**ENDORSEMENT**

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

This endorsement, effective 12:01 A.M.,

Forms a part of Policy No.:

**SEXUAL OR PHYSICAL ABUSE LIABILITY ENDORSEMENT - GEORGIA**

**NOTICE: THIS IS A CLAIMS MADE AND REPORTED COVERAGE. THIS COVERAGE APPLIES ONLY TO THOSE CLAIMS THAT ARE FIRST MADE AGAINST THE INSURED AND REPORTED TO THE COMPANY DURING THE POLICY PERIOD OR EXTENDED REPORTING PERIOD, IF APPLICABLE.**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE FORM - CLAIMS MADE**

**LIMITS OF INSURANCE**

Each Act of “Sexual or Physical Abuse”: $

Aggregate Limit : $

Retroactive Date :

1. **COVERAGES**

**SECTION I – COVERAGES OF THE COMMERCIAL GENERAL LIABILITY COVERAGE CLAIMS MADE FORM, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY AND COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY is modified by the addition of the following;**

1. **INSURING AGREEMENT**
   1. We will pay those sums that the insured becomes legally obligated to pay as “damages” because of “bodily injury” or “personal and advertising injury” to which this insurance applies arising out of “sexual or physical abuse”.

We will have the right and duty to defend the insured against any “suit” seeking those “damages”. However, we will have no duty to defend the insured against any “suit” seeking “damages” for “bodily injury” or “personal and advertising injury” to which this insurance does not apply. We may, at our discretion, investigate any act of “sexual or physical abuse” and settle any claim or “suit” that may result.

The amount we will pay for “damages” is limited as described in Section III. LIMITS OF INSURANCE.

Our right and duty to defend ends when we have used up the applicable Limits of Insurance in the payment of judgments and settlements incurred under the endorsement.

b. As to each claimant, multiple acts of “sexual or physical abuse” by the same person(s), as well as any breach of duty allowing or contributing to such act(s), shall collectively be deemed to be one event. The date of the event shall be deemed to be the date of the first act of “sexual or physical abuse”. If the date of the event precedes the effective date of this endorsement then any liability in regard to such claimant(s) arising from such an event is not covered hereunder.

c. The “sexual or physical abuse” incident must take place on or after the retroactive date of this endorsement, but before the end of the policy period and within the coverage territory. The claim must be made and reported to us or our authorized representative in writing during the policy period or any applicable extended reporting period. This endorsement does not apply to a “sexual or physical abuse” incident which on the effective date of the endorsement you knew, or could have reasonably foreseen would be the basis for a claim.

1. **EXCLUSIONS**

SECTION I – COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY, Paragraph 2 EXCLUSIONS, of the COMMERCIAL GENERAL LIABILITY COVERAGE FORM – is modified by the addition of the following Exclusions which apply to this “Sexual or Physical Abuse” Coverage.

This insurance does not apply to:

* 1. Liability of any person who actually participates in any act of “sexual or physical abuse”.

b. The cost of defense of or the cost of paying any fines for, any person resulting from criminal prosecution for actual or alleged violation of a criminal or penal statute.

c. Any person who has been found guilty of, or pled guilty or no contest to, any criminal act involved in any “sexual or physical abuse”.

1. Any liability for or injury to:
   * 1. Any of the insured’s “employees” arising out of and in the course of employment by the insured; or
     2. The spouse, child, parent, brother or sister of that “employee” as a consequence of number (1) above.

This exclusion applies:

* + - 1. Whether you may be liable as an employer or in any other capacity; and
      2. To any obligation to share damages with or repay someone else who must pay damages because of the injury.

1. Any claim for damages including claims for “employer negligence” which arise out of, result from, involve or in any way relate to acts or omissions by you or any of your officer(s), director(s), “employees”, “volunteer workers”, students in training or “contract workers” which take place subsequent to you or your officer(s) or director(s) acquiring knowledge of such “sexual or physical abuse” attempted or committed by any other officer, director, “employee”, “volunteer worker”, student in training or “contract worker” of an insured.
2. **WHO IS AN INSURED**

SECTION II – WHO IS AN INSURED of the COMMERCIAL GENERAL LIABILITY COVERAGE CLAIMS MADE FORM is modified by the addition of the following which apply to this “Sexual or Physical Abuse” Coverage:

1. If you are designated in the Declarations as:

a. An individual, you and your spouse are insureds, but only with respect to claims or “suits” for “employer negligence” or for “sexual or physical abuse” arising out of the acts or omissions of others performing duties on behalf of a business of which you are the sole owner.

b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to claims or “suits” for “employer negligence” or for “sexual or physical abuse” arising out of the acts or omissions of others performing duties on behalf of a business for which you are held liable as a partner or member.

c. A limited liability company, you are an insured. Your members and managers are also insureds, but only with respect to claims or “suits” for “employer negligence” or for “sexual or physical abuse” arising out of the acts or omissions of others performing duties on behalf of a business for which you are held liable as a member or manager.

d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to claims or “suits” for “employer negligence” or for “sexual or physical abuse” arising out of the acts or omissions of others performing duties on behalf of a business for which you are held liable. Your stockholders are also insureds, but only with respect to their liability as stockholders.

2. Each of the following is also an insured:

For acts within the scope of their employment by you or while performing duties related to the conduct of your business;

* 1. Your “employees”;
  2. Your “volunteer workers”;
  3. Your “contract workers”; and
  4. students in training.

No person described in 2. above is an insured for “bodily injury” or “personal and advertising injury” arising out of “sexual or physical abuse”.

* + 1. To you, your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company) or a co-“employee”, co-"contract worker(s)", fellow “volunteer workers” or fellow student while in the course of his or her employment or while performing duties related to the conduct of your business;
    2. To the spouse, child, parent, brother or sister of that co-“employee”, co-"contract worker", fellow “volunteer worker” or fellow student as a consequence of the preceding paragraph.

(3) For which there is any obligation to share “damages” with or repay someone else who must pay “damages” because of “bodily injury” or “personal and advertising injury” arising out of “sexual or physical abuse” described in the two preceding paragraphs.

3. Any social service organization you newly acquire, or form, or which you newly control and actively manage will qualify as a Named Insured if there is no other similar insurance available to that organization. However, coverage under this provision:

1. Is afforded only until the 90th day after you acquire, form, control**,** or manage the organization or the end of the policy period, whichever is earlier; and
2. Does not apply to "sexual or physical abuse" act(s) that occurred before you acquired, formed, controlled or managed the organization.

4. Any entity with which you have a written contract requiring that such entity be made an insured under this policy. However, such entity shall be an insured only for covered "damages" which result from your “professional services” under that contract.

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

With respect to this coverage, none of the following is an insured:

Any person or organization who participated in, directed, or, after becoming aware of “sexual or physical abuse” failed to act in a way to prevent “sexual or physical abuse” and/or failed to report to the authorities, any act of “sexual or physical abuse”.

**III. LIMITS OF INSURANCE**

SECTION III – LIMITS OF INSURANCE of the COMMERCIAL GENERAL LIABILITY COVERAGE CLAIMS MADE FORM is modified by the addition of the following which apply to this “Sexual or Physical Abuse” Coverage:

1. The Limits of Insurance for “sexual or physical abuse” as stated in the schedule of this endorsement and the rules below fix the most we will pay regardless of the number of:

1. Insureds;
2. Claims made or “suits” brought; or
3. Persons or organizations making claims or bringing “suit”.

2. All acts of “sexual or physical abuse” by one person, or two or more persons acting together, or “employer negligence” allowing or contributing to such acts, will be considered one event in determining our Limit of Insurance under this endorsement.

3. No other limits stated in the Commercial General Liability Coverage Form or the Social Service Professional Liability Coverage Form or any other coverage Declaration attached to this policy applies to this endorsement or to coverage for “sexual or physical abuse”

4. The Aggregate Limit shown in the schedule of this endorsementis the most we will pay during this policy period for the sum of all “damages” arising out of all “sexual or physical abuse” which occurs during the policy period~~.~~

5. Subject to Paragraph 4. Above, the Each Act of “sexual or physical abuse” limit shown in the schedule of this endorsement is the most we will pay for the sum of all “damages” arising out of each“sexual or physical abuse” act(s) which occurs during the policy period.

**IV. DEFINITIONS**

SECTION VI – DEFINITIONS of the COMMERCIAL GENERAL LIABILITY COVERAGE CLAIMS MADE FORM is modified by the addition of the following:

1. Definition 3 is deleted in its entirety and replaced with the following;

3. “Bodily Injury” means bodily injury, sickness or disease including emotional distress or anguish including death as a result there from.

1. Definition 18 is deleted in it’s entirety and replaced with the following:
2. “Suit” means a civil proceeding in which “damages” to which this insurance applies are alleged. “Suit” includes:
   * 1. An arbitration proceeding in which such “damages” are claimed and to which you must submit or do submit with our consent; or
     2. Any other alternative dispute resolution proceeding in which such “damages”

are claimed and to which you submit with our consent.

1. The following Definitions are added:
   * + 1. “Contract Worker(s)” means any person performing services for the insured whether on a temporary basis, leased worker or as an independent contractor.
       2. “Sexual or physical abuse” means each, every and all actual, threatened or alleged acts of physical abuse, sexual abuse, sexual misconduct or sexual molestation performed by one person or two or more people acting together. Each, every and all actual, threatened or alleged acts of physical abuse, sexual abuse, sexual misconduct or sexual molestation committed by, participated in by, directed by, instigated by or knowingly allowed to happen by one or more persons shall be considered one “sexual or physical abuse” act regardless of:
2. The number of parties;
3. The period of time which the acts of physical abuse, sexual abuse, sexual misconduct or sexual molestation took place; and
4. The number of such acts or encounters.

“Sexual or physical abuse” consisting of or comprising more than one act of physical abuse, sexual abuse, sexual misconduct or sexual molestation shall be deemed to take place, for all purposes within the scope of this policy, at the time of the first such encounter.

3. “Damages” means a monetary judgment, award or settlement, but does not include:

a. Sanctions, fees, fines or penalties imposed by law;

b. Restitution, including the return, withdrawal or reduction of professional fees; or

c. Attorney fees or costs, except those awarded in connection with covered "damages”.

4. “Employer Negligence” means any act or omission by an “employee”, officer, director

member, partner, “volunteer worker”, student in training, or “contract worker” that contributed to or allowed “sexual or physical abuse” committed by an insured, including but not limited to negligent hiring, negligent retention, negligent supervision or failure to report.

5. “Professional Services” means activities performed by an insured or on behalf of an insured to aid persons and/or families seeking assistance from you in the management of their lives, including “counseling services”.

6. “Counseling Services” means the act of giving advice or guidance in connection with the insured’s “professional services”.

All other terms and conditions of the policy remain the same.

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Authorized Representative