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**Declarations**

**POLICY NUMBER:** Refer to Memorandum

**POLICY PERIOD:** Refer to Memorandum  
Inception: to Expiration:  
(12:01 A.M. Standard time at the address  
of the Named Insured as stated herein)

**NAMED INSURED AND MAILING ADDRESS:**

Refer to Memorandum

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**Non-Profit Organization Liability Policy**

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**FIREMAN'S FUND INSURANCE COMPANIES**

Coverage is provided in the following  
company, a stock company.

01 Fireman's Fund Insurance  
Company

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**DEFENSE COSTS WITHIN LIMITS OF POLICY  
CLAIMS MADE AND REPORTED**

Part or all of this policy applies on a claims made and reported basis.  
Please read this entire policy carefully.

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In return for the payment of the premium, and subject to all the terms of this  
policy, we agree with you to provide the insurance as stated in this policy.

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Premium payable at inception:

Annual Premium:

Terrorism Risk Insurance Act - Certified Acts Coverage - Not Covered

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**SCHEDULE OF ENDORSEMENTS**

This schedule is described within Form No. 178250-04-04 which forms a  
part of this policy's declarations.

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Our Home Office and Administrative Offices are at 777 San Marin Drive, Novato, California 94998-2000.



**Declarations Continued**

**Non-Profit Organization Liability Policy**

**COVERAGES AND LIMITS OF INSURANCE**

Insurance is provided only for those Coverages and Limits of Insurance shown below.

**LIMIT OF INSURANCE:**

\$1,000,000            Each Claim and in the Aggregate.

**RETAINED AMOUNT:**

\$0                    Each Loss    for Directors and Officers Liability

**EXTENDED REPORTING PERIOD:**

Term Of Extended Reporting Period:    365 days  
Premium for Extended Reporting Period:    150% of the Annual Premium including  
any premium adjustments.

Date of Issue:  
02/21/2008

Countersignature of Authorized Agent:

These declarations pages are issued in conjunction with and forms a part of  
Policy Form 5292-01-01.

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178250 04 04

**SCHEDULE OF ENDORSEMENTS**

100001            Employment Practices Exclusion

100002            Amending Declaration Page

145912 01 03    EXCLUSION OF CERTIFIED ACTS OF TERRORISM

145915 03 03    NUCLEAR, BIOLOGICAL OR CHEMICAL TERRORISM EXCLUSION (OTHER THAN  
CERTIFIED ACTS OF TERRORISM)

NA1200 02 02 CA CALIFORNIA CHANGES

NA1206 01 01    PRODUCTS LIABILITY EXCLUSION

NA1207 01 01    PARTNERSHIP/JOINT VENTURE EXCLUSION

NA1210 01 01    LENDING EXCLUSION

NA1211 01 01    TRADING EXCLUSION

NA1212 01 01    INSOLVENCY EXCLUSION

NA1213 01 01    FAILURE TO MAINTAIN INSURANCE EXCLUSION

NA1215 01 01    INSURANCE RELATED ACTIVITES EXCLUSION

NA1217 11 01    PRIOR AND PENDING LITIGATION EXCLUSION

## DIRECTORS AND OFFICERS POLICY AMENDMENT

Endorsement Number: 100001

Endorsement Title: Employment Practices Exclusion

PAGE 01 OF 01

In consideration of the premium paid it is understood and agreed that Section III. DEFINITIONS, C. Claim is deleted in it's entirety and replaced with the following:

C. Claim, either in the singular or plural, means:

01. A written or oral demand for compensatory monetary damages;
02. A civil proceeding commenced by the service of a complaint or similar pleading seeking compensatory monetary damages;

All Claims against the Insured arising out of the same Wrongful Act or Interrelated Wrongful Acts of one or more of the Insureds, will be considered one Claim. All Claims from Interrelated Wrongful Acts will be considered first made at the time the earliest such Claim was made against the Insured.

02. Section IV. EXCLUSIONS, E. is deleted in it's entirety and replaced with the following:

E. Alleging, based upon or attributable to, arising out of, in consequence of, or in any way related to a violation of:

01. The Employment Retirement Income Securities Act of 1974;
02. The National Labor Relations Act;
03. The Fair Labor Standards Act (except the Equal Pay Act);
04. The Worker Adjustment and Retraining Notification Act;
05. The Occupational Safety and Health Act;
06. The Consolidated Omnibus Budget Reconciliation Act of 1985; or
07. Any worker's compensation, disability benefits or unemployment compensation laws; including any amendments thereto, any rules or regulations promulgated thereunder, or any similar federal, state, local or common laws, rules or regulations.

03. Section IV. EXCLUSIONS, F. is deleted in it's entirety and replaced with the following:

F. Alleging, based upon or attributable to, arising out of, in consequence of, or in any way related to any Bodily Injury.

04. Section IV. EXCLUSIONS, G. is deleted in it's entirety and replaced with the following:

G. Alleging, based upon or attributable to, arising out of, in consequence of, or in any related to Personal Injury.

05. Section IV. EXCLUSIONS, paragraph T. is hereby added:

T. For any Employment Practices Claim.

However, this Employment Practices Exclusion does not apply if Employment Practices Liability is shown as "Covered" on the Declarations.

This Form must be attached to Change Endorsement when issued after the policy is written.

One of the Fireman's Fund Insurance Companies as named in the policy



Secretary



President

# DIRECTORS AND OFFICERS POLICY AMENDMENT

Endorsement Number: 100002

Endorsement Title: Amending Declaration Page

PAGE 01 OF 01

01. NAMED INSURED NAME AND ADDRESS

a. Named Insured:

b. Street Address:

c. City:

d. State:

e. Zip Code:

02. POLICY PERIOD

The Policy Period is from 12:01 A.M. Standard Time to Good Until  
Cancelled at 12:01 A.M. Standard Time at the mailing address shown above.

03. NONPROFIT ORGANIZATION TYPE

Organization Type: Per Memorandum

04. COVERAGE LIMIT OF INSURANCE AND RETAINED AMOUNT

Nonprofit Organization Directors & Officers Liability Limit

Each Loss And Aggregate For Each Policy Period \$ Per Memorandum

05. RETAINED AMOUNT

Each Claim

\$ Per Memorandum

06. EMPLOYMENT PRACTICES LIABILITY

Per Memorandum

07. TOTAL PREMIUM DUE AT INCEPTION

This Form must be attached to Change Endorsement when issued after the policy is written.

One of the **Fireman's Fund Insurance Companies** as named in the policy



Secretary



President

# NONPROFIT ORGANIZATION LIABILITY INSURANCE - Defense First

## NOTICE - THIS IS A CLAIMS MADE AND REPORTED POLICY.

COVERAGE APPLIES ONLY TO A **CLAIM** FIRST MADE AGAINST THE **INSURED** AND REPORTED DURING THE **POLICY PERIOD**, OR IF APPLICABLE, DURING THE EXTENDED REPORTING PERIOD. COSTS OF DEFENSE ARE INCLUDED WITHIN THE LIMIT OF INSURANCE.

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

Throughout this Policy the words **You** and **Your** refer to the Named Insured shown in the Declarations. The words **We**, **Us** and **Our** refer to the Company providing this insurance.

The word **Insured** means any person or organization qualifying as such under Section III. **DEFINITIONS**, paragraph H.

Other words and phrases that appear in bold-faced print have special meaning. Refer to Section III. **DEFINITIONS**.

In consideration of the payment of the premium, the **Insured's** promise to pay the Retained Amount shown in the Declarations and in reliance on all statements made and information furnished to **Us**, including the statements made in the **Application** and subject to the Limit of Insurance stated in the Declarations and all of the terms and conditions of this Policy, **We** and all of the **Insureds** agree as follows:

### I. **COVERAGE**

#### A. **Insuring Agreement**

**We** will pay on behalf of the **Insured** all **Loss** for which the **Insured** shall be legally obligated to pay resulting from a **Claim** that is made against the **Insured** for a **Wrongful Act**, provided that the **Claim** is first made during the **Policy Period** and written notice of such **Claim** is received by **Us** as soon as practicable after the **Claim** is first made but in no event later than sixty (60) days after the **Policy Period**.

#### B. **Extensions**

##### 1. **Estates and Legal Representatives**

This Policy shall afford coverage for a **Claim** for the **Wrongful Act** of a natural person **Insured** made against the estates, heirs or legal representatives of such **Insured** who is deceased, or against the legal representatives of such **Insured** who is incompetent or bankrupt to the extent that in the absence of such death, incompetence, or bankruptcy, such **Claim** would have been covered by this Policy.

##### 2. **Spousal Liability**

If a **Claim** against a natural person **Insured** includes a claim against such **Insured's** lawful spouse solely by reason of such person's legal status as a spouse of such **Insured**, including a claim that seeks damages recoverable from marital community property, property jointly held by the natural person **Insured** and the spouse, or property transferred from the natural person **Insured** to the spouse, all loss which such spouse becomes legally obligated to pay by reason of such claim shall be treated for purposes of this Policy as **Loss** which such **Insured** becomes legally obligated to pay.

All terms and conditions of this Policy, including without limitation the Retained Amount applicable to **Loss** incurred by such **Insured** in a **Claim** shall also apply to such spousal loss. This coverage extension shall not apply to the extent such claim alleges any act, error or omission committed by such **Insured's** spouse.

### C. **Defense, Investigation and Settlement of a Claim**

For any **Claim** covered by this Policy:

1. **We** have the right and duty to defend the **Insured**, including the right to select counsel, even if any of the allegations are groundless, false or fraudulent. **We** shall have the right to make such investigation, negotiation and settlement of any such **Claim** as **We** deem expedient.
2. **We** shall pay all **Claim Expenses We** incur in any such **Claim** until the Limit of Insurance shown in the Declarations is exhausted. **We** have no obligation to pay **Claim Expenses**, to defend, or to indemnify, once the Limit of Insurance is exhausted.
3. No expense shall be incurred or settlements made, contractual obligations assumed or liability admitted with respect to any **Claim** without **Our** prior written consent, which shall not be unreasonably withheld. **We** shall not be liable for any expense, settlement, assumed obligation or admission to which **We** have not consented.
4. **We** shall pay any premium for appeal bonds for the covered part of a judgment, within the Limit of Insurance. Such payment shall be part of the Limit of Insurance and any obligation **We** have to pay is extinguished upon exhaustion of the Limit of Insurance shown in the Declarations. **We** have no obligation to apply for, furnish, or have any court approve such bonds.
5. The **Insured** shall cooperate with **Us** in the defense, investigation, and settlement of any **Claim**, and shall submit to **Us**, upon request, such information and documentation as **We** may require in the investigation and defense of any **Claim**.

## II. **TERRITORY**

This Policy applies to a **Wrongful Act** taking place anywhere in the world, provided the **Claim** is brought in the United States of America, its territories and possessions, Puerto Rico or Canada.

## III. **DEFINITIONS**

- A. **Application** means all signed applications, including materials and attachments submitted therewith. All such applications, material and attachments are deemed attached to and incorporated into this Policy.
- B. **Bodily Injury** means bodily injury, including sickness, injury, disease or death of any person.
- C. **Claim**, either in the singular or plural, means:
  1. A written or oral demand for compensatory monetary damages;
  2. A civil proceeding commenced by the service of a complaint or similar pleading seeking compensatory monetary damages; or
  3. An **Employment Practices Claim**.

All **Claims** against the **Insured** arising out of the same **Wrongful Act** or **Interrelated Wrongful Acts** of one or more of the **Insureds**, will be considered one **Claim**. All **Claims** from **Interrelated Wrongful Acts** will be considered first made at the time the earliest such **Claim** was made against the **Insured**.

- D. **Claim Expenses** means reasonable fees charged by any lawyer retained by **Us** and, if authorized by **Us**, all other reasonable fees or costs incurred in the defense of a **Claim**, including expenses for investigation, adjustment and appeal. **Claim Expenses** shall not include any remuneration, salaries, regular or overtime wages, or benefits of the **Insured** that are associated with the defense and investigation of a **Claim**.
- E. **Employee**, either in the singular or plural, means any person while acting within the course and scope of his or her duties and responsibilities in the regular service of the **Insured Organization** whom the **Insured Organization** compensates by salary, wages and/or commissions and has the right to govern and direct in the performance of such service, including without limitation part-time, seasonal and temporary workers, whether in a supervisory, co-worker, subordinate or other position. **Employee** shall not mean any person who is leased or loaned to the **Insured Organization**, a person who is contracted to perform work for the **Insured Organization** or any person who is an independent contractor for the **Insured Organization**.
- F. **Employment Practices Claim**, either in the singular or plural, means:
1. A written or oral demand for compensatory monetary damages;
  2. A civil proceeding commenced by the service of a complaint or similar pleading seeking compensatory monetary damages; or
  3. A formal civil administrative or arbitration proceeding or regulatory proceeding commenced with the filing of a notice of charge, formal investigative order or similar document against the **Insured**, including an Equal Employment Opportunity Commission ("EEOC") (or any similar state, local or foreign agency) proceeding or investigation commenced by the filing of a notice of charges, service of complaint or similar document of which notice has been given to the **Insured**;

and is brought by or on behalf of an **Employee**, a former **Employee**, or an applicant for employment with the **Insured Organization** and alleging one or more of the following:

- a. Wrongful dismissal, discharge or termination (either actual or constructive) of employment, including breach of an implied contract;
- b. Harassment (including sexual harassment and workplace harassment);
- c. Violation of any employment discrimination law;
- d. Employment-related retaliation;
- e. Employment-related misrepresentation;
- f. Employment-related libel, slander, humiliation, defamation or invasion of privacy;
- g. Employment-related infliction of emotional distress;
- h. Wrongful failure to employ or promote;
- i. Wrongful deprivation of a career opportunity;
- j. Wrongful discipline;

- k. Negligent employee evaluation;
  - l. Negligent hiring, supervision, and retention; or
  - m. Failure to grant tenure.
- G. **Insured Organization** means only the nonprofit organization, association, or corporation which is shown as the Named Insured in the Declarations and as legally constituted at the Inception date of this Policy and shall not include any **Subsidiaries**, affiliates, or partnerships.
- H. **Insured**, either in the singular or plural, means:
- 1. The **Insured Organization**; and
  - 2. Any natural person, while acting within the course and scope of his or her duties and responsibilities on behalf of the **Insured Organization**, who was, now is, or shall be an authorized:
    - a. Director;
    - b. Officer;
    - c. Trustee;
    - d. Committee member; or
    - e. Volunteer acting with the consent of the **Insured Organization**; and
  - 3. An **Employee** of the **Insured Organization**.

**Insured** shall not include any natural person serving as an authorized or unauthorized director, officer, trustee, committee member, employee or volunteer of any organization other than the **Insured Organization**, whether or not required to do so by the **Insured Organization**.

- I. **Interrelated Wrongful Act**, either in the singular or plural, means a **Wrongful Act** that arises out of, or is based upon the same, similar, related or repeated fact, matter, cause of action, demand, transaction, event, circumstance, or situation underlying the circumstances of another **Wrongful Act**, whether such **Wrongful Act** involves the same or different **Insureds**, the same or different legal causes of action, or the same or different claimants.
- J. **Loss** means any amount which the **Insured** is legally obligated to pay for any **Claim** first made against the **Insured** during the **Policy Period** or the Extended Reporting Period, if any, for a **Wrongful Act**, and includes compensatory monetary damages (including front pay and back pay), judgments, pre and post judgment interest, settlements, and **Claim Expenses**.

**Loss** shall not include:

- 1. Punitive or exemplary damages or the multiplied portion of any damage award;
- 2. Civil or criminal fines or penalties;
- 3. Taxes;
- 4. Any liability or costs incurred by the **Insured** to modify any building or property to make such building or property more accessible or accommodating to any disabled person;

5. Any liability or costs incurred by the **Insured** arising out of a request, order, judgment, or settlement agreement involving non-monetary relief; or
  6. Any matter deemed uninsurable under the law pursuant to which this Policy shall be construed.
- K. **Personal Injury** means personal injury, including disability, shock, humiliation, embarrassment, mental injury, mental anguish, emotional distress, injury to personal or business reputation or character, invasion of privacy, or defamation, including libel or slander.
- L. **Policy Period** means the period of time from the Inception date of this Policy to the Expiration date shown in the Declarations, or if applicable, any earlier cancellation date. The **Policy Period** does not include the Extended Reporting Period, if any.
- M. **Professional Services** means:
1. The services of an architect or engineer, attorney, certified public accountant, medical practitioner, actuary, insurance agent or broker, professional financial management consultant, social worker or other similar professional whose services require specialized training and skill; and
  2. Accreditation, certification, credentialing, professional assessment, peer review, sponsoring, or standard setting activities conducted by or on behalf of the **Insured**.
- N. **Property Damage** means:
1. Trespass, nuisance, wrongful entry, eviction, violation of rights of occupancy, inverse condemnation, temporary or permanent taking, adverse possession or dedication by adverse use involving any real property; or
  2. The destruction, loss, theft, conversion, loss of use, diminution in value of, or injury to, any property.
- O. **Subsidiary**, either in the singular or plural, means any nonprofit organization in which the **Insured Organization** owns or controls the right to elect and appoint more than 50% of such organization's directors or trustees.
- P. **Wrongful Act**, either in the singular or plural, means any actual or alleged negligent act, error or omission, misleading statement, or breach of duty committed by the **Insured** in the performance of duties on behalf of the **Insured Organization**.

#### IV. EXCLUSIONS

**We** shall not be liable to make any payment for **Loss** in connection with any **Claim**:

- A. Alleging, based upon or attributable to, arising out of, in consequence of, or in any way related to the **Insured's** unjust enrichment, obtaining profit or advantage to which such **Insured** was not legally entitled.
- B. Alleging, based upon or attributable to, arising out of, in consequence of, or in any way related to any criminal, malicious, fraudulent, knowingly wrongful, or dishonest act or omission. Provided, however, this exclusion shall not apply unless a judgment or other final adjudication adverse to the **Insured** establishes such acts or omissions.
- C. For any **Wrongful Act** or any fact, circumstance or situation which has been the subject of any notice given under any insurance policy prior to the Inception date of this Policy.

- D. Alleging, based upon or attributable to, arising out of, in consequence of, or in any way related to any **Claim** which was pending on or existed prior to the Inception date of this Policy, or is related in any way to the same or substantially the same facts, circumstances or allegations which are the subject of or the basis for such **Claim**.
- E. Alleging, based upon or attributable to, arising out of, in consequence of, or in any way related to a violation of:
  1. The Employment Retirement Income Securities Act of 1974;
  2. The National Labor Relations Act;
  3. The Fair Labor Standards Act (except the Equal Pay Act);
  4. The Worker Adjustment and Retraining Notification Act;
  5. The Occupational Safety and Health Act;
  6. The Consolidated Omnibus Budget Reconciliation Act of 1985; or
  7. Any worker's compensation, disability benefits or unemployment compensation laws; including any amendments thereto, any rules or regulations promulgated thereunder, or any similar federal, state, local or common laws, rules or regulations, provided, however, this exclusion shall not apply to an **Employment Practices Claim** for employment-related retaliation.
- F. Alleging, based upon or attributable to, arising out of, in consequence of, or in any way related to any **Bodily Injury**, provided, however, this exclusion shall not apply to an **Employment Practices Claim** for emotional distress, mental anguish or humiliation.
- G. Alleging, based upon or attributable to, arising out of, in consequence of, or in any way related to any **Personal Injury**, provided, however, this exclusion shall not apply to an **Employment Practices Claim**.
- H. Alleging, based upon or attributable to, arising out of, in consequence of, or in any way related to any **Property Damage**.
- I. Alleging, based upon or attributable to, arising out of, in consequence of, or in any way related to any actual or alleged contractual liability of the **Insured**, including any contractual obligation to a natural person **Insured** pursuant to an express written employment contract, provided, however, this exclusion shall not apply to:
  1. **Claim Expenses** for any **Claim** alleging breach of an express written employment contract; or
  2. Liability the **Insured** has in the absence of such an express written employment contract.
- J. Alleging, based upon or attributable to, arising out of, in consequence of, or in any way related to any actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of any solid, liquid, gaseous, thermal, or aural irritant, pollutant, contaminant, or organism, including but not limited to, noise, lead, asbestos, smoke, vapors, soot, fumes, acids, alkalis, chemicals or waste materials (including those that are or are to be stored, recycled, reconditioned or reclaimed), into or upon land, air, water or property.

- K. Alleging, based upon or attributable to, arising out of, in consequence of, or in any way related to nuclear reaction radiation, radioactive contamination or radioactive substance, in any form, no matter how emitted.
- L. Alleging, based upon or attributable to, arising out of, in consequence of, or in any way related to:
  - 1. The issuance, endorsement, sale of bonds, or the receipt or use of bond proceeds, whether such bonds are tax-exempt or not;
  - 2. A violation of the Securities Act of 1933 as amended;
  - 3. A violation of the Securities Exchange Act of 1934 as amended; or
  - 4. Any state blue sky or securities law;
 including, with respect to 2., 3. and 4. above, any amendments thereto, any rules or regulations promulgated thereunder, or any similar federal, state, local or common laws, rules or regulations.
- M. For any **Claim** brought by the **Insured Organization** against any other **Insured**.
- N. For any counterclaim or cross claim against the **Insured Organization** made because of a **Claim** initiated by such **Insured Organization**.
- O. Alleging, based upon or attributable to, arising out of, in consequence of, or in any way related to any suit, action, investigation or proceeding by or on behalf of any governmental or quasi-governmental entity against the **Insured**, because of:
  - 1. The **Insured's** application for funds or grants from any governmental or quasi-governmental entity; or
  - 2. The **Insured's** use, disbursement or administration of funds or grants received from any governmental or quasi-governmental entity.
- P. Alleging, based upon or attributable to, arising out of, in consequence of, or in any way related to any actual or alleged violation of any federal or state anti-trust statutes enacted to prevent unfair competition, price fixing, unfair trade practices, or unlawful restraints or monopolies of trade and commerce, including, but not limited to, the Sherman Act and the Clayton Act.
- Q. Alleging, based upon or attributable to, arising out of, in consequence of, or in any way related to the rendering of, or failure to render, any **Professional Services** by the **Insured**.
- R. Alleging, based upon or attributable to, arising out of, in consequence of, or in any way related to any:
  - 1. Labor or grievance arbitration pursuant to a collective bargaining agreement; or
  - 2. Internal dispute resolution proceeding of the **Insured Organization**.
- S. Alleging, based upon or attributable to, arising out of, in consequence of, or in any way related to the liability of others assumed by the **Insured** in a contract or agreement, provided, however, this exclusion shall not apply to liability the **Insured** has in the absence of such contract or agreement.

The conduct or knowledge of any natural person **Insured** shall not be imputed to other **Insureds** with regard to IV. **EXCLUSIONS**, paragraphs A and B.

## V. LIMIT OF INSURANCE

- A. **Claim Expenses** are part of **Loss** and are included within the Limit of Insurance shown in the Declarations.
- B. The Limit of Insurance shown in the Declarations is **Our** maximum liability for any one **Claim** and for all **Claims** made during this **Policy Period**.
- C. **We** shall only be liable to pay, subject to the Limit of Insurance, for **Loss** in excess of the Retained Amount shown in the Declarations which Retained Amount shall apply to each and every **Claim**. The **Insureds** agree that such Retained Amount shall be uninsured.
- D. The Retained Amount may only be satisfied by an actual cash payment by the **Insured**. The Retained Amount may not be satisfied by the release of a claim or counterclaim.
- E. **Our** duty to defend the **Insured** and pay **Claim Expenses** ends upon exhaustion of the Limit of Insurance, including paying or tendering the Limit of Insurance into court.

## VI. CONDITIONS

### A. Entire Agreement

It is agreed that this Policy, together with the Declarations and the **Application**, a copy of which is attached hereto, incorporated herein, and reaffirmed as of the Inception date of this Policy, constitute the entire agreement existing between **Us** and the **Insureds**.

### B. Extended Reporting Period

- 1. If this Policy is cancelled or nonrenewed by the first Named Insured or by **Us**, for any reason other than for non-payment of premium, the first Named Insured shall have the right, upon payment of an additional premium, to purchase an Extended Reporting Period of twelve (12) months duration.
- 2. The Extended Reporting Period applies only to a **Claim** first made against the **Insured** and reported to **Us**, during the Extended Reporting Period, but only for a **Wrongful Act** committed or allegedly committed before the end of the **Policy Period** and that would have been covered by this Policy if such **Claim** had been first made during the **Policy Period**.
- 3. As a condition precedent to 1. and 2. above, all of the following apply:
  - a. The total premium due for this Policy must have been paid.
  - b. The Extended Reporting Period is available by endorsement for an additional premium of 75% of the annual premium for this Policy. It will take effect only if the first Named Insured:
    - (1) Requests it from **Us** in writing; and
    - (2) Pays to **Us** the additional premium due;within sixty (60) days following the end of the **Policy Period**.
  - c. The right to purchase an Extended Reporting Period will lapse unless written notice of such election, together with payment of the additional premium due is received by **Us** within sixty (60) days following the end of the **Policy Period**.

- d. The Extended Reporting Period does not extend the **Policy Period** or change the scope of coverage provided by this Policy.
- e. The Extended Reporting Period is not cancelable, and the premium will be deemed fully earned at the Inception date of such Extended Reporting Period. But this clause will not apply to any cancellation for non-payment of premium.
- f. The Extended Reporting Period will be subject to this Policy's remaining Limit of Insurance, if any, and will not reinstate or increase any Limit of Insurance provided by this Policy.

#### C. Reporting of Potential Claims

If during the **Policy Period** the **Insured** first becomes aware of a **Wrongful Act** which might reasonably be expected to give rise to a **Claim** and, during the **Policy Period** or within sixty (60) days after the end of the **Policy Period**, gives written notice to **Us** of such **Wrongful Act** as required below, then any **Claim** subsequently made against the **Insured** by reason of such **Wrongful Act** shall be deemed to have been first made during the **Policy Period**.

Written report of a potential **Claim** shall include:

1. The specific facts or circumstances which constitute the **Wrongful Act**, including the date(s) thereof, and the **Insured** involved;
2. The date and circumstances by which the **Insured** became aware of such **Wrongful Act**; and
3. The **Loss** which may reasonably result.

#### D. Action Against Us

1. No one shall sue **Us** unless the following conditions precedent are met:
  - a. There has been full compliance with all the terms of this Policy; and
  - b. The amount of the **Insured's** obligation to pay shall have been finally determined either by judgment against the **Insured** after actual and contested trial on the merits, or by written agreement of the **Insured**, the claimant, and **Us**.
2. Any person or organization or the legal representative thereof who has secured such judgment or written agreement shall thereafter be entitled to recover under this Policy to the extent of the insurance afforded by this Policy.
3. Nothing contained in this Policy shall give any person or organization any right to join **Us** as a co-defendant in any action against the **Insured** to determine the **Insured's** liability. Bankruptcy or insolvency of the **Insured** shall not relieve **Us** of any obligation hereunder.

#### E. Subrogation and Assignment

1. When **We** pay under this Policy, **We** receive the **Insured's** rights against third parties and may subrogate against third parties. All **Insureds** are required to execute and deliver any instruments and papers and do whatever else is necessary to secure **Our** rights. No **Insured** shall prejudice **Our** subrogation rights.
2. No **Insured** may assign any interest in this Policy unless **We** give **Our** prior written consent and an endorsement is attached to the Policy effecting assignment.

## F. Changes

Notice to any agent or broker or knowledge possessed by any agent or broker or by any other person shall not effect a waiver or change in any part of this Policy or estop **Us** from asserting any right under the terms of this Policy, nor shall the terms of this Policy be waived or changed, except by endorsement issued to form a part of this Policy.

## G. Authorization Clause/Notices

1. By acceptance of this Policy, the **Insureds** agree that the first Named Insured shown in the Declarations shall act on behalf of all **Insureds** with respect to the giving and receiving of notice of any **Claim** or potential **Claim**, cancellation, nonrenewal, the payment of premiums and the receiving of any return premiums that may become due under this Policy. Notice to the first Named Insured identified in the **Application** at the address of such first Named Insured shown in the Declarations shall also constitute notice to all **Insureds**.
2. **You** shall provide notice to **Us** as soon as practicable after a **Claim** is first made against the **Insured** but in no event later than sixty (60) days after the **Policy Period**. This notice shall be deemed sent to **Us** only if it is sent by **You** by prepaid registered or return-receipt-requested mail properly addressed to **Us** at:

Fireman's Fund Insurance Companies  
233 S. Wacker Drive, Suite 2000  
Chicago, IL 60606  
Attn: Nonprofit D&O Claims Department

3. No insurance agent or broker is appointed or authorized by **Us** to receive the notice required by this Policy. The **Insured's** notice to any insurance broker or agent shall not be notice to **Us**, unless and until **We** receive actual notice at the above address.

## H. Other Insurance

1. The insurance provided by this Policy shall apply only in excess of any other insurance available to the **Insured** and shall not contribute with other such insurance.
2. **You** shall provide notice to all other insurers which reasonably might provide coverage as soon as practicable after the **Insured's** receipt of a **Claim** or obtaining information regarding a potential **Claim**.

## I. Conformance With State Statutes

Terms of this Policy which are in conflict with the statutes of the state or province wherein this Policy is issued are hereby amended to conform to such statutes.

## J. Cancellation and Nonrenewal

### 1. Cancellation

- a. The first Named Insured shown in the Declarations may cancel this Policy by mailing or delivering to **Us** advance written notice of cancellation. The **Policy Period** will end on the effective date requested.
- b. **We** may cancel this Policy only in the event of non-payment of premium, and if **We** cancel for non-payment of premium, **We** will mail by first class or certified mail, to the first Named Insured and the agent or broker of record, at their last address

known to **Us**, written notice stating the reason for cancellation, at least twenty (20) days before the effective date of cancellation.

- c. Notice of cancellation will state the effective date of cancellation. The **Policy Period** will end on the date of cancellation.
- d. If this Policy is cancelled, **We** will send the first Named Insured any premium refund due. If **We** cancel, the refund will be the pro rata unearned premium. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if **We** have not made or offered a refund.
- e. A post office certificate of mailing or certified mail receipt will be sufficient proof of mailing of notice.

**2. Nonrenewal by Us**

- a. **We** are not required to renew this Policy when it expires.
- b. If **We** elect not to renew this Policy, **We** will mail by first class or certified mail, to the first Named Insured and the agent or broker of record, at their last address known to **Us**, written notice stating the reason for nonrenewal, at least sixty (60) days but not more than one hundred and twenty (120) days before the effective date of nonrenewal.
- c. Notice of nonrenewal will state the effective date of nonrenewal. The **Policy Period** will end on the date of nonrenewal.
- d. A post office certificate of mailing or certified mail receipt will be sufficient proof of mailing of notice.

This Policy is not valid unless a Declarations page is signed by **Our** authorized representative.

IN WITNESS WHEREOF, **We** have caused the signatures of **Our** executive officers to be affixed hereto, and have caused this Policy to be countersigned by **Our** authorized representative.



Secretary



President

## Products Liability Exclusion - NA1206 01 01

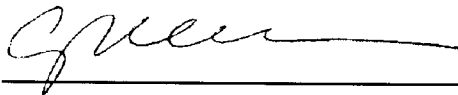
Policy Amendment Directors and Officers

In consideration of the premium paid it is understood and agreed that Section IV. **EXCLUSIONS** is amended to include the following:

Alleging, based upon or attributable to, arising out of, in consequence of or in any way related to products liability, including, but not limited to, the **Insured's** failure to maintain products liability insurance.

All other terms and conditions of the policy remain unchanged.

This Form must be attached to Change Endorsement when issued after the policy is written.  
One of the **Fireman's Fund Insurance Companies** as named in the policy



Secretary



President

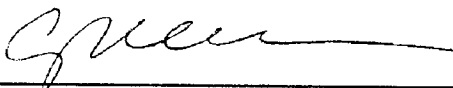
**Partnership/Joint Venture Exclusion - NA1207 01 01**  
Policy Amendment Directors and Officers

In consideration of the premium paid it is understood and agreed that Section IV. **EXCLUSIONS** is amended to include the following:

Alleging, based upon or attributable to, arising out of, in consequence of or in any way related to any partnership in which the **Insured** is a partner, or any joint venture in which the **Insured** is a partner or member, unless such is shown in the Declarations as a Named Insured.

All other terms and conditions of the policy remain unchanged.

This Form must be attached to Change Endorsement when issued after the policy is written.  
One of the **Fireman's Fund Insurance Companies** as named in the policy



Secretary



President

**Lending Exclusion - NA1210 01 01**  
Policy Amendment Directors and Officers

In consideration of the premium paid it is understood and agreed that Section IV. **EXCLUSIONS** is amended to include the following:

Alleging, based upon or attributable to, arising out of, in consequence of or in any way related to:


1. Any lending, loan-related activities or extension of credit by or on behalf of the **Insured**, or its members or clients; or
2. Credit counseling provided by or on behalf of the **Insured** to its members or clients.

All other terms and conditions of the policy remain unchanged.

This Form must be attached to Change Endorsement when issued after the policy is written.  
One of the **Fireman's Fund Insurance Companies** as named in the policy



Secretary



President

## Trading Exclusion - NA1211 01 01

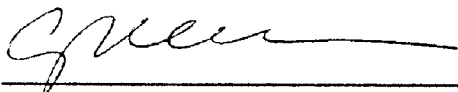
Policy Amendment Directors and Officers

In consideration of the premium paid it is understood and agreed that Section IV. **EXCLUSIONS** is amended to include the following:

Alleging, based upon or attributable to, arising out of, in consequence of or in any way related to any involvement by or on behalf of the **Insured** in the trading, hedging or auctioning, whether speculative or not, of any securities, options, futures, financial instruments, or tangible or intangible property, including but not limited to natural resources.

All other terms and conditions of the policy remain unchanged.

This Form must be attached to Change Endorsement when issued after the policy is written.  
One of the **Fireman's Fund Insurance Companies** as named in the policy



Secretary



President

## Insolvency Exclusion - NA1212 01 01

Policy Amendment Directors and Officers

In consideration of the premium paid it is understood and agreed that Section IV. **EXCLUSIONS** is amended to include the following:

Alleging, based upon or attributable to, arising out of, in consequence of or in any way related to the insolvency or **Financial Impairment** of the **Insured**.

For purposes of this endorsement **Financial Impairment** means:

1. The **Insured Organization** entering into proceedings in bankruptcy;
2. The **Insured Organization** becoming a debtor in possession; or
3. The taking of control of, the supervision of, or the managing or liquidating of the financial affairs of the **Insured Organization** by a receiver, conservator, liquidator, trustee, rehabilitator or similar official.

All other terms and conditions of the policy remain unchanged.

This Form must be attached to Change Endorsement when issued after the policy is written.  
One of the **Fireman's Fund Insurance Companies** as named in the policy



Secretary



President

## Failure to Maintain Insurance Exclusion - NA1213 01 01


Policy Amendment Directors and Officers

In consideration of the premium paid it is understood and agreed that Section IV. **EXCLUSIONS** is amended to include the following:

Alleging, based upon or attributable to, arising out of, in consequence of or in any way related to the **Insured's** failure to effect or maintain insurance.

All other terms and conditions of the policy remain unchanged.

This Form must be attached to Change Endorsement when issued after the policy is written.  
One of the **Fireman's Fund Insurance Companies** as named in the policy



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Secretary



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President

**Insurance Related Activities Exclusion - NA1215 01 01**  
Policy Amendment Directors and Officers

In consideration of the premium paid it is understood and agreed that Section IV. **EXCLUSIONS** is amended to include the following:


Alleging, based upon or attributable to, arising out of, in consequence of, or in any way related to:

1. The binding, refusal, or failure to bind, or delay in binding of any **Insurance Contract**;
2. The actual or alleged cancellation or refusal to renew any **Insurance Contract**;
3. The actual or alleged failure or refusal to pay benefits due or alleged to be due under any **Insurance Contract**;
4. The actual or alleged lack of good faith or fair dealing in the handling of any claims or litigation, attributable to any **Insurance Contract** (or the brokering of underwriting of insurance policies or risks);
5. The actual or alleged failure to maintain insurance or reinsurance, except insurance maintained solely for the benefit of the **Insured Organization**;
6. The conduct of the **Insured** as an insurance agent or insurance broker in the negotiation, placement or maintenance of any **Insurance Contract**.

For the purposes of this endorsement, **Insurance Contract** means any policy of insurance, reinsurance, bond, indemnity, annuity, endowment or pension contract, or any risk management insurance program, pool or trust.

All other terms and conditions of the policy remain unchanged.

This Form must be attached to Change Endorsement when issued after the policy is written.  
One of the **Fireman's Fund Insurance Companies** as named in the policy



Secretary



President

## Prior and Pending Litigation Exclusion - NA1217 11 01

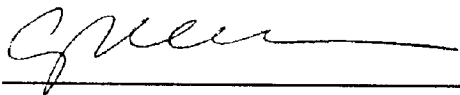
Policy Amendment Directors and Officers

In consideration of the premium charged it is understood and agreed that Section IV. **EXCLUSIONS**, paragraph D. is deleted in its entirety and replaced with the following:

Alleging, based upon or attributable to, arising out of, in consequence of, or in any way related to any **Claim** which was pending on or existed prior to **02/15/08** or is related in any way to the same or substantially the same facts, circumstances or allegations which are the subject of or the basis for such **Claim**.

All other terms and conditions of the policy remain unchanged.

This Form must be attached to Change Endorsement when issued after the policy is written.  
One of the **Fireman's Fund Insurance Companies** as named in the policy



Secretary



President

# Exclusion of Certified Acts of Terrorism - 145912 01 03

Policy Amendment

This endorsement modifies insurance provided under the following:

Commercial General Liability Coverage  
Liquor Liability Coverage  
Owners and Contractors Protective Liability Coverage  
Pollution Liability Coverage  
Products/Completed Operations Liability Coverage  
Railroad Protective Liability Coverage  
Underground Storage Tank Liability Coverage  
Farm Liability Coverage (Except as to Workers' Compensation Residence Employees)  
American Business Coverage (Section II)  
Errors and Omissions Liability Coverage  
Professional Liability Coverage  
Employer's Liability Stop Gap Insurance Coverage  
Directors and Officers Liability Insurance Coverage  
Employment Practices Liability Insurance Coverage

A. The following exclusion is added:

This insurance does not apply to **any injury or damage**, or any **loss or claim expense** in connection with any **claim**, arising, directly or indirectly, out of a **certified act of terrorism**.

B. The following definitions are added:

1. For the purposes of this endorsement, **any injury or damage** means any injury or damage covered under any Coverage to which this endorsement is applicable, and includes but is not limited to **bodily injury, property damage, personal and advertising injury, injury, act, error or omission** in the performance of **professional services** or **environmental damage** as may be defined in any applicable Coverage.
2. **Certified act of terrorism** means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act of 2002. The federal Terrorism Risk Insurance Act of 2002

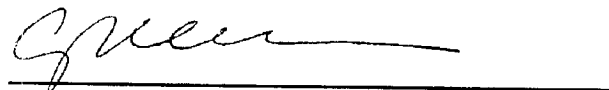
sets forth the following criteria for a **certified act of terrorism**:

- a. The act resulted in aggregate losses in excess of \$5 million; and
- b. 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 acting on behalf of any foreign person or foreign interest, 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.

C. Application of Other Exclusions

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any loss which would otherwise be excluded under this Coverage Part, Coverage Section, or Policy, such as losses excluded by a Nuclear Hazard Exclusion, a War Exclusion, or a War Liability Exclusion.

This Form must be attached to Change Endorsement when issued after the policy is written.  
One of the **Fireman's Fund Insurance Companies** as named in the policy

  
Secretary

  
President

# Nuclear, Biological or Chemical Terrorism Exclusion - Other Than Certified Acts of Terrorism - 145915 03 03

Policy Amendment

This endorsement modifies insurance provided under the following:

Commercial General Liability Coverage  
Liquor Liability Coverage  
Owners and Contractors Protective Liability Coverage  
Pollution Liability Coverage  
Products/Completed Operations Liability Coverage  
Railroad Protective Liability Coverage  
Underground Storage Tank Liability Coverage  
Farm Liability Coverage (Except as to Workers' Compensation Residence Employees)  
American Business Coverage (Section II)  
Errors and Omissions Liability Coverage  
Professional Liability Coverage  
Employer's Liability Stop Gap Insurance Coverage  
Directors and Officers Liability Insurance Coverage  
Employment Practices Liability Insurance Coverage

A. The following exclusion is added:

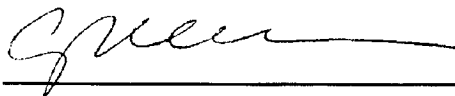
This insurance does not apply to any **injury or damage**, or any **loss or claim expense** in connection with any **claim**, arising, directly or indirectly, out of an **other act of terrorism** that is not a **certified act of terrorism**. However, this exclusion applies only when one or more of the following are attributed to such act:

1. The terrorism involves the use, release or escape of nuclear materials, or directly or indirectly results in nuclear reaction or radiation or radioactive contamination; or
2. The terrorism is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
3. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the terrorism was to release such materials.

B. The following definitions are added:

1. For the purposes of this endorsement, **any injury or damage** means any injury or damage covered under any Coverage to which this endorsement is applicable, and includes but is not limited to **bodily injury, property damage, personal and advertising injury, injury, act, error or omission in the performance of professional services or environmental damage** as may be defined in any applicable Coverage.
2. **Certified act of terrorism** means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act of 2002. The federal Terrorism Risk Insurance Act of 2002 sets forth the following criteria for a **certified act of terrorism**:

This Form must be attached to Change Endorsement when issued after the policy is written.  
One of the **Fireman's Fund Insurance Companies** as named in the policy



Secretary



President

- a. The act resulted in aggregate losses in excess of \$5 million; and
  - b. 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 acting on behalf of any foreign person or foreign interest, 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.
3. **Other act of terrorism** means a violent act or an act that is dangerous to human life, property or infrastructure that is committed by an individual or individuals and that appears to be part of an effort to coerce a civilian population or to influence the policy or affect the conduct of any government by coercion, and the act is not certified as a terrorist act pursuant to the federal Terrorism Risk Insurance

Act of 2002. However, **other act of terrorism** does not include an act which meets the criteria set forth in Paragraph b. of the definition of **certified act of terrorism** when such act resulted in aggregate losses of \$5 million or less. Multiple incidents of an **other act of terrorism** which occur within a seventy-two hour period and appear to be carried out in concert or to have related purpose or common leadership shall be considered to be one incident.

#### C. Application of Other Exclusions

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any loss which would otherwise be excluded under this Coverage Part, Coverage Section, or Policy, such as losses excluded by a Nuclear Hazard Exclusion, a War Exclusion or a War Liability Exclusion.