



**ALLIANCE OF  
NONPROFITS FOR  
INSURANCE**

*A Head for Insurance. A Heart for Nonprofits.*

**ALLIANCE OF NONPROFITS FOR INSURANCE  
RISK RETENTION GROUP (ANI)**

[www.insurancefornonprofits.org](http://www.insurancefornonprofits.org)

## **DIRECTORS & OFFICERS LIABILITY POLICY DECLARATIONS**

- Item 1.      Named Member:          Florida Wildflower Foundation Inc  
                 Address:                      P.O. Box 941691  
                                                  Maitland, FL 32794-1691
- Item 2.      Policy Number:              2022-73092-DO  
                 Policy Period:              04/25/2022    to    04/25/2023  
                 (12:01 A.M. Standard time at the address stated in Item 1.)
- Item 3.      Limit of Liability:          \$ 1,000,000              Each Wrongful Act  
                                                  \$ 1,000,000              Annual Aggregate
- Item 4.      Deductible:                      N/A
- Item 5.      Premium:                      \$ 2,068  
                 (premium includes Terrorism Coverage - Certified Acts :\$18)
- Item 6.      Applicable policy form(s) and Endorsement(s) effective at inception:
- |                      |                      |                      |                       |                       |
|----------------------|----------------------|----------------------|-----------------------|-----------------------|
| ANI-E003 DO 08 20,   | ANI-E069 DO 02 19,   | ANI-E180 DO 01 21,   | ANI-E258 DO 08 21,    | ANI-E282 DO 12 21,    |
| ANI-RRG EDO13 08 17, | ANI-RRG-DODEC 04 01, | ANI-RRG-DOET 02 17,  | ANI-RRG-DOPWAR 03 14, | ANI-RRG-E42 DO 09 19, |
| ANI-RRG-E58 02 12,   | ANI-RRG-EDO1 08 91,  | ANI-RRG-EDO17 05 20, | ANI-RRG-EDO34 01 02,  | ANI-RRG-EDO4 03 94,   |
| ANI-RRG-EDO7 02 11,  | CG 21 70 01 15,      | IL 09 99 12 20       |                       |                       |

Producer:    03511  
                 The Cothron Group, Inc. (TCG)  
                 1540 International Parkway, Suite 2000  
                 Lake Mary, FL 32746

### **"NOTICE"**

**This policy is issued by your risk retention group. Your risk retention group may not be subject to all of the insurance laws and regulations of your State. State insurance insolvency guaranty funds are not available for your risk retention group."**

**ANI - RRG - DODEC**

Authorized Company Representative  
President, ANI-RRG

04/27/2022

**DATE:** April 27, 2022  
**TO:** Florida Wildflower Foundation Inc (73092)  
**FR:** ANI  
**RE:** Avoiding Wrongful Termination Lawsuits

---

You have recently purchased Directors and Officers coverage with the Alliance of Nonprofits for Insurance, Risk Retention Group (ANI). Employee-related lawsuits are the most common claim filed against nonprofit D&O insurance policies. Many of these lawsuits can be avoided by obtaining good advice before you terminate an employee. To assist you, ANI provides FREE pre-termination consultations. Just contact our Employment Risk Managers at 800-359-6422 and they will assist you to ensure that you take the appropriate actions to protect your organization.

Another service that ANI provides to D&O policyholders is a highly subsidized subscription to the Thompson Handbook Builder. Annual subscription cost is \$99 (\$300 savings).

You may find these additional facts about employment-related matters of interest:

- Well over 90% of the claims made against directors and officers of 501(c)(3) nonprofits are employment related. These commonly involve allegations of wrongful terminations, discrimination, or harassment.
- The primary reason nonprofits find themselves in employment-related lawsuits is failing to follow, to the letter, personnel policies which are in compliance with law. In particular, if your personnel policies provide for any special considerations before terminations, such as grievance, probationary period, or written or verbal warnings, and you do not follow these policies to the letter, but instead fire immediately in anger, chances are good that you could find yourself in a lawsuit.
- During our review of personnel policies of those nonprofits with D&O coverage, we most commonly find policies out-of-compliance with current law regarding pregnancy leave, provision for payment of overtime, and applicable classes protected from discrimination such as sexual orientation, political affiliation, veteran status and others.

For everyone's benefit we hope your organization does not find itself in a difficult termination situation. However, if you do, please do not hesitate to contact our Employment Risk Managers before you take action so that together we can help minimize your exposure to expensive and time-consuming lawsuits.

P.S. A knowledgeable, committed board of directors is the strongest protector of a charitable organization's accountability to the law, its clients, its donors and the public. Are you looking for a communications and information management solution for your board of directors? BOARDnetWORK was created by ANI for its members. This FREE easy to use, web-based resource will help streamline the process of keeping your board organized and running smoothly.

View short demo at [www.boardnetwork.org](http://www.boardnetwork.org). For more information, call our Director of Loss Control at 831-621-6075

## INDEX OF FORMS ATTACHED TO THE POLICY

**POLICY NUMBER:** 2022-73092-DO

**NAME OF INSURED:** Florida Wildflower Foundation Inc

Page: 1

### DIRECTORS AND OFFICERS FORMS AND ENDORSEMENTS

### FORM NUMBER / EDITION DATE

Member Criteria	ANI-E003 DO 08 20
Fiscal Sponsor Limitation	ANI-E069 DO 02 19
Communicable Disease - Exclusion	ANI-E180 DO 01 21
Anti-Stacking Condition	ANI-E258 DO 08 21
Cyber Incident - Exclusion	ANI-E282 DO 12 21
Punitive and Exemplary Damages	ANI-RRG EDO13 08 17
Directors & Officers Liability Policy Declarations	ANI-RRG-DODEC 04 01
Nonprofit Organization Directors and Officers Liability Policy	ANI-RRG-DOET 02 17
Prior Wrongful Acts with Retro Date	ANI-RRG-DOPWAR 03 14
Nuclear, Chemical and Biological Hazard Exclusion	ANI-RRG-E42 DO 09 19
Liberalization - D&O	ANI-RRG-E58 02 12
Nuclear Energy Liability Exclusion Endorsement (Broad Form)	ANI-RRG-EDO1 08 91
ISC and Sexual Harassment Amendment	ANI-RRG-EDO17 05 20
Mold, Fungus Exclusion	ANI-RRG-EDO34 01 02
Blood Testing Exclusion	ANI-RRG-EDO4 03 94
Non-Imputation	ANI-RRG-EDO7 02 11
Cap on Losses from Certified Acts of Terrorism	CG 21 70 01 15
Disclosure Of Premium For Certified Acts of Terrorism	IL 09 99 12 20

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**PRIOR WRONGFUL ACTS ENDORSEMENT  
WITH RETROACTIVE DATE**

This endorsement modifies insurance provided under the following:

**DIRECTORS AND OFFICERS LIABILITY POLICY**

---

Subject to the terms and conditions of this policy, coverage is amended to include "Wrongful Acts" committed on or after the Retro Date and before the policy inception date, and first reported to the Company during the policy period.

This insurance does not apply to "Wrongful Acts" that any "Member" knew or should have known prior to this policy's inception date would lead to a "Claim" or suit.

If there is other insurance available to the "Member" for "Damages" which are covered by this endorsement, including but not limited to a duty to defend the "Member" by that other insurance, the coverage provided by this endorsement is excess to that other insurance.

This coverage endorsement will not serve to increase the Company's limit of insurance. The limit noted in Item 3 of the Declarations is the most the Company will pay for the sum of all settlements and judgments under this policy.

If the Directors and Officers Liability Policy is canceled or not renewed, this Prior Wrongful Acts Endorsement shall terminate as of the same effective date of such cancellation or non-renewal.

Upon termination of the Prior Wrongful Acts Endorsement, and in consideration of an additional premium charge of 35% of the full annual premium, an Extended Reporting Period Endorsement is available. If either the Company or the "Member" cancels or declines to renew this policy, then pursuant to the Extended Reporting Period, the "Member" shall have a period of one year following the effective date of such cancellation or non-renewal in which to give written notice to the Company of "Claims" first made against the "Member" during the Extended Reporting Period and arising out of "Wrongful Acts" committed prior to the policy inception date.

A written request for the Extended Reporting Period, together with payment of the appropriate premium, must be made within thirty (30) days after the cancellation or non-renewal of the policy. This additional premium shall be fully earned at the inception of the Extended Reporting Period. The Extended Reporting Period Endorsement is not cancelable.

At the Company's option, this right to purchase the Extended Reporting Period may not apply if: (a) this policy is canceled by the Company for non-payment of premium; or (b) this policy is succeeded immediately with no gap in coverage by another policy.

**Retro Date: 09/12/2005**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

### **ANTI-STACKING CONDITION**

This endorsement modifies insurance provided under the following:

DIRECTORS AND OFFICERS LIABILITY COVERAGE FORM  
DIRECTORS AND OFFICERS LIABILITY COVERAGE FORM - EXCLUDES EMPLOYMENT  
PRACTICES LIABILITY

---

Condition L. Other Insurance, Section 2 is replaced in its entirety by the following:

2. a. Subject to section b. below, no coverage shall be afforded by this policy if coverage for the "Claim", "Claims" or suit is afforded under any other policy issued by us to the "Organization".
- b. If two or more Directors and Officers Liability Coverage Forms written by us apply to a "Claim", "Claims" or suits for "Damages" resulting from a "Wrongful Act", it is our intent that the policies do not provide any duplication or overlap of coverage for the same "Claim", "Claims" or suit; and the combined maximum Limit of Liability under all such policies shall not exceed the highest applicable Limit of Liability under any one policy identified within the Declarations Page, regardless of the number of "Members", claimants, "Claims" or suits.

Any "Claim" or suit which includes multiple claimants and/or plaintiffs and which arises out of a series of continuous or interrelated "Wrongful Acts" will be considered as arising out of one "Wrongful Act", which is deemed to have been committed on the date of the first such "Wrongful Act", without regard to the status of the respective claimant, claimants, plaintiff and/or plaintiffs at the time of that "Wrongful Act".

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

### **EXCLUSION — BLOOD TESTING**

This endorsement modifies insurance provided under the following:

#### **DIRECTORS AND OFFICERS LIABILITY COVERAGE PART**

---

This insurance does not apply to "wrongful acts" or "personal injury" arising out of:

1. The rendering or failure to render services in connection with the making of a blood donation or drawing of blood or testing of blood;
2. An error, omission, defect or deficiency in any test performed or an evaluation, a consultation or advice given by or on behalf of any insured; or
3. The reporting of or reliance upon any such test, evaluation, consultation or advice;
4. Any blood product handled, transported, or distributed by you, or reliance upon any representation or warranty made at any time with respect to blood products;
5. The liability of any insured for acts or omissions of a doctor of medicine, technician, phlebotomist, or nurse with respect to any item listed in 1. through 4. above; or
6. The liability of any insured for the negligent hiring and/or supervision of any employee, volunteer, independent contractor, or agent of the insured with respect to any item listed in 1. through 4. above.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**COMMUNICABLE DISEASE - EXCLUSION**

This endorsement modifies insurance provided under the following:

**DIRECTORS AND OFFICERS LIABILITY POLICY**

---

This insurance does not apply to, and we shall have no duty to defend, any "claim" or "claims" arising out of:

1. The actual or alleged transmission of a "communicable disease"; and/or
2. An act, error or omission by or on behalf of any "Member" in:
  - a. The supervision, hiring, employment, training or monitoring of any person who transmits, is infected with, and/or alleged to be infected with a "communicable disease"; and/or
  - b. Testing for a "communicable disease"; and/or
  - c. The actual or alleged failure to prevent the spread of a "communicable disease"; and/or
  - d. The actual or alleged failure to report a "communicable disease" to the authorities, including but not limited to the reporting or failure to report any person who is infected with or is alleged to be infected with a "communicable disease", and/or any place where there is or is alleged to be a presence or spread of a "communicable disease".

"Communicable Disease" as used in this endorsement shall mean any contagious disease, illness or syndrome which is or has been transmitted to a person or place by bacteria, virus, fungi, protozoa, a toxic agent or any combination of these.

All other terms and conditions of the Coverage Form to which this endorsement is attached remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

### **CYBER INCIDENT - EXCLUSION**

This endorsement modifies insurance provided under the following:

**DIRECTORS AND OFFICERS LIABILITY COVERAGE FORM**

---

This insurance does not apply to, and we shall have no duty to defend, any "claim" or suit for "damages" arising out of the:

1. Unauthorized access to or use of any "computer or computer system";
2. Malicious code, virus or any other harmful code that is directed at, enacted upon or introduced into any "computer or computer system" and is designed to access, alter, corrupt, damage, delete, destroy, disrupt, encrypt, exploit, use or prevent or restrict access to or the use of any part of any "computer or computer system" or otherwise disrupt its normal functioning or operation;
3. Denial of service attack which disrupts, prevents or restricts access to or use of any "computer or computer system", or otherwise disrupts the normal functioning or operation of a "computer or computer system"; or
4. Publication, in any manner, of material which is caused, directly or indirectly, by the unauthorized access to or use of any "computer or computer system".

For purposes of this endorsement "computer or computer system" is defined to mean: "an individual device or set of integrated devices that input, output, process and store data and information utilizing programmable electronic products designed to accept data, perform prescribed operations and display the results of those operations, including but not limited to mainframes, desktop and laptop computers, tablets and smart phones."

All other terms and conditions of the Coverage Form to which this endorsement is attached remain unchanged.



POLICY NUMBER:

**IL 09 99 12 20**

**THIS ENDORSEMENT IS ATTACHED TO AND MADE PART OF YOUR POLICY IN RESPONSE TO THE DISCLOSURE REQUIREMENTS OF THE TERRORISM RISK INSURANCE ACT. THIS ENDORSEMENT DOES NOT GRANT ANY COVERAGE OR CHANGE THE TERMS AND CONDITIONS OF ANY COVERAGE UNDER THE POLICY.**

**DISCLOSURE OF PREMIUM AND ESTIMATED PREMIUM  
FOR CERTIFIED ACTS OF TERRORISM COVERAGE  
(PURSUANT TO TERRORISM RISK INSURANCE ACT)**

## SCHEDULE

<b>SCHEDULE – PART I</b>	
<b>Terrorism Premium (Certified Acts)</b> <b>(A) Premium through end of year (12/31/ ) \$</b> <b>(B) Estimated Premium beyond the date specified above \$</b> (Refer to Paragraph D. in this endorsement.) <b>This premium is the total Certified Acts premium attributable to the following Coverage Part(s), Coverage Form(s) and/or Policy(ies):</b>  <b>All Coverage parts other than:</b> <b>Social Service Professional Liability Coverage Form</b> <b>Business Auto Coverage</b>   <b>Additional information, if any, concerning the terrorism premium:</b>	
<b>SCHEDULE – PART II</b>	
<b>Federal share of terrorism losses 80 %</b> (Refer to Paragraph B. in this endorsement.) Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

#### **A. Disclosure Of Premium**

In accordance with the federal Terrorism Risk Insurance Act, we are required to provide you with a notice disclosing the portion of your premium, if any, attributable to coverage for terrorist acts certified under that Act. The portion of your premium attributable to such coverage is shown in the Schedule of this endorsement or in the policy Declarations.

#### **B. Disclosure Of Federal Participation In Payment Of Terrorism Losses**

The United States Government, Department of the Treasury, will pay a share of terrorism losses insured under the federal program. The federal share equals a percentage (as shown in Part II of the Schedule of this endorsement or in the policy Declarations) of that portion of the amount of such insured losses that exceeds the applicable insurer retention. However, if aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year, the Treasury shall not make any payment for any portion of the amount of such losses that exceeds \$100 billion.

#### **C. Cap On Insurer Participation In Payment Of Terrorism Losses**

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

#### **D. Possibility Of Additional Or Return Premium**

The premium for certified acts of terrorism coverage is calculated based in part on the federal participation in payment of terrorism losses as set forth in the Terrorism Risk Insurance Act. The federal program established by the Act is scheduled to terminate at the end of the year specified in Part I of the Schedule of this endorsement, unless extended by the federal government. If the federal program terminates or if the level or terms of federal participation change, the estimated premium shown in (B) in Part I of the Schedule may not be appropriate.

If this policy contains a Conditional Exclusion, continuation of coverage for certified acts of terrorism, or termination of such coverage, will be determined upon disposition of the federal program, subject to the terms and conditions of the Conditional Exclusion. If this policy does not contain a Conditional Exclusion, coverage for certified acts of terrorism will continue. In either case, when disposition of the federal program is determined, we will recalculate the premium shown in (B) in Part I of the Schedule and will charge additional premium or refund excess premium, if indicated.

If we notify you of an additional premium charge, the additional premium will be due as specified in such notice.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

### **FISCAL SPONSOR LIMITATION OF COVERAGE**

This endorsement modifies insurance provided under the following:

**DIRECTORS AND OFFICERS LIABILITY COVERAGE FORM**

---

This insurance does not apply to “damages” arising out of a Member’s status as a “fiscal sponsor” until:

- a. The first Named Member in the Declarations page enters into a “fiscal sponsor agreement” arising out of or in connection with the First Named Member’s status as a “fiscal sponsor” for that person, entity or organization; and
- b. The first Named Member in the Declarations page provides any underwriting information and pays any additional premium required by the Company.

This insurance does not apply to “damages” that occur before the first Named Member in the Declarations page to this policy enters into the “fiscal sponsor agreement” which is applicable to the claim or “suit” in which the “damages” are asserted.

If there is other insurance available to any party pursuant to a “fiscal sponsor agreement” for “damages” which are covered by this endorsement, including but not limited to a duty to defend the first Member identified in the Declarations by that other insurance, the coverage provided by this endorsement is excess to that other insurance.

“Fiscal sponsor” is defined to mean the status of first Named Member in the Declarations page to this policy as the entity or organization which offers its legal and tax-exempt status to another person, entity or organization pursuant to a “fiscal sponsor agreement”; who participates in the operations of that person, entity or organization by receiving assets and incurring liabilities for the mutual benefit of pursuing charitable goals; and in consideration for the benefit of that person, entity or organization has assumed responsibility to manage programs, events, revenue, grants, contributions, contracts and/or insurance programs.

“Fiscal sponsor agreement” is defined as a written contract or agreement by the first Named Member in the Declarations page to this policy with a person, entity and/or organization in which the first Named Member agrees to serve as a “fiscal sponsor” for such person, entity or organization.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## **IMPROPER SEXUAL CONDUCT AND SEXUAL HARASSMENT**

This endorsement modifies insurance provided under the following:

**DIRECTORS AND OFFICERS LIABILITY COVERAGE PART**

---

Exclusion Q within **5. EXCLUSIONS** of the Directors and Officers Liability Policy is removed and replaced with the following:

- Q. "Claim" or "Claims", regardless of legal form or theory, which arises from or is in any way related to "improper sexual conduct", whether actual or threatened. This exclusion shall not apply to any "Claim" or "Claims" of "sexual harassment" brought by an employee of the "Organization", or a past or present volunteer of the "Organization" or a past or present business invitee, solely in his or her capacity as such.

The following definitions are included within **4. DEFINITIONS**.

- L. "Improper sexual conduct" means actual, attempted or alleged unlawful sexual conduct by one person or two or more persons acting in concert as prohibited by federal or state law, including but not limited to sexual abuse, sexual molestation, sexual assault, sexual battery, sexual exploitation or sexual injury.
- M. "Sexual harassment" means unwelcome sexual advances, requests for sexual favors, or verbal, visual or physical conduct of a sexual nature when such conduct:
- is linked implicitly or explicitly with a decision affecting the employment of the past or present employee, the volunteer status of the past or present volunteer or the business invitee status of the past or present business invitee of the insured;
  - interferes with the job performance of an employee, volunteer or business invitee of the insured, or
  - creates an intimidating, hostile or offensive working environment for an employee, volunteer or business invitee of the insured.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

### **LIBERALIZATION**

This endorsement modifies insurance provided under the following:

DIRECTORS AND OFFICERS LIABILITY POLICY

---

The following is added to the conditions section:

If we revise this coverage form or its endorsements during this policy period to provide more coverage without an additional premium charge, your policy will automatically provide the additional coverage as of the day the revision is effective.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

## **MEMBER CRITERIA**

This endorsement modifies insurance provided under the following:

### **DIRECTORS AND OFFICERS LIABILITY POLICY**

---

A named insured of the Alliance of Nonprofits for Insurance (ANI) must meet at least the following criteria:

1. is organized chiefly to provide charitable, religious, educational, or scientific services, but does not include a hospital;
2. is an organization described in section 501(c)(3) of the Internal Revenue Code and exempt from tax under section 501(a), or any corresponding sections of any future federal tax code. Any member which receives a final determination that it no longer qualifies as an organization described in section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future tax code, shall immediately notify the corporation of such determination and the effective date of such determination.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## **MOLD, FUNGUS OR MICROBIAL CONTAMINATION EXCLUSION**

This endorsement modifies insurance provided under the following:

### **DIRECTORS AND OFFICERS LIABILITY COVERAGE PART**

---

It is agreed that this policy does not apply to any claim, suit or cause of action for damages resulting from a "Wrongful Act" which damages arise out of or are contributed to by mold, fungus, or "microbial contamination." This exclusion applies to, but is not limited to, any loss, cost or expense arising out of any:

- a. Request, demand or order that any "Member" or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to or assess the effects of mold, fungus or "microbial contamination"; or
- b. Claim or suit by or on behalf of a governmental agency or entity for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to or assessing the effects of mold, fungus or "microbial contamination."

We shall have no duty or obligation to provide or pay for the investigation or defense of any loss, cost, expense, claim, or suit excluded under any provision set forth above.

"Microbial contamination" means any contamination, either airborne or surface, which arises out of or is related to the presence of mold, fungus, or spores, including, without limitation, *Penicillium*, *Aspergillus*, or *Stachybotrys chartarum*.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**NUCLEAR, CHEMICAL AND BIOLOGICAL HAZARD EXCLUSION**

This endorsement modifies insurance provided under the following:

DIRECTORS AND OFFICERS LIABILITY POLICY

---

This insurance does not apply to any liability, loss, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with the use or release, or threat thereof, of any nuclear weapon or device or chemical or biological agent, regardless of any other cause or event contributing concurrently or in any other sequence to the loss.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**NON-IMPUTATION ENDORSEMENT**

This endorsement modifies coverage provided under the following:

DIRECTORS & OFFICERS LIABILITY POLICY (INCLUDES EMPLOYMENT PRACTICES LIABILITY)

---

With respect to the Exclusions J, N and O in subsection (5.) Exclusions, no fact pertaining to or knowledge possessed by any Member shall be imputed to any other Member to determine if coverage is available.

**NONPROFIT ORGANIZATION  
DIRECTORS AND OFFICERS LIABILITY POLICY  
(INCLUDES EMPLOYMENT PRACTICES LIABILITY)**

In consideration of the payment of the premium, and in reliance upon the statements made to the Alliance of Nonprofits for Insurance, (herein called the Company) by application forming a part hereof and its attachments and the material incorporated therein, the Company agrees as follows:

**1. INSURING AGREEMENT**

This policy shall, subject to the limit of liability set forth in Item 3 of the Declarations, pay on behalf of the "Member" all sums which the "Member" shall become legally obligated to pay as "Damages" for "Claims" resulting from any "Wrongful Act" of the "Member" or of any other person for whose "Wrongful Act" the "Member" is legally responsible, but only if such "Wrongful Act" is committed during the policy period.

**2. EXTENSIONS**

**A. Estates & Legal Representatives**

Subject otherwise to all the terms and conditions of this policy, coverage hereunder shall extend to "Claims" for the "Wrongful Acts" of the "Members" who are deceased or against the estates, heirs or legal representatives of such "Members".

**B. Existing Subsidiaries**

To be covered under the terms and conditions of this policy, "Subsidiaries" existing at the time of policy inception must be designated in Item 1 of the Declarations.

**C. Newly Created or Acquired Subsidiaries**

1. If any "Subsidiary" which qualifies as a tax-exempt organization under the provision of Internal Revenue Code section 501(c)(3) is created or acquired by the "Member" after the inception of this policy, such "Subsidiary" shall be included under the terms and conditions of this policy subject to:

- a. the giving of written notice of such creation or acquisition to the Company as soon as practicable, but in no event more than 120 days following such creation or acquisition, and
- b. the giving of any underwriting information and the payment of any additional premium required by the Company.

2. If any "Subsidiary" which does not qualify as a tax-exempt organization under the provisions of the Internal Revenue Code section 501(c)(3) is created or acquired by the "Member" after the inception of this policy, such "Subsidiary" shall not be included under the terms and conditions of this policy until the "Member" has:

- a. given written notice of such creation or acquisition together with any underwriting information which may be required; and
- b. received written approval from the Company and paid any additional premium required.

D. Consolidation or Merger

In the event that the "Member" is acquired by merger, or consolidates with, or is merged into or acquired by any other organization after the inception of this policy, immediate written notice thereof shall be given to the Company together with such information as the Company may require. The "Member" shall pay any additional premium required by the Company.

**3. DUTY TO DEFEND**

"Defense Costs" are in addition to the applicable Limits of Liability set forth in Item 3 of the Declarations, and the payment by the Company of "Defense Costs" does not reduce such applicable Limits of Liability.

The Company shall have the right and duty to defend any "Claim" against the "Member" arising from a "Wrongful Act", subject to the terms and provisions of this policy. Our right and duty to defend end when we have used up the applicable limit of liability in the payment of settlements and judgments. We may at our discretion investigate any allegation of a "Wrongful Act" and settle any "Claim" that may result. The "Member" shall give the Company such information and cooperation as it may reasonably require.

The "Member" shall not admit liability for nor settle any "Claim" or suit or incur any "Defense Costs" without the Company's prior written consent. The Company shall not be liable hereunder with respect to any settlements or "Defense Costs" to which it has not consented in writing prior to any settlement or incurring such "Defense Costs".

**4. DEFINITIONS**

- A. "Administration" means giving information to employees about an "Employee Benefit Program," interpreting an "Employee Benefit Program," and handling of records or enrolling of employees in an "Employee Benefit Program."
- B. "Bodily Injury" means bodily injury, sickness, disease or death including emotional distress or mental anguish sustained by a person.
- C. "Claim" or "Claims" means any demand or any judicial or administrative suit or proceeding against any "Member", including any appeal therefrom, which seeks monetary "Damages". It is understood that:
  - 1. The "Claim" or "Claims" must result from a "Wrongful Act" that is committed during the policy period.
  - 2. Multiple demands, suits or proceedings arising out of the same "Wrongful Act" shall be deemed to be a single "Claim".
- D. "Damages" means a monetary judgment, including claimant's attorney fees or expert witness fees awarded pursuant to a contract, a statute or law. "Damages" does not include taxes and matters deemed uninsurable.
- E. "Defense Costs" means reasonable and necessary fees, costs and expenses (including premiums for any appeal bond, attachment bond or similar bond, but without any obligation to apply for or furnish any such bond), incurred by the Company or by the "Member" with the prior written consent of the Company, and resulting solely from the investigation, adjustment, defense and appeal of any "Claim" against the "Member", but excluding salaries of any "Member" and excluding loss of earnings by any "Member." "Defense Costs" do not include claimant's attorney fees or expert witness fees awarded pursuant to a contract, a statute or law."
- F. "Employee Benefit Program" means:
  - 1. group life insurance, group accident or health insurance, investment or savings

- plan, pension plan;
  - 2. unemployment insurance, social security, workers' compensation, disability benefit; and
  - 3. any other similar plan.
- G. "Member" means the "Organization" and any natural person who was, is, or becomes duly elected as a director or trustee, or duly elected or appointed officer, employee, committee member, volunteer, intern or student-in-training of the "Organization", solely in his or her capacities as such. "Member" also means the spouse of a director, trustee, officer, employee, committee member, volunteer, intern or student-in-training for a claim arising solely out of his or her status as the spouse of a member: provided, however, that no coverage shall be afforded for any claim based on the "Wrongful Act" of the spouse.
- H. "Organization" means the entity(ies) designated in Item 1 of the Declarations.
- I. "Pollutants" is any substance identified on a list of hazardous substances issued by the United States Environmental Protection Agency or a state, county, municipality or locality counterpart thereof. Such lists shall include but are not limited to solids, liquids, gaseous or thermal irritants or contaminants, infectious or otherwise including smoke, vapor, soot, acid rain, fumes, acids, alkalis, chemicals and waste. Waste includes (but is not limited to) material to be recycled, reconditioned or reclaimed. "Pollutants" shall also mean any unlisted substance exhibiting characteristics of ignitability, corrosivity, reactivity or toxicity to a degree which would cause it to be so listed if the subject were to be addressed by the Environmental Protection Agency or state, county, municipality or locality counterpart thereof.
- J. "Subsidiary" means any entity more than 50% owned by the "Organization", or more than 50% owned by one or more of the "Subsidiaries".
- K. "Wrongful Act" means any breach of duty, error, neglect, omission or act committed during the policy period and solely in the course of the activities of the "Organization", including but not limited to:
  - 1. false arrest, wrongful detention or imprisonment, or malicious prosecution;
  - 2. libel, slander, defamation of character, or invasion of privacy;
  - 3. wrongful entry, eviction or other invasion of the right of privacy;
  - 4. infringement of copyright or trademark or unauthorized use of title;
  - 5. plagiarism or misappropriation of ideas;
  - 6. "Claim" or "Claims", arising from employment practices relating to a past, present or prospective employee of the "Organization", including, but not limited to, any actual or alleged wrongful termination, either actual or constructive; wrongful failure to employ or promote; wrongful discipline; alleged sexual harassment arising out of the employment relationship; alleged unlawful discrimination as defined by Title VII and/or the Unruh Civil Rights Act, or similar state law, whether direct, indirect, intentional or unintentional; or a failure to provide adequate employee policies and procedures.
  - 7. "Claims" of sexual harassment brought by past or present volunteers of the "Organization," solely in their capacity as such;
  - 8. Breach of responsibilities, obligations or duties imposed on a fiduciary. However, any actual or alleged violation of the responsibilities, obligations or duties imposed upon fiduciaries by

the Employee Retirement Income Security Act of 1974, amendments thereto or any similar provisions of Federal, State or local statutory law or common law are subject to a \$250,000 sublimit. This sublimit includes loss and expense combined.

9. "Claims" of harassment, sexual or otherwise, or discrimination, brought by a third party business invitee of the "Organization."

All "Damages" for "Claims" resulting from the same "Wrongful Act" or a series of continuous or interrelated "Wrongful Acts" will be considered as arising out of one "Wrongful Act" which shall be deemed to have been committed on the date of the first such "Wrongful Act".

## 5. EXCLUSIONS

This policy does not apply to any:

- A. "Claim" or "Claims" where all or part of such "Claim" or "Claims" is, directly or indirectly, based upon, attributable to, arising out of, resulting from or in any manner related to, or in consequence of:
  - 1. the actual, alleged or threatened discharge, dispersal, release or escape of "Pollutants", or
  - 2. any "Claim" or expense arising out of any direction or request to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize "Pollutants", or arising out of the "Member's" voluntary decision to do so.
- B. "Claim" or "Claims" arising out of, based upon, attributable to, or in any way involving, directly or indirectly, any actual or alleged "Bodily Injury," sickness, disease or death of any person or damage to or destruction of any tangible property, including the loss of use thereof;
- C. actual or alleged act, error or omission in the "Administration" of any "Employee Benefit Program;"
- D. actual or alleged liability of others assumed by the "Member" under any contract or agreement, expressed or implied, written or oral;
- E. liability for payment, other than "Defense Costs", in connection with any "Claim" or "Claims" made against any "Member" which may arise from an actual or alleged breach of contractual obligation of the "Member" and are made by a party to or third party beneficiary of the contract or agreement which gives rise to such obligation. As afforded under this provision, coverage for "Defense Costs" arising out of an alleged breach of contract or "Claim" or "Claims" seeking monetary "Damages" pursuant to statute, are subject to per contract and annual aggregate limits of \$250,000. This exclusion shall not apply to any "Claim" or "Claims" based upon any actual or alleged contract of employment, except for a "Claim" or "Claims" seeking monetary "Damages" pursuant to statute;
- F. fines, penalties, sanctions, punitive or exemplary "Damages", the multiplied portion of multiplied "Damages", taxes, insurance plan benefits, accommodation costs, wage and hour laws amounts, future wages, non-pecuniary relief or liability arising from matters which may be deemed uninsurable under the law pursuant to which this policy shall be construed;
- G. actual or alleged act or omission by the directors, trustees, officers, employees, committee members or volunteers in their capacities or by reason of their status as directors, trustees, officers, employees, committee members or volunteers of any entity other than the "Organization";
- H. actual or alleged "Wrongful Act" that is committed prior to or after the policy period;
- I. costs of providing reasonable accommodation under the Americans with Disabilities Act or similar federal, state or local laws, including but not limited to, construction or modification of facilities;
- J. "Claim" or "Claims" based upon or attributable to any "Member" having gained any personal profit or

advantage to which he or she was not legally entitled regardless of whether or not (1) a judgment or other final adjudication adverse to such "Member" establishes that such "Member" in fact gained such personal profit or other advantage to which he was not entitled, or (2) the "Member" has entered into a settlement agreement to repay such unentitled personal profit or advantage;

- K. "Claim" or "Claims" brought about or contributed to by the fraud or dishonesty of any "Member";
- L. "Claim" or "Claims" brought by, maintained by, or on behalf of the "Organization." However, this exclusion shall not apply to "Claim" or "Claims" brought on behalf of the "Organization" by an Attorney General;
- M. "Claim" or "Claims" based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving the rendering or failure to render professional services in connection with the "Member's" business as a provider of professional services, including but not limited to:
  - 1. providing medical, surgical, chiropractic, dental, phlebotomy, acupuncture, psychiatric or nursing treatment, diagnosis or services, including the furnishing of food or beverage in connection therewith;
  - 2. furnishing or dispensing drugs or medical, dental or surgical supplies or appliances;
  - 3. providing veterinary services;
  - 4. providing legal services;
  - 5. offering any advice in connection with any of the above.
- N. "Claim" or "Claims" alleging personal injury arising out of the willful violation of a penal statute or ordinance committed by or with the knowledge or consent of any "Member";
- O. "Claim" or "Claims" alleging personal injury arising out of a publication or utterance concerning any organization or business enterprise or its products or services made by or at the direction of any "Member" with knowledge of the falsity thereof;
- P. "Claim" or "Claims" based on, arising out of, directly, or indirectly resulting from the printing of periodicals, advertising matter, or any and all jobs taken by any "Member" to be printed for a third party, when the periodical, advertising matter, or other printing is not a regular part of any "Member's" own publication;
- Q. "Claim" or "Claims", regardless of legal form or theory, which arises from or is any way related to improper sexual conduct, including, but not limited to, sexual abuse or molestation whether actual or threatened;
- R. "Claim" or "Claims", regardless of legal form or theory, which arises from or is any way related to any form of physical abuse, including but not limited to, assault, including assault with a deadly weapon or with force likely to produce bodily injury, battery or unreasonable physical restraint or constraint by anyone of any person;

- S. "Claim" or "Claims", regardless of legal form or theory, which arises out of the failure to report an incident of improper sexual conduct or physical abuse to the proper authorities, or the withholding of pertinent information concerning same from such authorities;
- T. costs of complying with equitable relief, including but not limited to, injunctions, restraining orders or restitution;
- U. liability for payment, other than "Defense Costs," of any "Claim" or "Claims" under federal, state or local wage and hour or similar laws. As afforded under this provision, coverage for "Defense Costs" is subject to an annual aggregate limit of \$250,000.

## 6. CONDITIONS

### A. Representations

It is represented that the particulars and statements contained in the application are true and are the basis of this policy and are to be considered as incorporated in and constituting part of the policy. However, this policy shall not be voided or rescinded and coverage shall not be excluded as a result of any untrue statement in the application, except as to those persons making such statement or persons having knowledge of its untruth.

### B. Territory

Coverage shall extend to any "Claim" or "Claims" made anywhere in the world against a "Member" for the "Wrongful Act" of such "Member", wherever committed, attempted or allegedly committed or attempted.

### C. Deductible

The company shall only be liable for that amount payable hereunder in settlement or satisfaction of "Claims" or judgments arising from any "Claim" which is in excess of the deductible amount stated in Item 4 of the Declarations. A single deductible shall apply to all amounts payable hereunder arising from all "Claims" alleging the same "Wrongful Act." The deductible will apply to both "Damages" as well as "Defense Costs" and fees.

### D. Limits of Liability

The limit is subject to the deductible, and unless otherwise specified elsewhere in this policy, the limit of liability as noted in Item 3 of the Declarations is the most we will pay for the sum of all settlements and judgments under this policy.

### E. Cooperation

The "Member" shall cooperate with the Company in any investigation, settlement or defense of a "Claim". The "Member's" cooperation shall include but not be limited to:

1. promptly sending the Company copies of any demands, notices, summonses and legal papers received in connection with a "Claim" or "Claims";
2. authorizing the Company to obtain records and other information;
3. assisting the Company in the enforcement of any right against any person or organization which may be liable to the "Member", and
4. attending hearings, trials, and depositions and securing and giving evidence and obtaining the attendance of witnesses.

F. Notice of Claim and Reporting Provisions

1. If the "Member":

- a. receives written or oral notice from any party that it is the intention of such party to hold the "Member" responsible for a "Wrongful Act"; or
- b. becomes aware of any circumstances which may subsequently give rise to a "Claim" being made against it for a "Wrongful Act";

The "Member" shall give written notice promptly to the Company. The "Claim" must result from a "Wrongful Act" that is committed during the policy period.

2. The "Member" shall, as a condition precedent to its rights under this policy, promptly give the Company written notice of any actual or potential "Claim" and shall give the Company such information and cooperation as it may reasonably require.
3. All correspondence relating to notice of a "Claim" or "Claims" or of circumstances which may result in a "Claim" or "Claims" should be directed to: ANI, P.O. Box 8507, Santa Cruz, CA. 95061.

G. Changes

The terms of this policy shall not be waived or changed, except by written endorsement issued to form a part of this policy.

H. Non-renewal

If the Company decides not to renew this coverage, it will mail or deliver to the first Named Insured written notice of the non-renewal not less than 60 days before the expiration date of the policy. The Company will mail or deliver its notice to the first Named Insured's last mailing address shown in the policy. If notice is mailed, proof of mailing will be sufficient proof of notice.

I. Cancellation

1. The "Member" may cancel this policy by mailing or delivering to the Company advance written notice of cancellation.
2. The Company may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
  - a. 10 days before the effective date of cancellation if the Company cancels for non-payment of premium; or
  - b. 30 days before the effective date of cancellation if the Company cancels for any other reason.
3. The Company will mail or deliver its notice to the first Named Insured's last mailing address shown in the policy.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is canceled, the Company will send the first Named Insured any premium refund determined on a pro rata basis. The cancellation will be effective even if the Company has not made or offered a refund.



6. If notice is mailed, proof of mailing will be sufficient proof of notice.

J. Subrogation

In the event of any payment under this policy, the Company shall be subrogated to the extent of such payment to all the "Member's" rights of recovery therefore, and the "Member" shall execute all papers required and shall do everything that may be necessary to secure such rights including the execution of such documents necessary to enable the Company effectively to bring suit in the name of the "Member".

K. Assignment

This policy and any and all rights hereunder are not assignable without the written consent of the Company.

L. Other Insurance

1. The insurance afforded by this policy is primary insurance, except when stated to apply in excess of or contingent upon the absence of other insurance. When this insurance is primary and the "Member" has other insurance which is stated to be applicable to the loss on an excess or contingent basis, the amount of the Company's liability under this policy shall not be reduced by the existence of such other insurance.

When both this insurance and other insurance apply to the loss on the same basis, whether primary, excess or contingent, the Company shall not be liable under this policy for a greater proportion of the loss than that stated on the applicable contribution provision below.

- a. Contribution by Equal Shares. If all of such other valid and collectible insurance provides for contribution by equal shares, the Company shall not be liable for a greater proportion of such loss than would be payable if each insurer contributes an equal share until the share of each insurer equals the lowest applicable limit of liability under any one policy or the full amount of the loss is paid, and with respect to any amount of loss not so paid the remaining insurers then continue to contribute equal shares of the remaining amount of the loss until each such has paid its limit in full or the full amount of the loss is paid.
  - b. Contribution by Limits. If any of such other insurance does not provide for contribution by equal shares, the Company shall not be liable for a greater proportion of such loss than the applicable limit of liability under this policy for such loss bears to the total applicable limit of liability of all valid and collectible insurance against such loss.
2. No coverage shall be afforded by this policy if coverage for the "Claim"(s) is afforded under any other policy issued by the Alliance of Nonprofits for Insurance to the "Member" named in Item 1 of the Declarations.

M. Notice and Authority

It is agreed that the "Organization" first named in Item 1 of the Declarations shall act on behalf of the "Member" and all natural persons afforded coverage under this policy with respect to:

1. the giving and receiving of any return premiums that may become due under this policy;
2. the receipt and acceptance of any endorsements issued to form a part of this policy.

N. Action Against Company

No action shall lie against the Company unless, as a condition precedent thereto, there shall have been full compliance with all of the terms of this policy, nor until the amount of the "Member's" obligation to pay shall have been finally determined either by judgment against the "Member" after actual trial or by written agreement of the "Member", the claimant and the Company.

O. Conformance To Statute

Terms of this policy which are in conflict with any statute are hereby amended to cover only those provisions and coverages as apply and conform to such statutes.

P. Jurisdiction

This policy, to the extent permitted by applicable law, shall be construed in accordance with the law of California.

Q. Arbitration

In consideration of the premium charged, it is hereby understood and agreed that this policy shall be deemed to have been executed in the State of California and any interpretation of the policy relating to the construction, validity and performance of the policy shall be made in accordance with the laws of the State of California.

It is further understood and agreed that all disputes which may arise under or in connection with this policy, including any determination of the amount of loss, shall be submitted to the American Arbitration Association under and in accordance with its then prevailing commercial arbitration rules. Unless otherwise agreed by the parties or ordered by a court of competent jurisdiction, the arbitration will be held in San Francisco, California, U.S.A. The award rendered by the arbitrator(s) shall be final and binding upon the parties and judgment thereon may be entered in any court having jurisdiction thereof.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT  
(Broad Form)**

In consideration of the premium charged, it is hereby understood and agreed that this policy does not apply to any claim or claims;

- A. alleging, arising out of, based upon, attributable to, or in any way involving, directly or indirectly the hazardous properties of nuclear material, including but not limited to:
  - 1. nuclear material located at any nuclear facility owned by, or operated by or on behalf of, the Member or discharged or dispersed therefrom; or
  - 2. nuclear material contained in spent fuel or waste which was or is at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of the Member; or
  - 3. the furnishing by the Member of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any nuclear facility; or
  - 4. claims for damages to the Member or its Members which alleges, arises from, is based upon, is attributed to or in any way involves, directly or indirectly, the hazardous properties of nuclear material.
- B.
  - 1. which is insured under a nuclear energy liability policy issued by the Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability underwriters or Nuclear Insurance Association of Canada or would be insured under any such policy but for its termination upon exhaustion of its Limit of Liability; or
  - 2. with respect to which (a) any person or Member is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the Member or any insured is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

As used in this endorsement:

"hazardous properties" include radioactive, toxic or explosive properties;

"nuclear material" means source material, special nuclear material or byproduct material;

"source material", "special nuclear material", and "byproduct material" have the meanings given them in the Atomic Energy Act of 1954 or any law amendatory thereof;

"spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a nuclear reactor;

"waste" means any waste material (1) containing byproduct material and (2) resulting from the operation by any person or organization of any nuclear facility included within the definition of nuclear facility under paragraph (a) or (b) thereof;

"nuclear facility" means

(a) any nuclear reactor,

(b) any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing spent fuel, or (3) handling, processing or packaging waste,

(c) any equipment or device used for the processing, fabricating or alloying of special nuclear material if at any time the total amount of such material in the custody of the insured at the premises where such equipment or devices is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235.

(d) any structure, basin, excavation, premises or place prepared or used for the storage or disposal of waste, and includes the site on which any of the foregoing is located all operations conducted on such site and all-premises used for such operations;

"nuclear reactor" means any apparatus designed or used to sustain nuclear fission in self-supporting chain reaction or to contain a critical mass of fissionable material.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

### **PUNITIVE AND EXEMPLARY DAMAGES**

This endorsement modifies insurance provided under the following:

DIRECTORS AND OFFICERS LIABILITY POLICY (INCLUDES EMPLOYMENT PRACTICES LIABILITY)

---

Definition 4.D. "Damages" is hereby amended to include punitive or exemplary damages, if and to the extent such damages are insurable under the law of the most favorable jurisdiction having a substantial relationship to the "Member" or to the "Claim" giving rise to "Damages."

Exclusion 5.F. is replaced by the following:

This policy does not apply to any:

F. fines, penalties, sanctions, the multiplied portion of multiplied "Damages", taxes insurance plan benefits, accommodation costs, wage and hour laws amounts, future wages, non-pecuniary relief or liability arising from matters which may be deemed uninsurable under the law pursuant to which this policy shall be construed;

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

## **CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
LIQUOR LIABILITY COVERAGE PART  
EMPLOYEE BENEFITS LIABILITY COVERAGE  
IMPROPER SEXUAL CONDUCT AND PHYSICAL ABUSE LIABILITY COVERAGE PART  
DIRECTORS AND OFFICERS LIABILITY POLICY

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