## **ENDORSEMENT**

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

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

Forms a part of Policy No.:

**ABUSE, MOLESTATION, HARASSMENT OR SEXUAL CONDUCT DEFENSE COSTS REIMBURSEMENT ENDORSEMENT**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL L IABILITY OVERAGE FORM

The following exclusion is added to Paragraph **2., EXCLUSIONS** of **SECTION I – COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY** and Paragraph **2., EXCLUSIONS** of **SECTION I – COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY.**:

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of:

a) Any actual, threatened or alleged, sexual abuse, sexual molestation, sexual harassment, sexual misconduct, sexual assault, sexual victimization, sexual intimacy (even if consensual), sexual contact, sexual advances, sexual exploitation, requests for sexual favors, verbal or physical conduct of a sexual nature, coercion to engage in sexual activities, and any resulting mental or emotional injury; or

b) The negligent employment, investigation, supervision, reporting to the proper authorities or failure to so report, or the retention of any person for whom any insured is or has ever been legally responsible and whose conduct would be excluded by Paragraph a.. above.

This endorsement does not change any other provision of this policy.

Notwithstanding the foregoing, the Company will reimburse you for “defense costs” incurred by you which result from a claim subject to a) or b) above. We have no obligation or duty to defend against any claim arising out of a) or b) above.

In order to be reimbursed for your “defense costs” you must:

1. See to it that we receive written notice of the claim or “suit” as soon as practicable; and
2. Submit your “defense costs” for reimbursement with sufficient detail to verify compliance with the definition of “defense costs”; and
3. Have not been found guilty of or liable for abuse, molestation, harassment or sexual conduct.

The most we will reimburse you for “defense costs” is $100,000 per claim and will not exceed $100,000 in the aggregate during the policy period. These limits cannot be combined with or added to any other Abuse, Molestation, Harassment or Sexual Conduct Coverage provided in this coverage part. When both this Endorsement and the Sexual Misconduct Liability Coverage endorsement are included in this coverage part, the applicable per claim and aggregate limit of insurance as shown in this endorsement and applicable to each member will be also be shown on the member’s certificate for those members who applied for and were approved for this coverage.

“Defense costs” are defined as all reasonable fees and expenses including cost of litigation, and claim investigation or legal expenses, resulting from the investigation, adjustment, defense, or appeal of a claim or potential claim, incurred by you. In addition, we will reimburse all reasonable costs that you incur, including up to $250 per day for actual loss of earnings for up to a maximum of 20 days.

“Defense costs” do not include:

1. Prejudgment and post judgment interest on any judgment
2. Any obligation to apply for, furnish or provide collateral for any appeal bonds or bonds to release property that are being used to secure a legal obligation.
3. Any fees and expenses incurred by you prior to the date any claim is first reported to us in writing.
4. Fines, penalties, attorney fees and other costs pertaining to a criminal investigation or processing.

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

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Authorized Representative