** may appoint committee members. **A motion must be made to restore the Strategic Planning Committee to its original composition (All seven Trustees), and meetings be made public and this action recorded in the minutes before any additional meetings take place.** No future decisions or deliberations can continue to take place before their corrective measures are taken. These actions will reaffirm the Board's commitment to open governance, transparency, public trust, and public stewardship.

Enter this Memorandum into the May 12, 2026 minutes.

COMMENT:

Before we move into future strategic strategies, let us clarify the difference between a **public entity** and a **private organization**. A Public entity's mission is defined by the Moon community. The Moon Township Public Library exists to provide equitable access to information, learning, and resources for everyone – not just a few who can pay, and not for the purpose of generating profit. The Moon Township Public Library is publicly funded, accountable to the taxpayers, supported by taxpayer's dollars at the Township, County, and Commonwealth Levels. It operates in a public building. As a state-aided public library, it is subject to the Pennsylvania Sunshine Act and to the transparency standards imposed as a condition of state aid and by the Office of Commonwealth Libraries.

The Moon Township **Public** Library is a 501(c)3 **non-profit** entity. This necessitates the highest level of transparency with open meetings, public records, decisions that follow up-to-date established policies, procurements rules and state library laws. These requirements **do slow** things down. They are meant to. They exist to ensure that decisions made on behalf of the community are made in front of the community, with proper notice, adequate time for reflection and a written record the public can examine. A Board that takes shortcuts around those requirements is not moving faster; it is operating outside the authority the public has entrusted to it.

A **private organization**, by contrast, exists to serve its owners or shareholders. A private organization's mission is internal and flexible. Its decisions are its own. Private entities can move quickly, take risks, and make decisions without the same level of public oversight. It can move quickly, precisely because it owes **no duty of transparency to the public**. Their performance is judged by financial results, customer satisfaction and competitive positioning and overall profit.

The Moon Township Public Library Board reflects your public mission – not defined by profit but by access, literacy, community impact and responsible stewardship of public resources. The Moon Township Public Library must ensure transparency, uphold policy, protect the public's investment, and keep the library aligned with the needs and values of the citizens of Moon. The Moon Township Public Library must aspire to the highest goals with decisions that honor both the Moon Township Public Library Trustees' mission and responsibilities but also ensure the best morale vision for its sustained future as an independent library.

If you can't start this entire process being above board, ethical, transparent and honest, how can we have any faith and trust in the final strategic plan reflecting any of these standards?

FORMAL RESPONSE TO MEMORANDUM DATED APRIL 27, 2026

To: Moon Township Library Board of Trustees

TO BE MADE PART OF THE OFFICIAL MAY 12, 2026 TRUSTEE PUBLIC MINUTES ALONG WITH ORIGINAL MEMORANDUM BOTH UPON APPROVAL BY BOARD

From: Rochelle Stachel, Board President

The Board of Trustees affirms its commitment to transparency, effective governance, and collaborative decision-making in support of the Moon Township Public Library mission. The following clarifications are provided to ensure the Board record accurately reflects events related to the Strategic Planning process: The concerns raised in the memorandum from an individual Board Trustee appear to misunderstand both the Board's bylaws and the requirements of the Pennsylvania Sunshine Act.

- First, the **Board's bylaws expressly authorize the President to appoint committee members and committee chairs.** The adjustment to the Strategic Planning Committee—from the full Board to a smaller working group of three trustees—was made under this authority. As such, no formal Board vote was required to establish or modify the committee's composition. Second, the change in committee structure was driven by practical and legal considerations. When the full Board serves as a committee, any gathering of a quorum constitutes a public meeting under the PA Sunshine Act, requiring advance public notice and the opportunity for public attendance. This structure made scheduling working sessions impractical and hindered the committee's ability to efficiently perform preliminary work. Reducing the committee to fewer than a quorum of the full Board is a recognized and appropriate approach to allow for working sessions that do not trigger full Sunshine Act meeting requirements, while still ensuring that any deliberation involving a quorum of the Board occurs in a properly noticed public meeting. Third, the Board acted transparently. The revised committee structure was reported at a public meeting and subsequently acknowledged/approved at a duly convened Board meeting. All official action remains with the full Board and continues to occur in compliance with the Sunshine Act.
- The April 7, 2026 Strategic Planning Committee meeting was **postponed due to a unavoidable scheduling conflict and was not without explanation.** A subsequent May 5, 2026 meeting was cancelled because the Library Director had a family commitment. Neither meetings were held and no committee deliberations occurred on either date.
- No facilitator was retained or engaged. **Preliminary inquiry was made solely to explore potential pro bono facilitation,** and no commitment or Board authorization was requested or made.
- **No formal meeting of the Strategic Planning Committee occurred prior to the April 14, 2026 Board meeting.** Limited informal discussion between fewer than a quorum of members occurred for the purpose of preparing a **draft framework for full Board consideration.**
- The SWOT Analysis distributed on April 14, 2026 was a **compilation of submitted input** intended to inform future discussion. It **did not represent conclusions, decisions, or recommendations of the Board.**

- The SWOT summary was intentionally presented in **aggregated format** to reflect collective input from Trustees, the Library Director, and limited community input. **Individual attribution was not tracked**, as the purpose was to identify themes rather than assign positions.
- The document was distributed electronically to Trustees and presented in its entirety at a public meeting, with notice that **materials would be included in the public record and made available upon request**.
- The draft Strategic Planning Committee Charter shared on April 22, 2026 was a **preliminary discussion document only** and was not presented as a final or adopted governance document.
- Adjustments to working group participation were made **for logistical and scheduling purposes** to facilitate progress on preliminary planning materials. It is noted that **committee structure and participation practices have varied across Board committees**, including within the Bylaws and Governance Committee.