

SERFF Tracking Number: HART-125433934 State: Arkansas
First Filing Company: Hartford Casualty Insurance Company, ... State Tracking Number: EFT \$50
Company Tracking Number: FN.13.020.2007.01
TOI: 17.0 Other Liability - Claims Made/Occurrence Sub-TOI: 17.0001 Commercial General Liability
Product Name: Educators Legal Liability
Project Name/Number: Other Liability /FN.13.020.2007.01

Filing at a Glance

Companies: Hartford Casualty Insurance Company, Hartford Insurance Company of the Midwest, Hartford Underwriters Insurance Company, Property and Casualty Insurance Company of Hartford, Twin City Fire Insurance Company, Hartford Accident and Indemnity Company, Hartford Fire Insurance Company

Product Name: Educators Legal Liability SERFF Tr Num: HART-125433934 State: Arkansas
TOI: 17.0 Other Liability - Claims SERFF Status: Closed State Tr Num: EFT \$50
Made/Occurrence

Sub-TOI: 17.0001 Commercial General Liability Co Tr Num: FN.13.020.2007.01 State Status: Fees verified and received

Filing Type: Form Co Status: Initial Filing Reviewer(s): William Lacy, Betty Montesi, Edith Roberts, Brittany Yielding

Authors: Joyce Driscoll, Claire

Dubord, Marilu Gonzalez

Date Submitted: 03/06/2008

Disposition Status: Approved

Effective Date Requested (New): 04/05/2008

Effective Date (New):

Effective Date Requested (Renewal): 04/05/2008

Effective Date (Renewal):

State Filing Description:

General Information

Project Name: Other Liability

Status of Filing in Domicile:

Project Number: FN.13.020.2007.01

Domicile Status Comments:

Reference Organization:

Reference Number:

Reference Title:

Advisory Org. Circular:

Filing Status Changed: 03/27/2008

Deemer Date:

State Status Changed: 03/14/2008

Corresponding Filing Tracking Number:

Filing Description:

Attached please find the following revised Forms:

HC 00 67 04 08 Educators Legal Liability Coverage Form (Claims Made)

HC 00 68 04 08 Educators Legal Liability Coverage Part Declarations

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HC 70 36 04 08 Quick Reference - Educators Legal Liability Coverage Part Claims Made
HC 27 15 04 08 Supplemental Extended Reporting Period - Educators Legal Liability

The following withdrawn form:

HC 05 28 07 00 Charter School Defense Limitation

The following new form:

HC 24 73 04 08 Limitation of Coverage - Prior Knowledge

Company and Contact

Filing Contact Information

Joyce Driscoll, Filing Analyst joyce.driscoll@thehartford.com
1 Hartford Plaza (860) 547-3468 [Phone]
Hartford, CT 06155 (860) 547-5941[FAX]

Filing Company Information

Hartford Casualty Insurance Company CoCode: 29424 State of Domicile: Indiana
Hartford Plaza Group Code: 91 Company Type: Property
Hartford, CT 06115 Group Name: State ID Number:
(860) 547-5000 ext. [Phone] FEIN Number: 06-0294398

Hartford Insurance Company of the Midwest CoCode: 37478 State of Domicile: Indiana
Hartford Plaza Group Code: 91 Company Type: Property
Hartford, CT 06115 Group Name: State ID Number:
(860) 547-5000 ext. [Phone] FEIN Number: 06-1008026

Hartford Underwriters Insurance Company CoCode: 30104 State of Domicile: Connecticut
Hartford Plaza Group Code: 91 Company Type: Property
Hartford, CT 06115 Group Name: State ID Number:
(860) 547-5000 ext. [Phone] FEIN Number: 06-1222527

Property and Casualty Insurance Company of CoCode: 34690 State of Domicile: Indiana
Hartford Group Code: 91 Company Type: Property
Hartford Plaza

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Hartford, CT 06115 Group Name: State ID Number:
(860) 547-5000 ext. [Phone] FEIN Number: 06-1276326

Twin City Fire Insurance Company CoCode: 29459 State of Domicile: Indiana
Hartford Plaza Group Code: 91 Company Type: Property
Hartford, CT 06115 Group Name: State ID Number:
(860) 547-5000 ext. [Phone] FEIN Number: 06-0732738

Hartford Accident and Indemnity Company CoCode: 22357 State of Domicile: Connecticut
690 Asylum Ave Group Code: 91 Company Type: Property
Hartford, CT 06115 Group Name: State ID Number:
(860) 547-5000 ext. [Phone] FEIN Number: 06-0383030

Hartford Fire Insurance Company CoCode: 19682 State of Domicile: Connecticut
Hartford Plaza Group Code: 91 Company Type:
690 Asylum Avenue Group Name: State ID Number:
Hartford, CT 06115 FEIN Number: 06-0383750
(860) 547-5000 ext. [Phone] -----

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Filing Fees

Fee Required? Yes
 Fee Amount: \$50.00
 Retaliatory? No
 Fee Explanation:
 Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Hartford Casualty Insurance Company	\$50.00	03/06/2008	18368371
Hartford Insurance Company of the Midwest	\$0.00	03/06/2008	
Hartford Underwriters Insurance Company	\$0.00	03/06/2008	
Property and Casualty Insurance Company of Hartford	\$0.00	03/06/2008	
Twin City Fire Insurance Company	\$0.00	03/06/2008	
Hartford Accident and Indemnity Company	\$0.00	03/06/2008	
Hartford Fire Insurance Company	\$0.00	03/06/2008	

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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved	Edith Roberts	03/27/2008	03/27/2008
Approved	Edith Roberts	03/14/2008	03/14/2008

Objection Letters and Response Letters

Objection Letters				Response Letters		
Status	Created By	Created On	Date Submitted	Responded By	Created On	Date Submitted
Pending	Edith Roberts	03/14/2008	03/14/2008	Joyce Driscoll	03/25/2008	03/25/2008

Industry
Response

Amendments

Item	Schedule	Created By	Created On	Date Submitted
Explanatory Memorandum	Supporting Document	Joyce Driscoll	03/06/2008	03/06/2008

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Disposition

Disposition Date: 03/27/2008

Effective Date (New):

Effective Date (Renewal):

Status: Approved

Comment:

Rate data does NOT apply to filing.

Overall Rate Information for Multiple Company Filings

Overall Percentage Rate Indicated For This Filing	0.000%
Overall Percentage Rate Impact For This Filing	0.000%
Effect of Rate Filing-Written Premium Change For This Program	\$0
Effect of Rate Filing - Number of Policyholders Affected	0

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Item Type	Item Name	Item Status	Public Access
Supporting Document	Uniform Transmittal Document-Property & Casualty	Approved	Yes
Supporting Document (revised)	Explanatory Memorandum	Approved	Yes
Supporting Document	Explanatory Memorandum	Approved	Yes
Form	Educators Legal Liability Coverage Form (Claims-Made)	Approved	Yes
Form	Educators Legal Liability Coverage Part - Declarations	Approved	Yes
Form	Quick Reference - ELL Coverage Part - CM	Approved	Yes
Form	Supplemental Extended Reporting Period - ELL	Approved	Yes
Form	Charter School Defense Limitation	Approved	Yes
Form	Limitation of Coverage - Prior Knowledge	Approved	Yes
Form	Supplemental Extended Reporting Period Changes	Approved	Yes

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Effective Date (Renewal):

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Comment:

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Overall Percentage Rate Indicated For This Filing	0.000%
Overall Percentage Rate Impact For This Filing	0.000%
Effect of Rate Filing-Written Premium Change For This Program	\$0
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Supporting Document	Explanatory Memorandum	Approved	Yes
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Objection Letter

Objection Letter Status Pending Industry Response
Objection Letter Date 03/14/2008
Submitted Date 03/14/2008
Respond By Date

Dear Joyce Driscoll,

This will acknowledge receipt of the captioned filing.

The approval this date is rescinded. I approved in error. The following must be amended.

With reference to Form HC 00 67 04 08, page 10, Section V.3., you may not withhold the Supplemental Extended Reporting Period endorsement for premium or deductibles owed. Any money received for the SERP must be applied to that coverage and coverage must be put into force, AR Code Anno 23-79-306 (3). You have every right to collect for premium owed, but the extended reporting periods are required by law.

Please feel free to contact me if you have questions.

Sincerely,
Edith Roberts

Response Letter

Response Letter Status Submitted to State
Response Letter Date 03/25/2008
Submitted Date 03/25/2008

Dear Edith Roberts,

Comments:

Response 1

Comments: In response to your Objection Letter dated 3/14/2008, we have revised the Supplemental Extended Reporting Period provision as requested by requiring the endorsement HC 05 70 04 08 be attached in Arkansas in conjunction with HC 00 67 04 08 that has been attached to the Form Schedule Component.

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Changed Items:

No Supporting Documents changed.

Form Schedule Item Changes

Form Name	Form Number	Edition Date	Form Type	Action	Action Specific Data	Readability Score	Attach Document
Supplemental Extended Reporting Period Changes	HC 05 70	04 08	Endorsement/Amendment/Conditions	New			HC 05 70 04 08.pdf

No Rate/Rule Schedule items changed.

Sincerely,
 Claire Dubord, Joyce Driscoll, Marilu Gonzalez

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Amendment Letter

Amendment Date:
Submitted Date: 03/06/2008

Comments:

I inadvertently omitted attaching the Explanatory Memorandum and Attachment to the Supporting Documentation Page.

Changed Items:

Supporting Document Schedule Item Changes:

User Added -Name: Explanatory Memorandum

Comment: Attached is the Explanatory Memorandum and Attachment.

AR ELL f EM.pdf

CW ELL f EM Attachment.pdf

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Form Schedule

Review Status	Form Name	Form #	Edition Date	Form Type	Action	Action Specific Data	Readability	Attachment
Approved	Educators Legal Liability Coverage Form (Claims-Made)	HC 00 67 04 08		Endorsement/Amendment/Conditions	Replaced	Replaced Form #:0.00 HC 00 67 07 04 Previous Filing #:		hc00670408_0039413B.PDF
Approved	Educators Legal Liability Coverage Part - Declarations	HC 00 68 04 08		Declaration	Replaced	Replaced Form #:0.00 HC 00 68 07 04 Previous Filing #:		hc00680408_0039410F.PDF
Approved	Quick Reference - ELL Coverage Part - CM	HC 70 36 04 08		Other	Replaced	Replaced Form #:0.00 HC 70 36 07 04 Previous Filing #:		hc70360408_0039418B.PDF
Approved	Supplemental Extended Reporting Period - ELL	HC 27 15 04 08		Endorsement/Amendment/Conditions	Replaced	Replaced Form #:0.00 HC 27 15 07 04 Previous Filing #:		hc27150408_0039446F.PDF
Approved	Charter School Defense Limitation	HC 05 28 07 00		Endorsement/Amendment/Conditions	Withdrawn	Replaced Form #:0.00 Previous Filing #:		HC 05 28 07 00.pdf
Approved	Limitation of Coverage - Prior Knowledge	HC 24 73 04 08		Endorsement/Amendment/Conditions	New	0.00		hc24730408_0039558B.PDF
Approved	Supplemental Extended Reporting Period Changes	HC 05 70 04 08		Endorsement/Amendment/Conditions	New			HC 05 70 04 08.pdf



EDUCATORS LEGAL LIABILITY COVERAGE FORM CLAIMS MADE

THIS IS A 'CLAIMS MADE' COVERAGE PART. PLEASE READ ALL PROVISIONS AND CONTACT YOUR AGENT IF YOU HAVE ANY QUESTIONS. YOUR COVERAGE PART APPLIES ONLY TO WRONGFUL ACTS THAT OCCUR ON OR AFTER THE RETROACTIVE DATE, IF ANY, AND PRIOR TO THE END OF THE POLICY PERIOD. YOUR COVERAGE PART APPLIES ONLY TO CLAIMS (I) FIRST MADE AGAINST THE INSURED ON OR AFTER THE INCEPTION DATE AND PRIOR TO THE END OF THE POLICY PERIOD OR ANY APPLICABLE EXTENDED REPORTING PERIOD; AND (II) REPORTED PRIOR TO THE END OF THE POLICY PERIOD OR ANY APPLICABLE EXTENDED REPORTING PERIOD.

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

Throughout this Coverage Part the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this Coverage Part. The words "we", "us" and "our" refer to the Company issuing this insurance.

The word "insured" means any person or organization qualifying as such under Section II – Who Is An Insured.

Other words and phrases that appear in quotation marks have specific meaning. They are defined in Section VI – Definitions or in the section in which they appear.

SECTION I – COVERAGES

A. Coverage A – Wrongful Act Liability

1. Insuring Agreement

- a. We will pay, on behalf of the insured, those sums which the insured shall become legally obligated to pay as "loss" because of a "claim" alleging a "wrongful act" to which this insurance applies.

The amount we will pay for "loss" is subject to a deductible and limited as described in Section III – Limits of Insurance and Deductible.

- b. We will have the right and duty to defend the insured against any "claim":

(1) Alleging a "wrongful act" to which Coverage A applies; and

(2) Seeking "loss" because of such "wrongful act".

However, we will have no duty to defend the insured against any "claim" seeking "loss" because of a "wrongful act" to which this insurance does not apply. Our right and duty to defend ends when we have exhausted either the Each Claim Limit or the Wrongful Act Liability Aggregate Limit as described in Section III – Limits of Insurance and Deductible.

We shall have the right to select counsel to defend a "claim" to which this insurance

applies. At your request, we shall consult with you regarding the selection of counsel.

We will pay "defense expense" incurred in connection with any such "claim" we defend subject to a deductible as described in Section III - Limits of Insurance and Deductible. Payments for "defense expense" shall not exhaust the applicable Limits of Insurance for payment of "loss".

- c. We may, at our discretion, investigate any allegation of a "wrongful act" and settle any "claim" that may arise, provided:

(1) We have your written consent to settle; and

(2) The settlement is within the applicable Limit of Insurance available.

In the event you refuse to consent to any reasonable settlement we recommend and such settlement is acceptable to the claimant, our liability will be limited to the amount of "loss" for which the "claim" could have been settled. We will also have the right to reimbursement for any "defense expense" we pay in connection with the "claim" on behalf of the insured after the date of such refusal.

- d. This insurance applies to a "wrongful act" which occurs anywhere in the world but only if:

- (1) The insured's legal obligation to pay sums in connection with a "claim" to which this insurance applies is determined within the United States of America, its territories or possessions, Puerto Rico or Canada according to the substantive law in such territory or as mutually agreed to;
 - (2) The "wrongful act" occurs on or after the Retroactive Date, if any, shown in the Declarations and before the end of the "policy period";
 - (3) The "claim" alleging a "wrongful act" to which this insurance applies is both:
 - (a) First made against any insured, in accordance with paragraph e, below, during the "policy period" or any Extended Reporting Period we provide under Section V – Extended Reporting Periods; and
 - (b) Reported to us either:
 - (i) During the "policy period" or within ninety (90) days thereafter, or
 - (ii) During any Extended Reporting Period we provide under Section V – Extended Reporting Periods; and
 - (4) Prior to the inception date of the first Educators Legal Liability Coverage Part issued and continuously renewed by us, the "Notice Manager" had no knowledge of any "wrongful act", fact, circumstance or situation from which it could reasonably be expected that a "claim" could arise. Any such "wrongful act", fact, circumstance or situation is not covered by this insurance.
- e. A "claim" for "loss" because of a "wrongful act" is first made against an insured when notice of such "claim" is received and recorded by:
- (1) Any insured;
 - (2) Us; or
 - (3) The agent of record, whichever comes first.
- Two or more "claims" arising out of a single "wrongful act" or a series of factually or causally related "wrongful acts" shall be considered one "claim". Any such "claim", whenever made, shall be considered first made as soon as the earliest "claim" was first made.

2. Exclusions

This insurance does not apply to:

a. Common Exclusions

1. Expected or Intended Injury

Any "claim" arising out of a "wrongful act" committed by the insured with the intention or expectation of causing harm or injury.

2. Prior & Pending Claims

Any "claim":

(a) Reported under any policy which was in effect prior to this Educators Legal Liability Coverage Part; or

(b) Arising from any litigation or proceedings instituted prior to the effective date of this Educators Legal Liability Coverage Part, as well as future "claims" arising out of substantially the same pending or prior litigation or proceedings.

This exclusion shall only apply with respect to a pending or prior litigation or proceeding instituted prior to the effective date of the first Educators Legal Liability Coverage Part issued and continuously renewed by the Company.

3. ERISA

Any "claim" arising from any insured's legal obligations under the Employee Retirement Income Security Act of 1974, as now or hereafter amended, or by any similar federal, state or local laws.

4. Dishonest, Fraudulent, Criminal or Malicious Act

Any "claim" arising out of any dishonest, fraudulent, criminal, or malicious act or omission, or any willful violation of law by the insured.

This exclusion applies only if a judgment or other final adjudication, adverse to the insured, establishes such an act, omission or willful violation by the insured.

5. Sexual Abuse or Molestation

Any "claim" directly or indirectly arising out of, or in any way related to, the actual or threatened sexual abuse or molestation of any person.

6. Discrimination, Humiliation, or Failure to Integrate or Desegregate

Any "claim" arising out of discrimination or humiliation. This includes, but is not limited to, a "claim" arising out of the failure to integrate or desegregate the student enrollment on the basis of a student's race, sex, ethnic background, religious or sexual preference in the "educational entity's":

- (a) Educational program;
- (b) Extracurricular program; or
- (c) Transportation of students to or from such programs.

7. Professional Exclusion

Any "claim" directly or indirectly arising out of the rendering of or failure to render any professional services. However, this exclusion shall not apply to any "claim" arising out of the education or teaching of students, or the "educational wrongful act" of a school psychologist or school counselor employed by you.

8. Bodily Injury, Personal And Advertising Injury, or Property Damage

Any "claim" arising out of "bodily injury", "personal and advertising injury", or "property damage".

This exclusion does not apply to employment-related infliction of emotional distress arising out of an "employment practice wrongful act".

9. Illegal Financial Gain

Any "claim" arising out of any insured obtaining or attempting to obtain remuneration or financial gain to which such insured was not legally entitled.

10. Workers Compensation or Similar Laws

Any "claim" arising out of an obligation of the insured under a workers compensation, disability benefits or unemployment compensation law or any similar rule, regulation or law.

11. Insurance

Any "claim" arising out of the failure to purchase proper insurance or maintain adequate limits of insurance.

12. Breach of Contract

Any "claim" arising out of the breach or alleged breach by the insured of any contractual obligation.

This exclusion does not apply to the alleged breach of any oral, written, express or implied contract:

- (a) Creating or continuing an employer-employee relationship among the parties to the contract; or
- (b) For educational services between the insured and a student.

13. Physical Modifications And Changes In Business Operations

The costs of complying with a settlement or court order, ruling or judgment requiring physical modifications to your premises or any changes to your usual business operations as mandated by the Americans With Disabilities Act including any amendments, or any similar local, state or federal rule, regulation or law.

14. Other Coverage

Any "claim" arising out of a "wrongful act" if coverage is provided by any other Coverage Part attached to this policy or by any other policy issued to you by any member Company of The Hartford Financial Services Group, Inc.. This exclusion also applies when the other coverage would have applied but for the exhaustion of its limits.

15. Pollution Hazard

Any "claim" directly or indirectly arising out of or in any way related to a "pollution hazard". In addition, we have no obligation under this insurance:

- (a) To investigate, settle or defend any claim against any insured alleging actual or threatened injury or damage of any nature or kind to persons or property which arises out of or would not have occurred but for the "pollution hazard"; or
- (b) To pay loss, judgments, settlements, damages, costs or expenses that may be awarded or incurred by reason of any such claim or any such injury or damage, or in complying with any action authorized by law and relating to such injury or damage.

"Pollution hazard" means an actual exposure or threat of exposure to the corrosive, toxic or other harmful properties of any solid, liquid, gaseous or thermal pollutants, contaminants, irritants or toxic substances, including smoke, vapors, soot, fumes, acids or alkalis, and waste materials consisting of any of the foregoing.

16. Absolute Asbestos Hazard

Any "claim" directly or indirectly arising out of or in any way related to an "asbestos hazard". We will not pay for "loss", judgments, settlements, damages, costs or any expenses that:

- (a) May be awarded or incurred by reason of any claim alleging actual or threatened injury or damage of any nature or kind to persons or property which would not have occurred in whole or in part but for the "asbestos hazard"; or
- (b) Arise out of any request, demand or order to test for, monitor, clean up, remove, encapsulate, contain, treat, detoxify or neutralize or in any way respond to or assess the effects of an "asbestos hazard"; or
- (c) Arise out of any claim for loss because of testing for, monitoring, cleaning up, removing, encapsulating, containing, treating, detoxifying or neutralizing or in any way responding to or assessing the effects of an "asbestos hazard".

"Asbestos hazard" means an exposure or threat of exposure to the actual or alleged properties of asbestos and includes the mere presence of asbestos in any form.

17. War

Any "claim" for "loss", however caused, arising, directly or indirectly, out of:

- (a) War, including undeclared or civil war; or
- (b) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (c) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

b. Additional Exclusions

1. Additional Exclusions Applicable to "Employment Practice Wrongful Acts"

This insurance does not apply to:

a. Future Pay, Relief And Loss

Any "claim" for future economic loss, including front pay, which compensates the claimant for "loss" beyond the date of settlement or adjudication.

This exclusion applies only if the insured is either ordered or has the option pursuant to a judgment or other disposition to reinstate the "employee" but fails to do so.

b. Labor Disputes

Any "claim" arising out of any lockout, strike, picket line, worker replacement(s) or other actions resulting from labor disputes or labor negotiations.

c. Certain Other Laws

Any actual or alleged violation of the responsibilities, obligations or duties imposed by the Fair Labor Standards Act (other than the Equal Pay Act), the National Labor Relations Act, the Worker Adjustment and Retraining Notification Act, the Consolidated Omnibus Budget Reconciliation Act, and the Occupational Safety and Health Act. This exclusion also applies to any amendment to any of the foregoing statutes, any rules or regulations promulgated under the foregoing statutes or any other similar law.

This exclusion does not apply to liability for "employment practice wrongful acts" that the insured would have in the absence of these statutes.

2. Additional Exclusions Applicable to "Employment Benefits Wrongful Acts"

This insurance does not apply to:

a. Civil or Criminal Liability

Any "claim" alleging civil or criminal liability on the part of the insured, arising out of:

- (1) Any failure by the insured to comply with any federal or state statutory or regulatory reporting requirement relating to an "employee benefits program"; or
- (2) The commission or omission by the insured of any act prohibited by federal or state statute or regulation in connection with the management of assets of an "employee benefits program".

For the purposes of this exclusion, civil or criminal liability includes pre- or post-judgment costs or expenses.

b. Failure Of Investments To Perform As Represented

Any "claim" arising out of the failure of any investment or saving program to perform as represented by an insured.

c. Advice Regarding Participating In Employee Benefits Programs

Any "claim" alleging an "employment benefits wrongful act" arising out of advice given by any insured to an "employee" regarding whether to participate or not to participate in any "employee benefits program".

d. Failure To Perform

Any "claim" arising out of the failure of any insured to perform any obligation or fulfill any guarantee with respect to:

- (1) The payment of benefits under any "employee benefits program"; or
- (2) The providing, handling or investing of funds relating to any such program.

3. Additional Exclusions Applicable to "Directors and Executive Officers Wrongful Acts"

This insurance does not apply to:

a. Return of Remuneration

Any "claim" for the return by a "director" or "executive officer" of any remuneration paid to the "director" or "executive officer" without previous approval of the appropriate executive board of authority, which unapproved payment shall be held by the courts to have been unlawful.

b. Service to Other Entities

Any "claim" based upon, arising out of, or in any way related to service or activities of any "director" or "executive officer" as a director, executive officer, trustee, regent, governor or employee of any entity other than the "educational entity" named in the Declarations. However, this exclusion does not apply to a "director's" or "executive officer's" service for a non-profit organization, if such service is specifically directed or requested by the "educational entity".

c. Action Brought Against Another Director

Any "claim" brought against one or more past, present or future "directors" or "executive officers" by or on behalf of:

- (1) Any past, present, or future "directors or "executive officers"; or

- (2) The "educational entity" or any of its affiliates, or subsidiaries.

However, this exclusion shall not apply to a "claim" against a "director" or "executive officer" for contribution or indemnity for expense or liability arising out of another "claim" that is otherwise covered under this Coverage Part.

B. Coverage B – Defense Reimbursement (Optional Coverage)

1. Insuring Agreement

- a. If a limit of insurance is shown in the declarations for Coverage B, Defense Reimbursement, we will reimburse you for reasonable "non-monetary relief defense costs" that you incur because of a "claim", as defined in Section VI, Definitions, paragraph 4, which seeks non-monetary relief to which Coverage B applies. We will not reimburse you for "non-monetary relief defense costs" you incur for any "claim" seeking non-monetary relief to which Coverage B does not apply.

The amount we will reimburse you for "non-monetary relief defense costs" is limited as described in Section III – Limits of Insurance and Deductible.

- b. This insurance applies only if:

- (1) The "claim" seeks solely non-monetary, equitable, or injunctive relief, and the allegations therein arise out of an "educational wrongful act" that takes place anywhere in the world, but only if the insured's responsibility for the "claim" is determined within the United States of America, its territories or possessions, Puerto Rico or Canada according to the substantive law in such territory or as mutually agreed to;
- (2) The "educational wrongful act" occurred on or after the Retroactive Date, if any, shown in the Declarations and before the end of the "policy period"; and
- (3) The "claim" seeking non-monetary, equitable, or injunctive relief is both:
 - (a) First filed against any insured during the "policy period" or any Extended Reporting Period we provide under Section V – Extended Reporting Periods; and

- (b)** Reported to us either:
 - (i)** During the "policy period" or within ninety (90) days thereafter, or
 - (ii)** During any Extended Reporting Period we provide under Section **V** – Extended Reporting Periods.

(4) Prior to the inception date of the first Educators Legal Liability Coverage Part issued and continuously renewed by us, the "Notice Manager" had no knowledge of any "wrongful act", fact, circumstance or situation from which it could reasonably be expected that a "claim" could arise. Any such "wrongful act", fact, circumstance or situation is not covered by this insurance.

Coverage **B** does not apply to the extent a defense is provided or will be provided to the insured in connection with the "claim" under any insurance otherwise available to the insured, including Coverage **A** of this policy.

2. Exclusions

Coverage for Defense Reimbursement does not apply to "non-monetary relief defense costs" arising out of any "claims" which are subject to any of the exclusions listed in Section **I.A.2(a)** – Common Exclusions, except exclusion **6**. Discrimination, Humiliation, or Failure to Integrate or Desegregate.

SECTION II - WHO IS AN INSURED

Each of the following is an insured to the extent set forth below:

- 1. You, the "educational entity";
- 2. Your Board and its members, trustees and directors;
- 3. Any commission, board, authority, administrative department or other similar unit operated under your authority; and its members, trustees and directors. This includes the spouses of directors or trustees but only to the extent they are involved in "claims" solely because of their status as the spouse of the director or trustee;
- 4. Your "employees", student teachers, substitute teachers, teaching assistants, and work-grant students;
- 5. Your students participating in a supervised internship program in satisfaction of curriculum requirements, but only while performing services or activities within the scope of the internship program;

- 6. Parent-teacher organizations or associations are insureds, but only if the organization or association is under the direct supervision of your governing board and only while performing services or activities authorized by you. A parent-teacher organization or association is not an insured if it is insured under any other insurance; and
- 7. Your "volunteer workers".

The persons or organizations described above, whether past, present or future, are insureds, but only while acting within the scope of their duties for, or for activities sponsored by, the "educational entity" or as otherwise described above.

SECTION III - LIMITS OF INSURANCE AND DEDUCTIBLE

1. LIMITS OF INSURANCE

a. The Limits of Insurance shown in the Declarations are the most we will pay regardless of the number of:

- (1)** Insureds;
- (2)** "Claims" made; or
- (3)** Persons or organizations making "claims".

b. Limits of Insurance Applicable to Coverage **A**

- (1)** The Wrongful Act Liability Aggregate Limit is the most we will pay for the sum of all "loss" because of all "claims" alleging "wrongful acts" to which Coverage **A** applies.
- (2)** Subject to paragraph **(1)** above, the Each Claim Limit is the most we will pay for all "loss" arising out of any one "claim" to which Coverage **A** applies.

Two or more "claims" arising out of a single "wrongful act" or a series of factually or causally related "wrongful acts" shall be considered one "claim".

c. Limits of Insurance Applicable to Coverage **B**

- (1)** The Defense Reimbursement Aggregate Limit is the most we will reimburse you for the sum of all "non-monetary relief defense costs" because of all "claims" to which Coverage **B** applies.
- (2)** Subject to paragraph **(1)** above, the Defense Reimbursement Each Claim Limit is the most we will reimburse you for "non-monetary relief defense costs", arising out of any one "claim" to which Coverage **B** applies.

Two or more "claims" arising out of a single "wrongful act" or a series of factually or causally related "wrongful acts" shall be considered one "claim".

- d. The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the "policy period" shown in the Declarations, unless the "policy period" is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

2. DEDUCTIBLE

- a. **Coverage A** – Our obligation to pay "loss" or "defense expense" on your behalf applies only to the amount of "loss" or "defense expense" in excess of the Deductible - Each Claim stated in the Declarations.

We may pay any part or all of the Deductible - Each Claim to effect settlement of any "claim" and upon notification of the action taken, you shall promptly reimburse us for such part of the deductible that has been paid by us.

- b. **Coverage B** - Our obligation to reimburse you for "non-monetary relief defense costs" applies only to the amount of such costs in excess of the Deductible stated in the Declarations as applicable to Coverage B.
- c. The terms of this Coverage Part including those with respect to our right and duty to defend any "claim" and your duties in the event of a "claim" apply irrespective of the application of the deductible.

SECTION IV - CONDITIONS

1. DISCOVERY PROVISION

- a. If any insured first becomes aware of a specific "wrongful act" that occurred on or after the retroactive date, if any, and before the end of the "policy period" that may reasonably be expected to give rise to a "claim" under any of the Coverages provided under this Coverage Part; and
- b. The insured provides us with written notice of that "wrongful act" not later than 90 days after the end of the "policy period", including the following information:
 - (1) How, when and where the "wrongful act" took place;
 - (2) The names and addresses of any persons involved in, or witnessing, such "wrongful act"; and

- (3) The nature of any injury that may arise out of the "wrongful act";

Then any "claim" made subsequently arising out of such "wrongful act" shall be deemed for the purposes of this insurance to have been made and reported during the "policy period". Notice of a "wrongful act" is not notice of a "claim".

2. DUTIES IN THE EVENT OF A CLAIM

- a. If a "claim" is made against any insured, you must:
 - (1) Immediately record the specifics of the "claim" and the date received; and
 - (2) Report the "claim" to us in writing as soon as practicable, but in no event later than 90 days after the end of the "policy period" or as required in any Supplementary Extended Reporting Period which is purchased under Section V – Extended Reporting Periods.
- b. You and any other involved insured must:
 - (1) Immediately send us copies of any legal papers, including demands, notices, or complaints in connection with the "claim";
 - (2) Authorize us to obtain records and other information;
 - (3) Cooperate with us in the investigation, settlement or defense of the "claim"; and
 - (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to any insured because of "loss" to which this insurance applies.
- c. With respect to Coverage A, no insureds will, except at their own cost, voluntarily make any payment, assume any obligation or incur any expense, including "defense expense", without our consent.

3. LEGAL ACTION AGAINST US

No person or organization has a right under this insurance:

- a. To join us as a party or otherwise bring us into a suit asking for "loss" from any insured; or
- b. To sue us on this insurance unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured obtained after an actual trial, but we will not be liable for "loss" that is not payable under the terms of this Coverage Part or that is in excess of the applicable Limit of Insurance. An agreed settlement means a settlement and release of liability signed by us,

the insured and either the claimant or the claimant's legal representative.

4. TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

If any insured has rights to recover all or part of any payment we have made under this insurance, those rights are transferred to us and shall not be impaired after loss by any insured. At our request, any insured will bring suit or transfer those rights to us and help us enforce them.

5. BANKRUPTCY

Bankruptcy or insolvency of any insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

6. OTHER INSURANCE

If other valid and collectible insurance is available to the insured for a "loss" we cover under this Coverage Part, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary except when paragraph **b.** below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then we will share with all that other insurance by the method described in **c.** below.

b. Excess Insurance

(1) This insurance is excess over any other insurance, whether primary, excess, contingent or on any other basis, that is:

(a) Effective prior to the beginning of the "policy period" shown in the Declarations and applies to "loss" on other than a claims-made basis, if:

(i) This Coverage Part has a Retroactive Date that precedes the beginning of the "policy period"; or

(ii) The other insurance has a policy period which continues after the Retroactive Date shown in the Declarations.

(b) Available to a covered "director" or "executive officer" while acting for a non-profit organization at the request of the "educational entity".

(2) When this insurance is excess, we will have no duty to defend any "claim" that any other insurer has a duty to defend. If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

(3) When this insurance is excess, we will pay only our share of the amount of "loss", if any, that exceeds the sum of:

(a) The total amount that all such other insurance would pay for "loss" in the absence of this insurance; and

(b) The total of all deductible and self-insured amounts under all other insurance.

We will share the remaining "loss", if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

c. Method of Sharing

If all the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the "loss" remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

7. NON-RENEWAL

a. If we decide not to renew this insurance, we will mail or deliver written notice of non-renewal to the Named Insured first shown in the Declarations at least 30 days before the end of the "policy period".

b. If notice is mailed, we will mail it to the Named Insured first shown in the Declarations at the last mailing address known to us. Proof of mailing will be sufficient proof of notice.

c. If we offer to renew this insurance and the Named Insured first shown in the Declarations does not accept our offer during the current "policy period", this insurance will expire at the end of such "policy period".

d. Any state amendatory endorsement changing Nonrenewal Conditions for any part of this policy shall also apply to this Coverage Part.

8. SEPARATION OF INSUREDS

Except with respect to the Limits of Insurance and any rights or duties specifically assigned in this Coverage Part to the Named Insured first shown in the Declarations, this insurance applies:

a. As if each Named Insured were the only Named Insured; and

- b. Separately to each insured against whom a "claim" is made.

9. REPRESENTATIONS

By accepting this insurance, you agree:

- a. The statements in the Declarations are accurate and complete;
- b. Those statements are based upon representations you made to us; and
- c. We have issued this insurance in reliance upon your representations.

10. YOUR RIGHT TO CLAIM AND WRONGFUL ACT INFORMATION

We will provide the Named Insured first shown in the Declarations the following information relating to this and any preceding Educators Legal Liability Coverage Part we have issued to you during the previous three years:

- a. A list or other record of each "wrongful act" not previously reported to any other insurer, of which we were notified in accordance with paragraph a. of the Duties In The Event Of A "Claim" Condition or the Discovery Provision Condition of Section IV – Conditions. We will include the date and brief description of the "wrongful act" if that information was in the notice we received.
- b. A summary by policy year of "claim" payments made and amounts reserved.

Amounts reserved are based on our judgment. They are subject to change and should not be regarded as ultimate settlement values.

We will provide this information only if we receive a written request from the Named Insured first shown in the Declarations within 60 days after the end of the "policy period". In this case, we will provide this information within 45 days of receipt of the request.

We compile "claim" and "wrongful act" information for our own business purposes and exercise reasonable care in doing so. In providing this information to the Named Insured first shown in the Declarations, we make no representations or warranties to insureds, insurers, or others to whom this information is furnished by or on behalf of any insured. Cancellation or nonrenewal shall not be rendered ineffective if we provide inaccurate information or fail to provide the information.

11. CONTINUITY OF DEFENSE

- a. When, in our judgment, we believe that the Wrongful Act Liability Aggregate Limit has been or will be exhausted, we will notify:
 - (1) The Named Insured first shown in the Declarations as to the following:

- (a) "Claims" to which this insurance applies; and
- (b) "Claims" for which our duty to pay for "defense expense" will end or has ended; and
- (2) Any other involved insured, as soon as practicable, of any outstanding "claim":
 - (a) In which we are defending that insured; and
 - (b) For which our duty to pay or reimburse for "defense expense" will end or has ended.

- b. The Named Insured first shown in the Declarations and any other involved insured must, as soon as practicable, arrange for the defense of any outstanding "claim" and any future "claim" for which our duty to defend will end or has ended.
- c. We will cooperate in arranging for the transfer of control of any outstanding "claim".
- d. After our duty to defend any "claim" has ended and until such arrangements are completed, we may take on behalf of the insured those steps that we think appropriate to avoid a default in any "claim"; or continue the defense of any "claim".

You agree that if we take such steps:

- (1) We do not waive or give up any of our rights under this insurance; and
- (2) You will reimburse us for any "defense expense" that arises out of such steps.

12. IF YOU ARE PERMITTED TO RETAIN DEFENSE COUNSEL

If by mutual agreement, court order or case law, the insured is given the right to retain defense counsel in connection with a "claim" for "loss" to which Coverage A applies:

- a. We retain the right, at our discretion, to:
 - (1) Settle, approve or disapprove the settlement of any "claim"; and
 - (2) Appeal any judgment at our expense.
- b. You and any other involved insured must:
 - (1) Continue to comply with the provisions of this Coverage Part; and
 - (2) Direct defense counsel to:
 - (a) Furnish us with the information we may request to evaluate any "claim" and coverage under this Coverage Part for any such "claim"; and
 - (b) Cooperate with any counsel we may select to monitor or associate in the defense of any such "claim".

SECTION V - EXTENDED REPORTING PERIODS

1. We will provide one or more Extended Reporting Periods, as described below, if:
 - a. This Coverage Part is canceled or not renewed for any reason; or
 - b. We renew or replace this Coverage Part with insurance that:
 - (1) Has a Retroactive Date later than the date shown in the Declarations of this Coverage Part; or
 - (2) Does not apply to "loss" resulting from "wrongful acts" on a claims-made basis.
2. A Basic Extended Reporting Period is automatically provided without additional charge. This period starts with the end of the "policy period" and lasts for 90 days for "claims" arising out of "wrongful acts" not previously reported to us under the Discovery Provision Condition of Section IV – Conditions.

The Basic Extended Reporting Period does not apply to "claims" that are covered under any subsequent insurance you purchase, or that would be covered but for exhaustion of the amount of insurance applicable to such "claims".
3. A Supplementary Extended Reporting Period of unlimited duration is available, but only by an endorsement and for an extra charge. This supplemental period starts when the Basic Extended Reporting Period ends.

You must give us a written request for the endorsement no later than 60 days after the end of the "policy period". The Supplemental Extended Reporting Period will not go into effect unless you pay the additional premium promptly when due. The additional premium will be based upon the annual premium for this Coverage Part. Where premium is due for coverage under this claims-made coverage part, any monies received for payment for the Supplemental Extended Reporting Period, shall first be applied to such premium owed for the policy. The Supplemental Extended Reporting Period will not take effect until the premium owed for the claims-made coverage part is paid in full and the premium for the Supplemental Extended Reporting Period is paid promptly when due.

The Supplemental Extended Reporting Endorsement shall set forth the terms, not inconsistent with this Section, applicable to the Supplemental Extended Reporting Period, including a provision to the effect that the insurance afforded for "claims" first received during such period is excess over any other valid and collectible insurance available under policies

in force after the Supplemental Extended Reporting Period starts.

4. Extended Reporting Periods do not extend the "policy period" or change the scope of coverage provided. They apply only to "claims" for "wrongful acts" that occur before the end of the "policy period" (but not before the Retroactive Date, if any, shown in the Declarations). "Claims" which are first received and recorded during the Basic Extended Reporting Period (or during the Supplemental Extended Reporting Period, if it is in effect) will be deemed to have been made on the last day of the "policy period". Once in effect, Extended Reporting Periods may not be canceled.
5. Extended Reporting Periods do not reinstate or increase the Limits of Insurance applicable to "loss" or "non-monetary relief defense costs" to which this Coverage Part applies, except to the extent described in paragraph 6. of this Section.
6. If the Supplemental Extended Reporting Period is in effect, we will provide the separate limit of insurance described below, but only for "claims" first received and recorded during the Supplemental Extended Reporting Period.

The separate aggregate limit of insurance will be equal to the dollar amount shown in the Declarations as the Wrongful Act Liability Aggregate Limit and, if applicable, the Defense Reimbursement Aggregate Limit in effect at the end of the "policy period".

Paragraph 1.b. and 1.c. of Section III – Limits of Insurance and Deductible are amended accordingly.

SECTION VI - DEFINITIONS

1. "Advertisement" means the widespread public dissemination of information or images that has the purpose of inducing the sale of goods, products or services through:
 - a. (1) Radio;
 - (2) Television;
 - (3) Billboard;
 - (4) Magazine;
 - (5) Newspaper; or
 - b. Any other publication that is given widespread public distribution.

However, "advertisement" does not include:

- a. The design, printed material, information or images contained in, on or upon the packaging or labeling of any goods or products; or
- b. An interactive conversation between or among persons through a computer network.

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2. "Advertising idea" means any idea for an "advertisement".

3. "Bodily injury" means physical:

- a. Injury;
- b. Sickness; or
- c. Disease

sustained by a person and, if arising out of the above, mental anguish or death at any time.

4. "Claim" means:

a. As respects Coverage **A** – Wrongful Act Liability:

(1) A demand received by any insured for "loss" alleging an "employment benefits wrongful act" or an "educational wrongful act", or

(2) A demand received by any insured alleging "loss" arising out of any "employment practice wrongful act", including any notices received from The Equal Employment Opportunity Commission or any other federal, state or local administrative or regulatory agency on behalf of such person; or

(3) For an alleged "directors and executive officers wrongful act", any written demand or any judicial or administrative suit or proceeding against any "director" or "executive officer" which seeks monetary damages including any appeal therefrom; or

(4) Any civil proceeding or suit in which "loss" is alleged in connection with any "wrongful act" to which Coverage **A** applies, including:

(a) An arbitration proceeding in which such "loss" is claimed, and to which the insured submits with our consent;

(b) Any alternative dispute resolution proceeding in which such "loss" is claimed and to which the insured submits with our consent; or

(c) Any administrative proceedings established under applicable federal, state or local laws as may be applicable to "employment practice wrongful acts" covered under this insurance in which "loss" can be awarded.

b. As respects Coverage **B** – Defense Cost Reimbursement:

Any civil proceeding or suit seeking solely non-monetary, equitable, or injunctive relief for an "educational wrongful act", including:

(1) Administrative proceedings established under applicable federal, state or local laws as may be applicable to "educational wrongful acts" covered under Coverage **B**; and

(2) Arbitration proceedings and alternative dispute resolutions.

However, "Claim" does not include investigations, audits, or requests for information from governmental entities or others, including but not limited to accrediting organizations, athletic associations and professional societies.

5. "Defense Expense" we pay under Coverage **A** means payments allocated to a specific "claim" for investigation or defense, including:

a. Fees and salaries of attorneys and paralegals we retain, including attorneys and paralegals who are our employees.

b. Fees of attorneys the insured retains when by mutual agreement or court order the insured is given the right to retain defense counsel to defend a "claim".

c. The cost of appeal bonds or bonds to release attachments in any "claims" we are defending, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.

d. Costs taxed against the insured in the suit.

e. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the "claim" or suit, including actual loss of earnings up to \$500 a day because of time off from work.

f. All other litigation expenses.

g. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.

h. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

"Defense expense" does not include salaries and expenses of the insured's "employees", other than those described in paragraph **b.** above.

6. "Director" means:

a. Any member of the governing board of the "educational entity", whether designated as "Director" or by any other title;

- b. The estates, heirs or legal representatives of deceased persons who were "directors" at the time of the "directors and executive officers wrongful act".
7. "Directors and executive officers wrongful act" means any breach of duty, neglect, error, misstatement, misleading statement, or omission by one or more "directors" or "executive officers" so alleged by any claimant solely by reason of their being a "director" or "executive officer" of the "educational entity".
 8. "Educational entity" means the school shown in the Declarations. "Educational entity" includes subsidiary and affiliated entities and associations shown in the Declarations.
 9. "Educational wrongful act" means any actual or alleged act, error, or omission by any insured in the performance of the insured's educational functions and while acting within the scope of his or her duties for the "educational entity" or as authorized by you.
 10. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker" but does include substitute teachers.
 "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business.
 "Temporary worker" means a person, other than a substitute teacher, who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.
 11. "Employee benefits program" means a formal program or programs of employee benefits maintained in connection with your business or operation, such as but not limited to:
 - a. Group Life Insurance, Group Accident or Health Insurance, Profit Sharing Plans, Pension Plans and Employee Stock Subscription Plans, provided that no one other than an "employee" may subscribe to such insurance or plans; and
 - b. Unemployment Insurance, Social Security Benefits, Workers' Compensation and Disability Benefits.
 12. "Employment benefits wrongful act" means any negligent act, error or omission in the "administration" of your "employee benefits program".
 "Administration" means:
 - a. Giving counsel to your "employees" or their dependents and beneficiaries, with respect to interpreting the scope of your "employee benefit programs" or their eligibility to participate in such program; and
 - b. Handling records in connection with "employee benefit programs".
13. "Employment practice wrongful act" means any error, misstatement, misleading statement, act, omission, neglect, or breach of duty actually or allegedly committed or attempted by any insured in connection with any:
 - a. Wrongful dismissal, discharge or termination in employment, whether actual or constructive;
 - b. Wrongful failure to hire or promote;
 - c. Wrongful discipline or demotion;
 - d. Wrongful failure to create, apply or enforce any employment-related policy or procedure;
 - e. Wrongful failure to grant tenure;
 - f. Breach of an oral or written contract creating or continuing an employer-employee relationship among the parties to the contract;
 - g. Employment-related misrepresentation or defamation;
 - h. Employment-related invasion of privacy;
 - i. Employment-related infliction of emotional distress;
 - j. Employment-related unlawful discrimination, including, but not limited to, discrimination based upon age, gender, sex, pregnancy, race, color, national origin, religion, sexual orientation, sexual preference, marital status, disability or any other class of persons protected under any federal, state, municipal or local law;
 - k. Employment-related unlawful sexual harassment or other form of workplace harassment, including hostile work environment and quid pro quo harassment, prohibited by any federal, state, municipal or local law;
 - l. Employment-related unlawful retaliation against a past, present or future employee of yours prohibited by any federal, state, municipal or local law;
 - m. Violation of the Family and Medical Leave Act, as amended;
 - n. Negligent hiring, evaluation, retention or supervision related to any of the above actual or alleged acts only;
 provided that the actual or alleged "employment practices wrongful act" is directed against a past,

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present or future employee (whether supervisory, co-worker, subordinate, part-time, or seasonal) of yours, or an applicant for employment with you.

14. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.

15. "Non-monetary relief defense costs" we pay under Coverage **B** means reasonable and necessary attorneys fees and expenses, court costs, the cost of appeal bonds and other costs incurred as a result of a covered "claim", seeking non-monetary, equitable, or injunctive relief.

16. "Loss" means a compensatory monetary award, settlement or judgment.

"Loss" does not include:

- a.** Taxes, fines or penalties imposed by law;
- b.** The cost of compliance with injunctive or other non-monetary relief; or
- c.** The value of tuition or scholarships.

17. "Notice Manager" means the natural persons in the offices of the president, chancellor, provost, treasurer, vice president, dean, personnel director, risk manager, general counsel, principal, superintendent or other comparable senior administrator of the "Educational Entity".

18. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:

- a.** False arrest, detention or imprisonment;
- b.** Malicious prosecution;
- c.** The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord, or lessor;
- d.** Oral, written or electronic publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products, or services;
- e.** Oral, written or electronic publication of material that violates a persons right of privacy;
- f.** Copying, in your "advertisement", a person's or organization's "advertising idea" or style of "advertisement";
- g.** Infringement of copyright, slogan, or title of any literary or artistic work, in your "advertisement"; or

h. Discrimination or humiliation, but only if such discrimination or humiliation is not directly or indirectly related to the employment, prospective employment of any person or persons by any insured.

However, "personal and advertising injury" does not include "bodily injury" or injury arising out of any "employment practice wrongful act".

19. "Policy period" means the period beginning with the Inception Date shown in the Declarations and ending with the earlier of:

- a.** The date of cancellation of this policy; or
- b.** The expiration date shown in the Declarations.

20. "Property damage" means:

- a.** Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
- b.** Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.

As used in this definition, computerized or electronically stored data, programs or software are not tangible property. Electronic data means information, facts or programs:

- a.** Stored as or on;
- b.** Created or used on; or
- c.** Transmitted to or from;

computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

21. "Volunteer worker" means a person who:

- a.** Is not your "employee";
- b.** Donates his or her work;
- c.** Acts at the direction of and within the scope of duties determined by you; and
- d.** Is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

22. "Wrongful act" means any:

- a.** "Directors and executive officers wrongful act";
- b.** "Educational wrongful act";
- c.** "Employment benefits wrongful act"; or
- d.** "Employment practice wrongful act".

SECTION VII - NUCLEAR ENERGY LIABILITY EXCLUSION

1. This Coverage Part does not apply:
 - a. To any "loss" or damages;
 - (1) With respect to which an insured under the Coverage Part is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
 - (2) Resulting from the "hazardous properties" of "nuclear material" and with respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the insured is, or had this Coverage Part 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.
 - b. To any "loss" or damages resulting from the "hazardous properties" of "nuclear material", if:
 - (1) The "nuclear material" (a) is at any "nuclear facility" owned by, or operated by or on behalf of, an insured or (b) has been discharged or dispersed therefrom;
 - (2) The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of an insured; or
 - (3) The "loss" or damages arise out of the furnishing by an insured of services, materials, parts or equipment in connection with the planning, construction, maintenance, operations or use of any "nuclear facility".
2. As used in this exclusion:

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

"Nuclear material" means "source material", "special nuclear material" or "by-product material";

"Source material", "special nuclear material", and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in 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 (a) containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and (b) resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility". "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 device 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 a self-supporting chain reaction or to contain a critical mass of fissionable material;

Damages include all forms of radioactive contamination of property.

**EDUCATORS LEGAL LIABILITY
COVERAGE PART - DECLARATIONS (CLAIMS MADE)**



POLICY NUMBER:

THE COVERAGE AFFORDED BY THIS COVERAGE PART IS CLAIMS-MADE COVERAGE. THERE ARE CERTAIN CIRCUMSTANCES IN WHICH YOU MUST BE PROVIDED THE OPPORTUNITY TO PURCHASE EXTENDED REPORTING COVERAGE. THESE ARE EXPLAINED IN YOUR POLICY. PLEASE READ ALL PROVISIONS AND CONTACT YOUR AGENT IF YOU HAVE ANY QUESTIONS. EXCEPT AS MAY BE OTHERWISE PROVIDED HEREIN, SPECIFIED COVERAGES OF THIS INSURANCE ARE LIMITED GENERALLY TO LIABILITY FOR INJURIES FOR WHICH CLAIMS ARE FIRST MADE AGAINST THE INSURED AND REPORTED TO US WHILE THE INSURANCE IS IN FORCE.

This EDUCATORS LEGAL LIABILITY COVERAGE PART consists of:

- A. This Declarations,
- B. Commercial General Liability Schedule,
- C. Educators Legal Liability Coverage Form, and
- D. Any Endorsements issued to be a part of this Coverage Part and listed below.

RETROACTIVE DATE This insurance does not apply to "loss" arising out of a "wrongful act" which occurs before the Retroactive Date, if any, shown below.

Retroactive Date:

LIMITS OF INSURANCE

Subject to all terms of this Policy, the Limits of Insurance are:

Coverage A – Wrongful Act Liability

Each Claim Limit

Deductible - Each Claim

Wrongful Act Liability Aggregate Limit

Coverage B – Defense Reimbursement (Optional Coverage - Applies only when Limit and Premium is shown)

Defense Reimbursement Each Claim Limit

Defense Reimbursement Deductible - Each Claim

Defense Reimbursement Aggregate Limit

Advance Premium:

AUDIT PERIOD:

Except in this Declarations, when we use the word "Declarations" in this Coverage Part, we mean this "Declarations" or the "Common Policy Declarations".

Form Numbers of Coverage Forms, Endorsements and Schedules that are part of this Coverage Part:



QUICK REFERENCE EDUCATORS LEGAL LIABILITY COVERAGE PART - CLAIMS MADE

READ YOUR POLICY CAREFULLY

DECLARATIONS PAGES

- Named Insured and Mailing Address
- Policy Period
- Description of Business and Location
- Coverages and Limits of Insurance

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Beginning on Page

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COMMON POLICY CONDITIONS

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- Changes
- Examination of Your Books and Records
- Inspections and Surveys
- Premiums
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ENDORSEMENTS

These form numbers are shown on the Coverage Part - Declarations Page or on the Common Policy Declarations Page.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SUPPLEMENTAL EXTENDED REPORTING PERIOD ENDORSEMENT

This endorsement modifies insurance provided under the following:

EDUCATORS LEGAL LIABILITY COVERAGE PART (CLAIMS MADE)

\$ _____ Premium

1. A Supplemental Extended Reporting Period Endorsement is provided as described in **Section V – Extended Reporting Periods.**
2. A separate Supplemental Wrongful Act Liability Aggregate Limit applies as set forth in Paragraph **3.** below, equal to the Wrongful Act Liability Aggregate Limit in effect at the end of the "policy period".

If applicable, a separate Supplemental Defense Reimbursement Aggregate Limit applies as set forth in Paragraph **3.** below, equal to the Defense Reimbursement Aggregate Limit in effect at the end of the "policy period".

3. Paragraphs **1b.(1)** and **1c.(1)** of **Section III - LIMITS OF INSURANCE AND DEDUCTIBLE** are replaced by the following:

1.b.Limits of Insurance Applicable to Coverage A

- (1) The Wrongful Act Liability Aggregate Limit is the most we will pay for the sum of all "loss" because of all "claims" alleging "wrongful acts" to which Coverage **A** applies, regardless of the number of "claims". However, the Wrongful Act Liability Aggregate Limit does not apply to "loss" for "claims" to which Coverage **A** applies that are first received and recorded during the Supplemental Extended Reporting Period.

The Supplemental Wrongful Act Liability Aggregate Limit is the most we will pay for the sum of all "loss" because of all "claims" to which Coverage **A** applies that are first received and recorded during the Supplemental Extended Reporting Period.

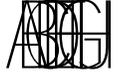
1.c.Limits of Insurance Applicable to Coverage B

- (1) The Defense Reimbursement Aggregate Limit is the most we will reimburse you for the sum of all "non-monetary relief defense costs" because of all "claims" to which Coverage **B** applies, regardless of the number of "claims". However, the Defense Reimbursement Aggregate Limit does not apply to "non-monetary relief defense costs" because of "claims" to which Coverage **B** applies that are first received and recorded during the Supplementary Extended Reporting Period.

The Supplemental Defense Reimbursement Aggregate Limit is the most we will pay for all "claims" for "non-monetary relief defense costs" to which Coverage **B** applies that are first received and recorded during the Supplemental Extended Reporting Period.

4. Except as amended by Paragraph 3. above, **SECTION III - LIMITS OF INSURANCE AND DEDUCTIBLE** is otherwise unchanged and applies in its entirety.
5. The following is added to paragraph 6.b. of the **OTHER INSURANCE** Condition of **SECTION IV - CONDITIONS**:

This insurance is excess over any other insurance, whether primary, excess, contingent or on any other basis, whose policy period begins or continues after the Supplemental Extended Reporting Period begins.
6. This endorsement will not take effect unless the additional premium stated above is paid when due. If that premium is paid when due, this endorsement may not be cancelled. We need not return any part of the premium paid for this endorsement for any reason whatsoever.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CHARTER SCHOOL DEFENSE LIMITATION

This endorsement modifies insurance provided under the following:

EDUCATORS LEGAL LIABILITY COVERAGE PART (CLAIMS MADE)

We will not have the right and duty to defend any "claim" or "suit" based upon, arising out of, directly or indirectly resulting from an "educational wrongful act" or "directors and officers wrongful act" seeking other than monetary sums.

This limitation applies regardless of the circumstance, situation, transaction or event underlying or alleged in such litigation, and regardless of the legal theory upon which such "claim" or "suit" is predicated.

Subject to the Deductible - Each Claim shown in the declarations, we will, however, reimburse you up to \$5,000 for reasonable claims expenses incurred by you to defend a "suit" or "claim" otherwise excluded by this exclusion.

This reimbursement will only be for expenses incurred after the Each Claim Deductible has been incurred by you.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LIMITATION OF COVERAGE - PRIOR KNOWLEDGE

This endorsement modifies insurance provided under the following:

EDUCATORS LEGAL LIABILITY COVERAGE PART (CLAIMS MADE)

Please note: This endorsement has been added to the Educator's Legal Liability Coverage Part in response to the insured's request to eliminate the applicability of a Retroactive Date to its coverage thereunder. This endorsement excludes coverage for known "wrongful acts", facts, incidents and situations reasonably likely to give rise to a "claim", pursuant to the terms and conditions of the Educators Legal Liability Coverage Part.

1. It is agreed that Section **I** - COVERAGES, Coverage **A** - Wrongful Act Liability, Insuring Agreement, paragraph **1.d.** is amended to add the following:
 - 1.d.(5)** Prior to the inception date of the first Educators Legal Liability Coverage Part issued and continuously renewed by us in which no retroactive date is stated, the "Notice Manager" had no knowledge of any "wrongful act", fact, circumstance or situation occurring prior to the retroactive date of the first Educators Legal Liability Coverage Part issued by us, from which it could reasonably be expected that a "claim" would be made. This insurance shall not apply to any such "wrongful act", fact, circumstance or situation.
2. If a limit of insurance is shown in the declarations for Coverage **B**, it is agreed that Section **I** - COVERAGES, Coverage **B** - Defense Reimbursement, Insuring Agreement, paragraph **1.b.** is amended to add the following:
 - 1.b.(5)** Prior to the inception date of the first Educators Legal Liability Coverage Part issued and continuously renewed by us in which no retroactive date is stated, the "Notice Manager" had no knowledge of any "wrongful act", fact, circumstance or situation occurring prior to the retroactive date of the first Educators Legal Liability Coverage Part issued by us, from which it could reasonably be expected that a "claim" would be made. This insurance shall not apply to any such "wrongful act", fact, circumstance or situation.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SUPPLEMENTAL EXTENDED REPORTING PERIOD CHANGES

This endorsement modifies insurance provided under the following:

EDUCATORS LEGAL LIABILITY COVERAGE PART (CLAIMS MADE)

SECTION V – EXTENDED REPORTING PERIODS

Paragraph 3 is replaced by the following:

3. A Supplementary Extended Reporting Period of unlimited duration is available, but only by an endorsement and for an extra charge. This supplemental period starts when the Basic Extended Reporting Period ends.

You must give us a written request for the endorsement no later than 60 days after the end of the "policy period". The Supplemental Extended Reporting Period will not go into effect unless you pay the additional premium promptly when due. The additional premium will be based upon the annual premium for this Coverage Part.

The Supplemental Extended Reporting Endorsement shall set forth the terms, not inconsistent with this Section, applicable to the Supplemental Extended Reporting Period, including a provision to the effect that the insurance afforded for claims first received during such period is excess over any other valid and collectible insurance available under policies in force after the Supplemental Extended Reporting Period starts.

SERFF Tracking Number: *HART-125433934* *State:* *Arkansas*
First Filing Company: *Hartford Casualty Insurance Company, ...* *State Tracking Number:* *EFT \$50*
Company Tracking Number: *FN.13.020.2007.01*
TOI: *17.0 Other Liability - Claims Made/Occurrence* *Sub-TOI:* *17.0001 Commercial General Liability*
Product Name: *Educators Legal Liability*
Project Name/Number: *Other Liability /FN.13.020.2007.01*

Rate Information

Rate data does NOT apply to filing.

SERFF Tracking Number: HART-125433934 State: Arkansas
First Filing Company: Hartford Casualty Insurance Company, ... State Tracking Number: EFT \$50
Company Tracking Number: FN.13.020.2007.01
TOI: 17.0 Other Liability - Claims Made/Occurrence Sub-TOI: 17.0001 Commercial General Liability
Product Name: Educators Legal Liability
Project Name/Number: Other Liability /FN.13.020.2007.01

Supporting Document Schedules

Satisfied -Name: Uniform Transmittal Document-Property & Casualty
Review Status: Approved 03/14/2008

Comments:
Attached is the Uniform Transmittal Document-Property & Casualty.
Attachment:
AR f PC-TD-1.pdf

Satisfied -Name: Explanatory Memorandum
Review Status: Approved 03/14/2008

Comments:
Attached is the Explanatory Memorandum and Attachment.
Attachments:
AR ELL f EM.pdf
CW ELL f EM Attachment.pdf

Property & Casualty Transmittal Document

1. Reserved for Insurance Dept. Use Only

2. Insurance Department Use only	
a. Date the filing is received:	
b. Analyst:	
c. Disposition:	
d. Date of disposition of the filing:	
e. Effective date of filing:	
New Business	
Renewal Business	
f. State Filing #:	
g. SERFF Filing #:	
h. Subject Codes	

3. Group Name	Group NAIC #
Hartford Financial Services Group	00914

4. Company Name(s)	Domicile	NAIC #	FEIN #	State #
Hartford Fire Ins. Co.	Connecticut	00914-19682	06-0383750	
Hartford Accident & Indemnity Co.	Connecticut	00914-22357	06-0383030	
Hartford Casualty Ins.Co.	Indiana	00914-29424	06-0294398	
Hartford Underwriters Ins. Co.	Connecticut	00914-30104	06-1222527	
Twin City Fire Ins.Co.	Indiana	00914-29459	06-0732738	
Hartford Ins. Co. of the Midwest	Indiana	00914-37478	06-1008026	
Property & Casualty Ins. Co. of Hartford	Indiana	00914-34690	06-1276326	

5. Company Tracking Number	FN.13.020.2007.01
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Contact Info of Filer(s) or Corporate Officer(s) [include toll-free number]

6.	Name and address	Title	Telephone #s	FAX #	e-mail
	Mary M. Welch				
	Hartford Plaza, Hartford, CT 06115		860-547-4155	860-547-	@TheHartford.com

7. Signature of authorized filer	
8. Please print name of authorized filer	

Filing information (see General Instructions for descriptions of these fields)

9. Type of Insurance (TOI)	17.0000
10. Sub-Type of Insurance (Sub-TOI)	17.1000
11. State Specific Product code(s) (if applicable)[See State Specific Requirements]	
12. Company Program Title (Marketing title)	Educators Legal Liability
13. Filing Type	<input type="checkbox"/> Rate/Loss Cost <input type="checkbox"/> Rules <input type="checkbox"/> Rates/Rules <input checked="" type="checkbox"/> Forms <input type="checkbox"/> Combination Rates/Rules/Forms <input type="checkbox"/> Withdrawal <input type="checkbox"/> Other (give description)
14. Effective Date(s) Requested	New: 4/5/08 Renewal: 4/5/08
15. Reference Filing?	<input type="checkbox"/> Yes <input type="checkbox"/> No
16. Reference Organization (if applicable)	
17. Reference Organization # & Title	
18. Company's Date of Filing	March 6, 2008
19. Status of filing in domicile	<input type="checkbox"/> Not Filed <input checked="" type="checkbox"/> Pending <input type="checkbox"/> Authorized <input type="checkbox"/> Disapproved

Property & Casualty Transmittal Document—

ARKANSAS

20. This filing transmittal is part of Company Tracking #	FN.13.020.2007.01
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21. Filing Description [This area can be used in lieu of a cover letter or filing memorandum and is free-form text]
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Revised Educators Legal Liability forms

22. Filing Fees (Filer must provide check # and fee amount if applicable) [If a state requires you to show how you calculated your filing fees, place that calculation below]

Check #: EFT
Amount: \$50.00

Refer to each state's checklist for additional state specific requirements or instructions on calculating fees.

*****Refer to the each state's checklist for additional state specific requirements (i.e. # of additional copies required, other state specific forms, etc.)**

ARKANSAS
Explanatory Memorandum
Educators Legal Liability Coverage Part (Claims-Made)
FN.13.020.2007.01 - Form

FORM

The purpose of this filing is to revise our Educators Legal Liability Coverage Form, HC 00 67 to meet the current needs of our Private Education customers. Attached to this filing is a side by side comparison of the new edition of the form compared to the old edition. This side-by side document underlines all of the new language and clearly displays the language deleted and replaced. In addition, we have used the "bubbles" feature in this comparison to comment on the changes made throughout the form.

This filing replaces HC 00 67 07 04 with **HC 00 67 04 08**

To facilitate your analysis, we have summarized the significant changes into three categories: Coverage Enhancements, Coverage Restrictions and Other Coverage Changes.

A. Coverage Enhancements

1. We have added a "consent to settle" provision, which requires that we have the written consent of the insured to settle a claim.
2. We have amended the insuring agreement to attribute prior knowledge of any "wrongful act", fact, circumstance or situation that might reasonably be expected to result in a "claim" only to a newly defined "Notice Manager", as opposed to the "insured".
3. We have amended the Contractual Liability exclusion so that it will not apply to a "claim" for breach of a contract with students relating to educational services. However, certain aspects of this exclusion constitute a reduction in coverage, as explained in Paragraph **B** below.
4. As respects "Employment Practice Wrongful Acts" coverage, we no longer exclude claims arising out of the Immigration and Nationality Act, Title IX of the Educational Amendments of 1972, and the Immigration Reform and Control Act.
5. A new optional coverage is now offered for Defense Reimbursement of costs the insured may incur to defend claims seeking non-monetary or injunctive relief for educational wrongful acts which are not covered under the prior coverage part. Details regarding coverage limits and deductible options available, are contained in the revised rules.
6. The Who Is An Insured provision has been modified to add Parent-Teacher Organizations as insureds, but only if the organization is performing authorized activities under the direct supervision of the governing board. However, a PTO will not be considered an insured under this policy if it is insured under any other insurance.

B. Coverage Restrictions

1. The Coverage **A** deductible will now also apply to "defense expense".
2. The ERISA exclusion has been moved to the Common Exclusions applicable to all "wrongful acts", rather than just "employment benefits wrongful acts".
3. The Professional Exclusion has been broadened to include all professional services except those that arise out of the education or teaching of students or the "educational wrongful act" of a school psychologist or school counselor employed by you. Although the broadening language of this exclusion is a reduction in coverage, the carve out for school psychologist or school counselor is actually a coverage enhancement.
4. The Contractual Liability exclusion has been changed to a "Breach of Contract" exclusion. Coverage for defense and indemnity will not apply to any "claim" resulting from the breach of any contract. The only two exceptions to this exclusion are "claims" for breaches of contracts relating to employment or educational services between the insured and a student.
5. The definition of "claim" as respects "directors and executive officers wrongful acts" no longer includes written notice to us by a "director" or "executive officer" describing circumstances that are likely to give rise to a "claim" being made against the "directors" or "executive officers". Such notice, however, may allow the insured to submit any resulting "claim" for coverage under the policy during which term the notice was initially given, subject to the terms of the Discovery Provision Condition of this policy.

6. The definition of "Defense Expense" has been changed to include the fees and expenses of independent adjusters we hire. The new deductible will therefore be applied against this additional category of "Defense Expense".
7. We have revised the definition of "Educational Wrongful Act" to apply to any actual or alleged act, error or omission by any insured in the performance of the insured's educational functions and while acting within the scope of his or her duties for the "educational entity" or as authorized by you.
8. We have added the definition of "Volunteer worker" that is consistent with our General Liability form. This could be construed as a reduction in coverage.

C. Other Coverage Changes

1. The language in the previous insuring agreement **1.b.(4)** relating to prior knowledge of "claims" and pending litigation has been moved to the Common Exclusions section of the policy.
2. We have amended the insuring agreement to state that, at the insured's request, we shall consult with the insured regarding the selection of counsel.
3. We have modified the language of the "Action Brought Against Another Director" exclusion, with no change in intent.
4. With the addition of new optional Coverage **B** for Defense Reimbursement, the policy now contains changes to reflect any distinctions between Coverage **A** and Coverage **B**.
 - a. The Limits of Liability and Deductible section has been amended to reflect this change, including a renaming of the previous Aggregate limit from "Educator's Legal Liability Aggregate Limit" to "Wrongful Act Liability Aggregate Limit".
 - b. When Coverage **B** is purchased, then a "Defense Reimbursement Aggregate Limit" also applies.
 - c. "Claim" is defined differently for Coverage **A** and Coverage **B**.
 - d. We have amended the Extended Reporting Periods section to include reference to optional Coverage **B**, regarding the limits applicable when Coverage **B** applies and the Supplemental Extended Reporting Period is purchased.
5. We have amended the insuring agreement to reiterate that this policy applies only to "claims" made and reported to us during the policy period or any Extended Reporting Period.
6. The following definition changes were made to be consistent with our Commercial General Liability Coverage Form. (These changes were previously made for Vermont policyholders)
 - a. We have revised the definition of "advertisement" to be consistent with the definition under our General Liability Coverage form.
 - b. We have revised the definition of "Property Damage" to clearly state that computerized or electronically stored data, programs or software are not tangible property.
 - c. We have revised the definition of "Bodily Injury" to explicitly state that bodily injury, including consequential mental anguish and death, must arise from injury, sickness or disease that is physical in character.

Rate Impact

For Coverage **A**, we believe the overall combined net impact on Educator Legal Liability loss costs of the proposed coverage enhancements and restrictions to be minimal. We are proposing no changes to the basic ELL rates at this time. However, we have eliminated the option of a \$1,000 deductible applicable to Coverage **A**. Expiring policies with a \$1,000 deductible, will be changed to a \$5,000 deductible upon renewal with the 04 08 edition of this coverage. This is a reduction in coverage and the ELL coverage premium will be reduced to reflect this change. A larger deductible option of \$25,000 has also been added as an option, with associated premium credits. The rules have been revised to reflect this change. A separate Actuarial Memorandum is attached to describe the premium impact of this change.

For the new optional Coverage **B**, Defense Reimbursement, a separate Actuarial Memorandum has been prepared and made a part of this package.

Other form changes

The following form(s) required a change due to the changes in the ELL Coverage Part. A side by side of the old and new form(s) is attached for your review.

Educators Legal Liability Coverage Part - Declarations (Claims Made) - HC 00 68 07 04 has been replaced with **HC 00 68 04 08**. This revision reflects the availability of optional Coverage **B**, Defense Reimbursement, and provides space to insert the Limits and Deductible, if applicable.

Supplemental Extended Reporting Period endorsement, HC 27 15 07 04, is replaced by **HC 27 15 04 08**. This revision was needed to reflect the changes made within the ELL coverage Part relative to the Limits of

Liability, now referencing both Coverage **A** and Coverage **B**, if applicable. The reference under Coverage **A** to Educators Legal Liability Aggregate has been changed to Wrongful Act Liability Aggregate, and the reference to Defense Reimbursement Aggregate for Coverage **B**, has been added.

Quick Reference – HC 70 36 07 04 replaced by **HC 70 36 04 08**. This revision reflects the changes to ELL Coverage Part.

New Form:

Limitation of Coverage – Prior Knowledge, HC 24 73 04 08 is a new form. The form was developed due to the rule change we are submitting within this filing, to allow underwriters to provide "Unlimited Prior Acts" coverage. This form will be used only when the ELL Coverage Part has formerly been issued with a specific Retroactive Date, and when the insured subsequently requests to change the Retroactive Date to "None" to secure "Unlimited Prior Acts" coverage. This endorsement excludes coverage for any known "wrongful act", fact, circumstance or situation that occurred prior to the existing retroactive date and was known by the "notice manager" at the time they requested "unlimited prior acts" coverage through the elimination of their Retroactive Date.

Doreen Scott, CPCU
Product Specialist, AR&PD
The Hartford
March 6, 2008



EDUCATORS LEGAL LIABILITY COVERAGE ~~FORM~~ CLAIMS MADE

THIS IS A 'CLAIMS MADE' COVERAGE PART. PLEASE READ ALL PROVISIONS AND CONTACT YOUR AGENT IF YOU HAVE ANY QUESTIONS. YOUR COVERAGE PART APPLIES ONLY TO WRONGFUL ACTS THAT OCCUR ~~BETWEEN~~ ~~ON~~ OR AFTER THE RETROACTIVE DATE, IF ANY, AND PRIOR TO THE END OF THE "POLICY PERIOD". YOUR COVERAGE PART APPLIES ONLY TO CLAIMS (I) FIRST MADE AGAINST THE INSURED ~~AND REPORTED TO US~~ OR AFTER THE INCEPTION DATE AND ~~BEFORE~~ PRIOR TO THE END OF THE "POLICY PERIOD" OR ANY APPLICABLE EXTENDED REPORTING PERIOD; AND (II) REPORTED PRIOR TO THE END OF THE "POLICY PERIOD" OR ANY APPLICABLE EXTENDED REPORTING PERIOD.

Comment [A1]: This is a comparison between the current edition of HC 00 67 07 04 and the new edition HC 00 67 04 08, which is being submitted for your approval. Deleted text is shown with cross-outs and new text is underlined. Please note that in many instances we have simply moved the text from one location to another, with no change in intent. We will use the comment "bubbles" to identify these situations, as well as to explain the rationale behind any other changes requiring an explanation.

Comment [A2]: The changes in this banner were updated to reflect the claims-made provisions in this coverage part.

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

Throughout this Coverage Part the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this Coverage Part. The words "we", "us" and "our" refer to the Company issuing this insurance.

The word "insured" means any person or organization qualifying as such under ~~WHO IS AN INSURED (SECTION Section II) – Who Is An Insured.~~

Other words and phrases that appear in quotation marks have specific meaning. They are defined in ~~DEFINITIONS (SECTION Section VI) – Definitions~~ or in the section in which they appear.

SECTION I – COVERAGES

A. Coverage A – Wrongful Act ~~Liability~~

1. Insuring Agreement

a. We will pay, on behalf of the insured, ~~altho~~se sums which the insured shall become legally obligated to pay as "loss" because of ~~anya~~ "claim" alleging a "wrongful act" to which this insurance applies.

~~The amount we will pay for "loss" is subject to a deductible and limited as described in Section III – Limits of Insurance and Deductible.~~

b. ~~We will have the right and duty to defend the insured against any "claim":~~

- (1) ~~Alleging a "wrongful act" to which Coverage A applies; and~~
- (2) ~~Seeking "loss" because of such "wrongful act".~~

~~However, we will have no duty to defend the insured against any "claim" seeking "loss" because of a "wrongful act" to which this insurance does not apply. Our right and duty to defend ends when we have exhausted either the Each Claim Limit or the Wrongful Act Liability Aggregate Limit as described in Section III – Limits of Insurance and Deductible.~~

~~We shall have the right to select counsel to defend a "claim" to which this insurance applies. At your request, we shall consult with you regarding the selection of counsel.~~

~~We will pay "defense expense" incurred in connection with any such "claim" we defend subject to a deductible as described in Section III - Limits of Insurance and Deductible. Payments for "defense expense" shall not exhaust the applicable Limits of Insurance for payment of "loss".~~

c. We may, at our discretion, investigate any allegation of "wrongful act" and settle any "claim" that may arise, provided:

- (1) ~~We have your written consent to settle; and~~
- (2) ~~The settlement is within the applicable Limit of Insurance available.~~

~~In the event you refuse to consent to any reasonable settlement we recommend and such settlement is acceptable to the claimant, our liability will be limited to the amount of "loss" for which the "claim" could have been settled. We will also have the right to reimbursement for any "defense expense" we pay in connection with the "claim" on behalf of the insured after the date of such refusal.~~

d. This insurance applies to a "wrongful act" which occurs anywhere in the world but only if:

- (1) ~~The insured's legal obligation to pay sums in connection with a "claim" to which this insurance applies is brought determined within the United States of America, its territories or possessions, Puerto Rico or Canada; according to the substantive law in such territory or as mutually agreed to;~~

Comment [A3]: The insuring agreement has been changed from one insuring agreement to two: Coverage A Wrongful Act Liability, and Coverage B – Defense Reimbursement. Many of the changes made within this form were made as a result of having an insuring agreement for a new Optional Coverage. Various provisions, including limits, deductibles, exclusions, definitions and other conditions needed to be updated to separately reference each Coverage.

Comment [A4]: This was moved here from previous insuring agreement section 1.e

Comment [A5]: The order of the Insuring Agreement 1.b through 1.e, has been changed to flow better. Section 1.b. describes the "right and duty to defend", which was previously contained in 1.d.

Comment [A6]: This is a change.

Comment [A7]: The deductible will now apply to defense expense which is a reduction in coverage.

Comment [A8]: Added the "consent to settle" provision, including a Hammer clause to address situations where the insured chooses not to approve settlement. Previously, we had the sole right to settle any claim.

Comment [A9]: Editorial change, no impact.

- (2) The "wrongful act" occurs ~~between, and including, on or after the Retroactive Date and the end of the "policy period". The Retroactive Date is the specific date entered in the Declarations or, if no date is entered, the policy inception Date~~any, shown in the Declarations; and before the end of the "policy period";;
- (3) ~~A~~The "claim" for "loss" because of the ~~alleging a "wrongful act" to which this insurance applies is first both:~~
- (a) First made against any insured, in accordance with paragraph e, below, during the "policy period" or any applicable Extended Reporting Period we provide under Section V – Extended Reporting Periods; and
 - (b) Reported to us either:
 - (i) During the "policy period" or within ninety (90) days thereafter, or
 - (ii) During any Extended Reporting Period we provide under Section V – Extended Reporting Periods; and
- (4) Prior to the inception date of ~~coverage under this~~ the first Educators Legal Liability Coverage Part issued and continuously renewed by us, the insured "Notice Manager" had no knowledge of the "claim" or of any "wrongful act", fact, circumstance or situation from which ~~might it could reasonably be expected to result in~~that a "claim" or "wrongful act" ~~that the insured had knowledge of,~~ fact, circumstance or situation is not covered ~~under~~by this insurance.
- e. A "claim" for "loss" because of a "wrongful act" is first made against an insured when notice of such "claim" is received and recorded by:
- (1) Any insured;
 - (2) Us; or
 - (3) ~~Our~~The agent of record, whichever comes first.
- Two or more "claims" arising out of a single "wrongful act" or a series of factually or causally related "wrongful acts" shall be considered one "claim". Any such "claim" ~~(e)"~~, whenever made ~~and reported to us~~, shall be considered ~~as~~ first made ~~and reported to us~~ as soon as the earliest "claim" was first made ~~and reported to us~~.
- ~~d. We will have the right and duty to defend the insured against any "claim":~~
- ~~(1) Alleging injury arising out of a "wrongful act" to which this insurance applies; and~~
 - ~~2) Seeking "loss" because of such injury.~~
- ~~We may at our sole discretion investigate any allegation of "wrongful act" and settle any "claim" that may arise.~~
- e. ~~The amount we will pay for "loss" will be in excess of the applicable deductible, if any, and as otherwise limited in LIMITS OF INSURANCE AND DEDUCTIBLE (SECTION III).~~
- f. ~~We will pay "defense expense", with respect to any "claim" we defend arising out of any "wrongful act". These payments will not reduce the applicable Limits of Insurance for payment of "loss". Our duty to defend and to pay for defense ends when we have used up either the Educators Legal Liability Aggregate Limit or the Each Claim Limit in payment of "loss".~~
- g. ~~We will have no duty to defend any insured against any "claim" to which this Coverage Part does not apply.~~
- h. ~~No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under this Coverage Part.~~

Comment [A10]: Mostly editorial, but in addition we changed this paragraph to reflect the fact that our rules will now permit us to have a Retroactive Date of "None".

Comment [A11]: This reiterates the duties in the event of a claim provision that this policy only applies to "claims" made and reported to us during the policy period or any Extended Reporting Period.

Comment [A12]: This is a confirmation of our intent to exclude "prior knowledge" as of our first ELL policy issued, not the inception date of each subsequent renewal.

Comment [A13]: We have introduced the definition of "Notice Manager" so that prior knowledge will be attributed only to the "Notice Manager", rather than to any "insured" as was the case in the previous coverage form. This is a coverage enhancement.

Comment [A14]: Editorial, no impact.

Comment [A15]: This was moved to insuring agreement 1.b.

Comment [A16]: This was moved to insuring agreement 1.a.

Comment [A17]: This was moved to insuring agreement 1.b.

Comment [A18]: . This was moved to insuring agreement 1.b

Comment [A19]: Deleted as redundant

Comment [A20]: Editorial, no impact.

Comment [A21]: The previous coverage form excluded prior knowledge of a "claim" in insuring agreement 1.b.(4), in the same paragraph as the exclusion for "prior knowledge" of "wrongful acts" which might reasonably be expected to result in a "claim". We have separated the "prior knowledge of a "claim" from our new insuring agreement provision 1.d.(4) and added it here as a Common Exclusion. This is more in line with how our competitors handle this exposure.

Comment [A22]: This exclusion has been moved to the Common Exclusions section so that it applies to all "wrongful acts". Previously it was excluded only as respects "Employment Benefits Wrongful acts", exclusion 4.e. This is a clarification of our intent and a restriction in coverage.

2. Common Exclusions

This insurance does not apply to:

a. Common Exclusions

1. Expected or Intended Act/Injury

Any "claim" arising out of ~~any a~~ "wrongful act ~~expected or intended from the standpoint of~~" committed by the insured with the intention or expectation of causing harm or injury.

2. Prior & Pending Claims

Any "claim":

- (a) Reported under any policy which was in effect prior to this Educators Legal Liability Coverage Part; or
- (b) Arising from any litigation or proceedings instituted prior to the effective date of this Educators Legal Liability Coverage Part, as well as future "claims" arising out of substantially the same pending or prior litigation or proceedings.

This exclusion shall only apply with respect to a pending or prior litigation or proceeding instituted prior to the effective date of the first Educators Legal Liability Coverage Part issued and continuously renewed by the Company.

3. ERISA

Any "claim" arising from any insured's legal obligations under the Employee Retirement Income Security Act of 1974, as now or hereafter amended, or by any similar federal, state or local laws.

4. Dishonest, Fraudulent, Criminal or Malicious Act

Any "claim" arising out of any dishonest, fraudulent, criminal, or malicious act or omission, or any willful violation of law by the insured.

This exclusion applies only if a judgment or other final adjudication, adverse to the insured, establishes:

~~(4)~~ such an act, omission or willful violation, ~~and~~ by the insured.

Comment [A23]: Editorial, no impact.

5. Sexual Abuse or Molestation

Any "claim" directly or indirectly arising out of, or in any way related to, the actual or threatened sexual abuse or molestation of any person.

6. Discrimination, Humiliation, or Failure to Integrate or Desegregate

Any "claim" arising out of, ~~discrimination, or humiliation, or~~ This includes, but is not limited to, a "claim" arising out of the failure to integrate or desegregate the student enrollment on the basis of a student's race, sex, ethnic background, religious or sexual preference in the "educational entity's":

~~(1) educational~~ Educational program;

~~(2) extracurricular~~ Extracurricular program; or

~~(3) transportation~~ Transportation of students to or from such programs.

Comment [A24]: Editorial, no impact

7. Professional Exclusion

Any "claim" directly or indirectly arising out of the rendering of or failure to render ~~any~~ professional services ~~as attorneys, medical personnel (including physicians, psychologists, chiropractors, dentists, nurses and hygienists), architects or engineers.~~ However, this exclusion shall not apply to any "claim" arising out of the education or teaching of students, or the "educational wrongful act" of a school ~~psychologist or school counselor employed by you.~~

Comment [A25]: This is a restriction in coverage. It is our intent to limit the professional services coverage under this policy to only those "claims" which arise out of the education of students or an "educational wrongful act".

8. Bodily Injury, Personal And Advertising Injury, or Property Damage

~~Bodily~~ Any "claim" arising out of "bodily injury", "personal and advertising injury", or "property damage". This exclusion does not apply to employment-related infliction of emotional distress arising out of an "employment practice wrongful act".

Comment [A26]: As respects school psychologists, this may be considered a broadening in coverage.

9. Illegal Financial Gain

Any "claim" arising out of any insured obtaining or attempting to obtain remuneration or financial gain to which such insured was not legally entitled.

10. Workers Compensation or Similar Laws

Any "claim" arising out of an obligation of the insured under a workers compensation, disability benefits or unemployment compensation law or any similar rule, regulation or law.

11. Insurance

Any "claim" arising out of the failure to purchase proper insurance or maintain adequate limits of insurance.

j. Contractual Liability

12. Breach of Contract

Any "claim" arising out of the ~~terms breach or alleged breach by the insured~~ of any contractual obligation.

This exclusion does not apply:

~~(1) to the alleged breach of contract, whether any oral, written, express or implied, creating contract;~~

~~(a) Creating or continuing an employer-employee relationship among the parties to the contract; or~~

~~(2) to our right and duty to defend any "claim" resulting from the failure to perform or the breach of any contract. However we will not defend any "claim" with respect to demolition or construction contracts.~~

~~(b) For educational services between the insured and a student~~

Comment [A27]: This has been changed to a Breach of Contract exclusion. Coverage for defense and indemnity will not apply to any "claim" resulting from the breach of any contract. The only two exceptions to this exclusion are "claims" for breaches of contracts relating to employment or educational services between the insured and a student

13. Physical Modifications And Changes In Business Operations

The costs of complying with ~~a~~ settlement or court order, ruling or judgment requiring physical modifications to your premises or any changes to your usual business operations as mandated by the Americans With Disabilities Act including any amendments, or any similar ~~local, state or federal~~ rule, regulation or law.

Comment [A28]: Editorial, no impact

14. Other Coverage

Any "claim" arising out of a "wrongful act" if coverage is provided by any other Coverage Part attached to this policy or by any other policy issued to you by any member Company of The Hartford Financial Services Group, Inc.. This exclusion also applies when the other coverage would have applied but for the exhaustion of its limits.

15. Pollution Hazard

Any "claim" directly or indirectly arising out of or in any way related to a "pollution hazard". In addition, we have no obligation under this insurance:

(1a) To investigate, settle or defend any claim against any insured alleging actual or threatened injury or damage of any nature or kind to persons or property which arises out of or would not have occurred but for the "pollution hazard"; or

(2b) To pay loss, judgments, settlements, damages, costs or expenses that may be awarded or incurred by reason of any such claim or any such injury or damage, or in complying with any action authorized by law and relating to such injury or damage.

"Pollution hazard" means an actual exposure or threat of exposure to the corrosive, toxic or other harmful properties of any solid, liquid, gaseous or thermal pollutants, contaminants, irritants or toxic substances, including smoke, vapors, soot, fumes, acids or alkalis, and waste materials consisting of any of the foregoing.

n16. Absolute Asbestos Hazard

Any "claim" directly or indirectly arising out of or in any way related to an "asbestos hazard". We will not pay for "loss", judgments, settlements, damages, costs or any expenses that:

Comment [A29]: Editorial, no impact.

(1a) May be awarded or incurred by reason of any claim alleging actual or threatened injury or damage of any nature or kind to persons or property which would not have occurred in whole or in part but for the "asbestos hazard"; or

(2b) Arise out of any request, demand or order to test for, monitor, clean up, remove, encapsulate, contain, treat, detoxify or neutralize or in any way respond to or assess the effects of an "asbestos hazard"; or

(3c) Arise out of any claim for loss because of testing for, monitoring, cleaning up, removing, encapsulating, containing, treating, detoxifying or neutralizing or in any way responding to or assessing the effects of an "asbestos hazard".

"Asbestos hazard" means an exposure or threat of exposure to the actual or alleged properties of asbestos and includes the mere presence of asbestos in any form.

e17. War

Any "claim" for "loss", however caused, arising, directly or indirectly, out of:

(1a) War, including undeclared or civil war; or

(2b) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

(3c) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

3b. Additional Exclusions

1. Additional Exclusions Applicable to "Employment Practice Wrongful Acts"

This insurance does not apply to:

a. Future Pay, Relief And Loss

Any "claim" for ~~front pay, including future "loss" or other future economic relief or the equivalent thereof, loss, including front pay, which compensate~~ the claimant for "loss" beyond the date of settlement or adjudication.

Comment [A30]: Editorial, no impact.

This exclusion applies only if the insured is either ordered or has the option pursuant to a judgment or other disposition to reinstate the "employee" but fails to do so.

b. Strikes Labor Disputes

Any "claim" arising out of any lockout, strike, picket line, ~~related~~ worker replacement(s) or other ~~similar~~ actions resulting from labor disputes or labor negotiations.

Comment [A31]: Editorial, no impact.

c. Certain Other Laws

Any actual or alleged violation of the responsibilities, obligations or duties imposed by the Fair Labor Standards Act (other than the Equal Pay Act), the National Labor Relations Act, the Worker Adjustment and Retraining Notification Act, the Consolidated Omnibus Budget Reconciliation Act, and the Occupational Safety and Health Act, ~~the Immigration and Nationality Act, Title IX of the Education Amendments of 1972, the Immigration Reform and Control Act or any statute relating.~~ This exclusion also applies to ~~the benefits, compensation or employment of veterans; or any amendment to any of the foregoing statutes, any rules or regulations promulgated under the foregoing statutes or any other similar law.~~

Comment [A32]: As respects "Employment Practice Wrongful Acts" coverage, we no longer exclude claims arising out of the Immigration and Nationality Act, Title IX of the Educational Amendments of 1972, and the Immigration Reform and Control Act. This is a coverage enhancement.

This exclusion does not apply to liability for "employment practice wrongful acts" that the insured would have in the absence of these statutes.

42. Additional Exclusions Applicable to "Employment Benefits Wrongful Acts"

This insurance does not apply to:

a. Civil or Criminal ~~Liability~~ Liability

Any "claim" alleging civil or criminal liability imposed on the part of the insured, arising out of:

- (1) Any failure by the insured to comply with any federal or state statutory or regulatory reporting requirement relating to an "employee benefits program"; or
- (2) The commission or omission by the insured of any act in connection with the management of assets of the "employee benefits program" which is prohibited under any federal or state statute or regulation in connection with the management of assets of an "employee benefits program".

For the purposes of this exclusion, civil or criminal liability includes pre- or post-judgment costs or expenses.

Comment [A33]: Editorial, no impact.

b. Failure Of Investments To Perform As Represented

Any "claim" arising out of the failure of any investment or saving program to perform as represented by an insured.

c. Advice Regarding Participating In Employee Benefits Programs

Any "claim" alleging an "employment benefits wrongful act" that arises arising out of advice given by any insured to an "employee" regarding whether to participate or not to participate in any "employee benefits program".

d. Failure To Perform

Any "claim" arising out of the failure of any insured to perform any obligation or fulfill any guarantee with respect to:

- (1) The payment of benefits under any "employee benefits program"; or

- (2) The providing, handling or investing of funds relating to any of these.

e. An Insured's Activities In A Fiduciary Capacity

Any "claim" arising out of:

- (1) An insured's activities as a trustee or in any similar fiduciary capacity with regard to any employee benefits plan, pension plan or amounts due under any fringe benefit or retirement such program.
- (2) The insured's activities as a fiduciary under the Employee Retirement Income Security Act of 1974 and any amendments thereof or any regulation or orders issued pursuant thereto; or
- 3) The purchase, sale, marketing, issuance or retirement of bonds or other debt instruments by the insured.

Comment [A34]: The ERISA exclusion has been moved to the Common Exclusions section. The remainder of this exclusion has been deleted.

53. Additional Exclusions Applicable to "Directors and Executive Officers Wrongful Acts"

This insurance does not apply to any "claim":

a. Return of Remuneration

For Any "claim" for the return by a "director" or "executive officer" of any remuneration paid to the "director" or "executive officer" without previous approval of the appropriate executive board of authority, which unapproved payment without such approval shall be held by the courts to have been illegal, unlawful.

Comment [A35]: Editorial, no impact.

b. Service to Other Entities

Based Any "claim" based upon, arising out of, directly or indirectly from, or in any matter way related to service or activities of any "director's" or "executive officer's" service as a director, or executive officer, trustee, regent, governor or employee of any entity other than the "educational entity" named in the Declarations. However, this exclusion does not apply to a "director's" or "executive officer's" service for a non-profit organization, if such service is specifically directed or requested by the "educational entity".

Comment [A36]: Editorial, no impact

Comment [A37]: Editorial, no impact.

c. Action Brought Against Another Director

Brought by or on behalf of past, present or future "directors" or "executive officers" including their estates, beneficiaries, heirs, legal representatives or assigns, or on behalf of the "educational entity", its subsidiaries, Any "claim" brought against one or more past, present or future "directors" or "executive officers" by or on behalf of:

- (1) Any past, present, or future "directors" or "executive officers"; or

- (2) The "educational entity" or any of its affiliates, or subsidiaries.

However, this exclusion does shall not apply to a "claim" against a "director" or "officer" for contribution or indemnity, if the "claim" directly results from for expense or liability arising out of another "claim" that is otherwise covered under this Coverage Part.

Comment [A38]: This is our new Coverage B, Defense Reimbursement for "non-monetary relief defense costs". When ELL Coverage A, Wrongful Act Liability, is purchased, Coverage B is a new optional coverage available for purchase for a separate premium, and for sub-limits and deductibles as shown in the Rules. This coverage provides for a reimbursement of costs incurred by the insured to defend a "claim" for non-monetary relief, which is not covered under "loss" for Coverage A. "Loss" covered under Coverage A only includes compensatory monetary awards.

B. Coverage B – Defense Reimbursement (Optional Coverage)

1. Insuring Agreement

- a. If a limit of insurance is shown in the declarations for Coverage B, Defense Reimbursement, we will reimburse you for reasonable "non-monetary relief defense costs" that you incur because of a "claim", as

defined in Section VI, Definitions, paragraph 4, which seeks non-monetary relief to which Coverage B applies. We will not reimburse you for "non-monetary relief defense costs" you incur for any "claim" seeking non-monetary relief to which Coverage B does not apply.

The amount we will reimburse you for "non-monetary relief defense costs" is limited as described in Section III – Limits of Insurance and Deductible.

b. This insurance applies only if:

- (1) The "claim" seeks solely non-monetary, equitable, or injunctive relief, and the allegations therein arise out of an "educational wrongful act" that takes place anywhere in the world, but only if the insured's responsibility for the "claim" is determined within the United States of America, its territories or possessions, Puerto Rico or Canada according to the substantive law in such territory or as mutually agreed to;
- (2) The "educational wrongful act" occurred on or after the Retroactive Date, if any, shown in the Declarations and before the end of the "policy period"; and
- (3) The "claim" seeking non-monetary, equitable, or injunctive relief is both:
 - (a) First filed against any insured during the "policy period" or any Extended Reporting Period we provide under Section V – Extended Reporting Periods; and
 - (b) Reported to us either:
 - (i) During the "policy period" or within ninety (90) days thereafter, or
 - (ii) During any Extended Reporting Period we provide under Section V – Extended Reporting Periods.
- (4) Prior to the inception date of the first Educators Legal Liability Coverage Part issued and continuously renewed by us, the "Notice Manager" had no knowledge of any "wrongful act", fact, circumstance or situation from which it could reasonably be expected that a "claim" could arise. Any such "wrongful act", fact, circumstance or situation is not covered by this insurance.

Coverage B does not apply to the extent a defense is provided or will be provided to the insured in connection with the "claim" under any insurance otherwise available to the insured, including Coverage A of this policy.

2. Exclusions

Coverage for Defense Reimbursement does not apply to "non-monetary relief defense costs" arising out of any "claims" which are subject to any of the exclusions listed in Section I.A.2(a) – Common Exclusions, except exclusion 6. Discrimination, Humiliation, or Failure to Integrate or Desegregate.

SECTION II - WHO IS AN INSURED

Each of the following is an insured to the extent set forth below:

1. You, the "educational entity";
2. Your Board and its members, trustees and directors;
3. Any commission, board, authority, administrative department or other similar unit operated under your jurisdiction authority; and its members, trustees and directors. This includes the spouses of directors or trustees but only to the extent they are involved in "claims" solely because of their status as the spouse of the director or trustee;
4. Your "employees", student teachers, substitute teachers, teaching assistants, and work-grant students;
5. Your students participating in the course of a supervised internship program sponsored by the "educational entity"; and in satisfaction of curriculum requirements, but only while performing services or activities within the scope of the internship program;
6. ~~Authorized volunteers. Parent-teacher organizations or associations are insureds, but only if the organization or association is under the direct supervision of your governing board and only while performing services or activities authorized by you. A parent-teacher organization or association is not an insured if it is insured under any other insurance; and~~
7. Your "volunteer workers".

The persons or organizations described above, whether past, present or future, are insureds, but only while acting within the scope of their duties for, or for activities sponsored by, the "educational entity" or as otherwise described above.

Comment [A39]: Editorial, no impact.

Comment [A40]: This is a coverage enhancement. This does not apply if the PTO has its own insurance.

Comment [A41]: We changed this reference from "authorized volunteers" to the CGL definition of "volunteer workers" to be consistent. This could be construed as a reduction in coverage.

SECTION III - LIMITS OF INSURANCE AND DEDUCTIBLE

1. LIMITS OF INSURANCE

- a. The Limits of Insurance shown in the Declarations are the most we will pay regardless of the number of:
 - (1) Insureds;
 - (2) "Claims" made; or
 - (3) Persons or organizations making "claims".

- b. **Limits of Insurance Applicable to Coverage A**
 (1) The ~~Educators Legal~~ Wrongful Act Liability Aggregate Limit is the most we will pay for the sum of all "claims" for "loss" because of all "claims" alleging "wrongful acts" to which ~~this insurance~~ Coverage A applies.
~~c. (2) Subject to b. paragraph (1) above, the Each Claim Limit is the most we will pay for all "loss" arising out of any one "claim", and shall be subject to the Each Claim Deductible to which Coverage A applies. Two or more "claims" arising out of a single "wrongful act" or a series of factually or causally related "wrongful acts" shall be considered one "claim". Any such "claim(s)" whenever made and reported to us shall be considered as first made and reported to us as soon as the earliest "claim" was first made and reported to us.~~
- c. **Limits of Insurance Applicable to Coverage B**
 (1) The Defense Reimbursement Aggregate Limit is the most we will reimburse you for the sum of all "non-monetary relief defense costs" because of all "claims" to which Coverage B applies.
 (2) Subject to paragraph (1) above, the Defense Reimbursement Each Claim Limit is the most we will reimburse you for "non-monetary relief defense costs", arising out of any one "claim" to which Coverage B applies.
 Two or more "claims" arising out of a single "wrongful act" or a series of factually or causally related "wrongful acts" shall be considered one "claim".
- d. The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the "policy period" shown in the Declarations, unless the "policy period" is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

Comment [A42]: With the addition of new optional Coverage B for Defense Reimbursement, the policy now contains changes to reflect any distinctions between Coverage A and Coverage B.
 a. The Limits of Liability and Deductible section has been amended to reflect this change, including a renaming of the previous Aggregate limit from "Educator's Legal Liability Aggregate Limit" to "Wrongful Act Liability Aggregate Limit".
 b. When Coverage B is purchased, then a "Defense Reimbursement Aggregate Limit" also applies.

2. DEDUCTIBLE

- a. **Coverage A** - Our obligation to pay "loss" or "defense expense" on your behalf applies only to the amount of "loss" or "defense expense" in excess of the Deductible - Each Claim stated in the Declarations.
~~b. For each "claim", we will only pay those sums that are in excess of the deductible amount designated as the Deductible - Each Claim. However, weWe~~ may pay any part or all of the Deductible - Each Claim to effect settlement of any "claim" and upon notification of the action taken, you shall promptly reimburse us for such part of the deductible that has been paid by us.
- b. **Coverage B** - Our obligation to reimburse you for "non-monetary relief defense costs" applies only to the amount of such costs in excess of the Deductible stated in the Declarations as applicable to Coverage B.
- c. The terms of this Coverage Part including those with respect to our right and duty to defend any "claim" and your duties in the event of a "claim" apply irrespective of the application of the deductible.

Comment [A43]: The deductible for Coverage A will now apply to "defense expense". This is a coverage restriction.
Comment [A44]: Editorial, no impact.
Comment [A45]: Our new optional Coverage B, Defense Reimbursement, is also subject to a deductible as stated in the Declarations for Coverage B.

SECTION IV - CONDITIONS

1. DISCOVERY ~~CLAUSE~~PROVISION

- a. If any insured first becomes aware of a specific "wrongful act" that occurred ~~between~~ on or after the retroactive date, if any, and before the end of the "policy period" that may reasonably be expected to give rise to a "claim" under any of the Coverages provided under this Coverage Part; and
- b. The insured provides us with written notice of that "wrongful act" not later than 90 days after the end of the "policy period", including the following information:
 (1) How, when and where the "wrongful act" took place;
 (2) The names and addresses of any persons involved in, or witnessing, such "wrongful act"; and
 (3) The nature of any injury that may arise out of the "wrongful act";
 Then any "claim" made subsequently arising out of such "wrongful act" shall be deemed for the purposes of this insurance to have been made ~~and reported during the date on which such notice was given to us~~ "policy period".
 Notice of a "wrongful act" is not notice of a "claim".

Comment [A46]: Editorial, no impact.
Comment [A47]: Reference changed to reflect the fact that there are now two potential coverages, when coverage B is selected as an option.
Comment [A48]: Restatement of intent.

2. DUTIES IN THE EVENT OF A "CLAIM"

- a. If a "claim" is ~~received by~~ made against any insured, you must:
 (1) Immediately record the specifics of the "claim" and the date received; and
 (2) ~~Notify~~ Report the "claim" to us in writing as soon as practicable, but in no event later than 90 days after the end of the "policy period", unless the or as required in any Supplementary Extended Reporting Period (Section V), which is purchased under Section V - Extended Reporting Periods.
- b. You and any other involved insured must:
 (1) Immediately send us copies of any legal papers, including demands, notices, summonses or legal papers/complaints in connection with the "claim";
 (2) Authorize us to obtain records and other information;

Comment [A49]: Editorial, no impact.
Comment [A50]: Restatement of intent to be consistent with the claims-made and reported requirements of this coverage.
Comment [A51]: Editorial, no impact.

- (3) Cooperate with us in the investigation, settlement or defense of the "claim"; and
- (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to any insured because of ~~injury or damage~~ "loss" to which this insurance applies.

c. ~~No~~With respect to Coverage A, no insureds will, except at their own cost, voluntarily make any payment, assume any obligation or incur any expense, including "defense expense", without our consent.

Comment [A52]: Distinction made necessary due to addition of new Coverage B option. No impact.

3. LEGAL ACTION AGAINST US

No person or organization has a right under this insurance:

- a. To join us as a party or otherwise bring us into a suit asking for "loss" from any insured; or
- b. To sue us on this insurance unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured obtained after an actual trial, but we will not be liable for "loss" that is not payable under the terms of this Coverage Part or that is in excess of the applicable Limit of Insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and either the claimant or the claimant's legal representative.

4. TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

If any insured has rights to recover all or part of any payment we have made under this insurance, those rights are transferred to us. ~~Any insured must do nothing and shall not be impaired after loss to impair them by any insured.~~ At our request, any insured will bring suit or transfer those rights to us and help us enforce them.

Comment [A53]: Editorial, no impact.

5. BANKRUPTCY

Bankruptcy or insolvency of any insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

6. OTHER INSURANCE

If other valid and collectible insurance is available to the insured for a "loss" we cover under this Coverage Part, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary except when **paragraph b.** below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then we will share with all that other insurance by the method described in **c.** below.

b. Excess Insurance

(1) This insurance is excess over any other insurance, whether primary, excess, contingent or on any other basis, that is:

(a) ~~effective~~Effective prior to the beginning of the "policy period" shown in the Declarations and applies to "loss" on other than a claims-made basis, if:

- (i) This Coverage Part has a Retroactive Date that precedes the beginning of the "policy period"; or
- (ii) The other insurance has a policy period which continues after the Retroactive Date shown in the Declarations.

(b) ~~available~~Available to a covered "director" or "executive officer" while acting for a non-profit organization at the request of the "educational entity".

(2) When this insurance is excess, we will have no duty to defend any "claim" that any other insurer has a duty to defend. If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

(3) When this insurance is excess, we will pay only our share of the amount of "loss", if any, that exceeds the sum of:

(a) The total amount that all such other insurance would pay for "loss" in the absence of this insurance; and

(b) The total of all deductible and self-insured amounts under all other insurance.

We will share the remaining "loss", if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

c. Method of Sharing

If all the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the "loss" remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

7. NON-RENEWAL

a. If we decide not to renew this insurance, we will mail or deliver written notice of non-renewal to the Named Insured first shown in the Declarations at least 30 days before the end of the "policy period".

- b. If notice is mailed, we will mail it to the Named Insured first shown in the Declarations at the last mailing address known to us. Proof of mailing will be sufficient proof of notice.
- c. If we offer to renew this insurance and the Named Insured first shown in the Declarations does not accept our offer during the current "policy period", this insurance will expire at the end of such "policy period".
- d. Any state amendatory endorsement changing Nonrenewal Conditions for any part of this policy shall also apply to this Coverage Part.

8. SEPARATION OF INSUREDS

Except with respect to the Limits of Insurance and any rights or duties specifically assigned in this Coverage Part to the Named Insured first shown in the Declarations, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom a "claim" is **broughtmade**.

9. REPRESENTATIONS

By accepting this insurance, you agree:

- a. The statements in the Declarations are accurate and complete;
- b. Those statements are based upon representations you made to us; and
- c. We have issued this insurance in reliance upon your representations.

10. YOUR RIGHT TO CLAIM AND WRONGFUL ACT INFORMATION

We will provide the Named Insured first shown in the Declarations the following information relating to this and any preceding Educators Legal Liability ~~Claims-Made-Coverage FormPart~~ we have issued to you during the previous three years:

- a. A list or other record of each "wrongful act" not previously reported to any other insurer, of which we were notified in accordance with ~~the Discovery Clause Condition of CONDITIONS (SECTION IV) paragraph a. of the Duties In The Event Of A "Claim" Condition or the Discovery Provision Condition of Section IV - Conditions.~~ We will include the date and brief description of the "wrongful act" if that information was in the notice we received.

Comment [A54]: Editorial, no impact.

- b. A summary by policy year, of "claim" payments made and amounts reserved. Amounts reserved are based on our judgment. They are subject to change and should not be regarded as ultimate settlement values.

We will provide this information only if we receive a written request from the Named Insured first shown in the Declarations within 60 days after the end of the "policy period". In this case, we will provide this information within 45 days of receipt of the request.

We compile "claim" and "wrongful act" information for our own business purposes and exercise reasonable care in doing so. In providing this information to the Named Insured first shown in the Declarations, we make no representations or warranties to insureds, insurers, or others to whom this information is furnished by or on behalf of any insured. Cancellation or nonrenewal ~~willshall not be effective evenrendered ineffective~~ if we provide inaccurate information or fail to provide the information.

Comment [A55]: Editorial, no impact.

11. CONTINUITY OF DEFENSE

- a. When, in our judgment, we believe that ~~the Educators LegalWrongful Act Liability Aggregate Limit either will be used up or~~ has been ~~used up~~ ~~will be exhausted~~, we will notify:

Comment [A56]: Reflects revised name of Agg limit previously described. No impact.

- (1) The Named Insured first shown in the Declarations ~~as to that effect;~~
- (2) ~~The Named Insured first shown in the Declarations of any outstanding~~following:

- (a) "Claims" to which this insurance applies; and
- (b) "Claims" for which our duty to pay for "defense expense" will end or has ended; and
- (32)Any other involved insured, as soon as practicable, of any outstanding "claim":
 - (a) In which we are defending that insured; and
 - (b) For which our duty to pay or reimburse for "defense expense" will end or has ended.

- b. The Named Insured first shown in the Declarations and any other involved insured must, as soon as practicable, arrange for the defense of any outstanding "claim" and any future "claim" for which our duty to defend will end or has ended.

- c. We will cooperate in arranging for the transfer of control of any outstanding "claim".

- d. After our duty to defend any "claim" has ended and until such arrangements are completed, we ~~shall~~may take on behalf of the insured those steps that we think appropriate to avoid a default in any "claim"; or continue the defense of any "claim".

You agree that if we take such steps:

- (1) We do not waive or give up any of our rights under this insurance; and
- (2) You will reimburse us for any "defense expense" that arises out of such steps.

12. IF YOU ARE PERMITTED TO RETAIN DEFENSE COUNSEL

If by mutual agreement ~~or~~, court order ~~or case law~~, the insured is given the right to retain defense counsel ~~the following provisions apply~~in connection with a "claim" for "loss" to which Coverage A applies:

Comment [A57]: Editorial, no impact.

- a. We retain the right, at our discretion, to:
 - (1) Settle, approve or disapprove the settlement of any "claim"; and
 - (2) Appeal any judgment at our expense.
- b. You and any other involved insured must:
 - (1) Continue to comply with the provisions of this Coverage Part; and
 - (2) Direct defense counsel to:
 - (a) Furnish us with the information we may request to evaluate any "claim" and coverage under this Coverage Part for any such "claim"; and
 - (b) Cooperate with any counsel we may select to monitor or associate in the defense of any such "claim".

SECTION V - EXTENDED REPORTING PERIODS

- 1. We will provide one or more Extended Reporting Periods, as described below, if:
 - a. This Coverage Part is canceled or not renewed for any reason; or
 - b. We renew or replace this Coverage Part with insurance that:
 - (1) Has a Retroactive Date later than the date shown in the Declarations of this Coverage Part; or
 - (2) Does not apply to "loss" resulting from "wrongful acts" on a claims-made basis.

- 2. A Basic Extended Reporting Period is automatically provided without additional charge. This period starts with the end of the "policy period" and lasts for 90 days for "claims" arising out of "wrongful acts" not previously reported to us under the Discovery ~~Clause~~ ~~Provision~~ Condition of ~~CONDITIONS~~ ~~(SECTION~~ ~~Section IV) -~~ ~~Conditions.~~

The Basic Extended Reporting Period does not apply to "claims" that are covered under any subsequent insurance you purchase, or that would be covered but for exhaustion of the amount of insurance applicable to such "claims".

- 3. A Supplementary Extended Reporting Period of unlimited duration is available, but only by an endorsement and for an extra charge. This supplemental period starts when the Basic Extended Reporting Period ends. You must give us a written request for the endorsement no later than 60 days after the end of the "policy period". The Supplemental Extended Reporting Period will not go into effect unless you pay the additional premium promptly when due. The additional premium will be based upon the annual premium for this Coverage Part. Where premium is due for coverage under this claims-made coverage part, any monies received for payment for the Supplemental Extended Reporting Period, shall first be applied to such premium owed for the policy. The Supplemental Extended Reporting Period will not take effect until the premium owed for the claims-made coverage part is paid in full and the premium for the Supplemental Extended Reporting Period is paid promptly when due.

The Supplemental Extended Reporting Endorsement shall set forth the terms, not inconsistent with this Section, applicable to the Supplemental Extended Reporting Period, including a provision to the effect that the insurance afforded for "claims" first received during such period is excess over any other valid and collectible insurance available under policies in force after the Supplemental Extended Reporting Period starts.

- 4. Extended Reporting Periods do not extend the "policy period" or change the scope of coverage provided. They apply only to "claims" for "wrongful acts" that occur before the end of the "policy period" (but not before the Retroactive Date, if any, shown in the Declarations).

"Claims" which are first received and recorded during the Basic Extended Reporting Period (or during the Supplemental Extended Reporting Period, if it is in effect) will be deemed to have been made on the last day of the "policy period". Once in effect, Extended Reporting Periods may not be canceled.

- 5. Extended Reporting Periods do not reinstate or increase the Limits of Insurance applicable to "loss" or ~~or~~ **"non-monetary relief defense costs"** to which this Coverage Part applies, except to the extent described in paragraph 6. of this Section.

Comment [A58]: Updated to include reference to coverage under optional Coverage B, if applicable.

- 6. If the Supplemental Extended Reporting Period is in effect, we will provide the separate limit of insurance described below, but only for "claims" first received and recorded during the Supplemental Extended Reporting Period.

The separate aggregate limit of insurance will be equal to the dollar amount shown in the Declarations as the ~~Educators Legal~~ ~~Wrongful Act~~ Liability Aggregate Limit and, if applicable, the Defense Reimbursement Aggregate Limit in effect at the end of the "policy period".

Comment [A59]: Updated to reflect limits applicable to Coverage A and B, if applicable.

Paragraph 1.b. of ~~SECTION III - LIMITS OF INSURANCE AND DEDUCTIBLE~~ will be and 1.c. of Section III - Limits of Insurance and Deductible are amended accordingly.

SECTION VI - DEFINITIONS

1. "Advertisement" means the widespread public dissemination of information or images that has the purpose of inducing the sale of goods, products or services through:
- (1) Radio;
 - (2) Television;
 - (3) Billboard;
 - (4) Magazine;
 - (5) Newspaper; or
- b. Any other publication that is given widespread public distribution.

Comment [A60]: This definition has been updated to be consistent with the Commercial General Liability Definition.

However, "advertisement" does not include ~~the~~:

- ~~The~~ design, printed material, information or images contained in, on or upon the packaging or labeling of any goods or products; or
 - ~~An interactive conversation between or among persons through a computer network.~~
2. "Advertising idea" means any idea for an "advertisement".

3. "Bodily injury" means ~~bodily injury, sickness or disease~~ physical:

- Injury;
- Sickness; or
- Disease

sustained by a person, ~~including and, if arising out of the above,~~ mental anguish or death ~~resulting from any of these~~ at any time.

Comment [A61]: This definition has been updated to be consistent with the Commercial General Liability Definition.

4. "Claim" means:

a. ~~As respects Coverage A – Wrongful Act Liability:~~

(1) A demand received by any insured for "loss" alleging an "employment benefits wrongful act" or an "educational wrongful act", or

(2) A demand received by any insured.

~~b. A written or oral notice presented by or on behalf~~ alleging "loss" arising out of:

(1) ~~Any "employee", former "employee" or applicant for any "employment by you; or~~

(2) ~~practice wrongful act~~", including any notices received from The Equal Employment Opportunity Commission or any other ~~Federal~~ federal, state or local administrative or regulatory agency on behalf of such person ~~noted in item (1) above; or~~

~~that the insured is responsible for "loss" as a result of injury arising out of any "employment practice wrongful act".~~

~~c. (3) For an alleged "directors and executive officers wrongful act":~~

(1) ~~Any~~, any written demand or any judicial or administrative suit or proceeding against any "director" or "executive officer" which seeks monetary, ~~equitable or other civil relief~~ damages, including any appeal therefrom; or

(2) ~~Written notice to us by you, a "director" or "executive officer" during the "policy period" describing circumstances that are likely to give rise to a "claim" being made against the "directors" or "executive officers":~~

~~d. "Claim" includes any~~ Any civil proceeding or suit in which ~~either~~ "loss" is alleged ~~or fact finding will take place, when either is the actual or alleged result of in connection with any "wrongful act" to which this insurance Coverage A applies. This includes, including:~~

(1a) An arbitration proceeding in which such "loss" is claimed, and to which the insured submits with our consent;

(2b) Any ~~other~~ alternative dispute resolution proceeding in which such "loss" is claimed and to which the insured submits with our consent; or

(3c) Any administrative proceedings established under applicable federal, state or local laws as may be applicable to "employment practice wrongful acts" covered under this insurance ~~in which "loss" can be awarded.~~

b. ~~As respects Coverage B – Defense Cost Reimbursement:~~

Any civil proceeding or suit seeking solely non-monetary, equitable, or injunctive relief for an "educational wrongful act", including:

(1) Administrative proceedings established under applicable federal, state or local laws as may be applicable to "educational wrongful acts" covered under Coverage B; and

(2) Arbitration proceedings and alternative dispute resolutions.

However, "Claim" does not include investigations, audits, or requests for information from governmental entities or others, including but not limited to accrediting organizations, athletic associations and professional societies.

Comment [A62]: Due to the addition of optional Coverage B, we have made changes to the definition of "claim" to separately address each Coverage A and Coverage B.

Comment [A63]: The changes made to section 4.b. are editorial, no impact.

Comment [A64]: Revised this definition to be consistent with the definition of "Loss" as being only applicable to monetary awards.

Comment [A65]: Deleted paragraph c.(2) to be consistent with Claims-made and Reported requirements of this policy. This may be considered a reduction in coverage. However, the Discovery Provision of this policy does permit any insured, including a "director" or "executive officer" to report a specific "wrongful act" that may reasonably be expected to give rise to a "claim" (if the "wrongful act" occurred on or after the retroactive date, if any, and before the end of the "policy period"). See Section IV, Condition 1, Discovery Provision for details.

Comment [A66]: Editorial, no impact.

Comment [A67]: Due to the addition of optional Coverage B, we have made changes to the definition of "claim" to separately address each Coverage A and Coverage B.

5. "Defense Expense" **we pay under Coverage A** means payments allocated to a specific "claim" for investigation or defense, including:
- Fees and salaries of attorneys and paralegals we retain, including attorneys and paralegals who are our employees.
 - Fees of attorneys the insured retains when by mutual agreement or court order the insured is given the right to retain defense counsel to defend a "claim".
 - The cost of appeal bonds or bonds to release attachments in any "claims" we are defending, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
 - Costs taxed against the insured in the ~~"claim"~~ **suit**.
 - All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the "claim" or suit, including actual loss of earnings up to \$500 a day because of time off from work.
 - All other litigation expenses.
 - Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.
 - All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

Comment [A68]: Added reference to Cov A, since this "defense expense" does not apply to Coverage B.

"Defense expense" does not include salaries and expenses of ~~our employees or the insured's "employees" ("~~ other than those described in ~~a. and paragraph b. above)~~ **and does not include fees and expenses of independent adjusters we hire.**

Comment [A69]: Elimination of unnecessary wording.

6. "Director" means:
- Any member of the governing board of the "educational entity", whether designated as "Director" or by any other title;
 - The estates, heirs or legal representatives of deceased persons who were "directors" at the time of the "directors and executive officers wrongful act".
7. "Directors and executive officers wrongful act" means any breach of duty, neglect, error, misstatement, misleading statement, or omission by one or more "directors" or "executive officers" so alleged by any claimant solely by reason of their being a "director" or "executive officer" of the "educational entity".
8. "Educational entity" means the school shown in the Declarations. "Educational entity" includes subsidiary and affiliated entities and associations shown in the Declarations.
9. "Educational wrongful act" means any actual or alleged act, error, or omission, ~~including any:~~
- ~~Neglect or breach of duty; or~~
 - ~~Misstatement or misleading statement~~
- of by any insured in the performance of the insured's educational functions and while acting within the scope of his or her duties for the "educational entity" or as authorized by you.**
10. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker" but does include substitute teachers.
- "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business.
- "Temporary worker" means a person, other than a substitute teacher, who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.
11. "Employee benefits program" means a formal program or programs of employee benefits maintained in connection with your business or operation, such as but not limited to:
- Group Life Insurance, Group Accident or Health Insurance, Profit Sharing Plans, Pension Plans and Employee Stock Subscription Plans, provided that no one other than an "employee" may subscribe to such insurance or plans; and
 - Unemployment Insurance, Social Security Benefits, Workers' Compensation and Disability Benefits.
12. "Employment benefits wrongful act" means any negligent act, error or omission in the "administration" of your "employee benefits program".
- "Administration" means:
- Giving counsel to your "employees" or their dependents and beneficiaries, with respect to interpreting the scope of your "employee benefit programs" or their eligibility to participate in such program; and
 - Handling records in connection with "employee benefit programs".
13. "Employment practice wrongful act" means any error, misstatement, misleading statement, act, omission, neglect, or breach of duty actually or allegedly committed or attempted by any insured in connection with any:
- Wrongful dismissal, discharge or termination in employment, whether actual or constructive;
 - Wrongful failure to hire or promote;

Comment [A70]: We changed the definition to include the fees and expenses of independent adjusters we hire. This is a reduction in coverage since the deductible will therefore apply against this category of "defense expense".

Comment [A71]: We have revised this definition to require that the "wrongful act" relate more specifically to the insured's educational functions. This may be considered a reduction in coverage.

- c. Wrongful discipline or demotion;
 - d. Wrongful failure to create, apply or enforce any employment-related policy or procedure;
 - e. Wrongful failure to grant tenure;
 - f. Breach of an oral or written contract creating or continuing an employer-employee relationship among the parties to the contract;
 - g. Employment-related misrepresentation or defamation;
 - h. Employment-related invasion of privacy;
 - i. Employment-related infliction of emotional distress;
 - j. Employment-related unlawful discrimination, including, but not limited to, discrimination based upon age, gender, sex, pregnancy, race, color, national origin, religion, sexual orientation, sexual preference, marital status, disability or any other class of persons protected under any federal, state, municipal or local law;
 - k. Employment-related unlawful sexual harassment or other form of workplace harassment, including hostile work environment and quid pro quo harassment, prohibited by any federal, state, municipal or local law;
 - l. Employment-related unlawful retaliation against a past, present or future employee of yours prohibited by any federal, state, municipal or local law;
 - m. Violation of the Family and Medical Leave Act, as amended;
 - n. Negligent hiring, evaluation, retention or supervision related to any of the above actual or alleged acts only; provided that the actual or alleged "employment practices wrongful act" is directed against a past, present or future employee (whether supervisory, co-worker, subordinate, part-time, or seasonal) of yours, or an applicant for employment with you.
14. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.

15. "Non-monetary relief defense costs" we pay under Coverage B means reasonable and necessary attorneys fees and expenses, court costs, the cost of appeal bonds and other costs incurred as a result of a covered "claim", seeking non-monetary, equitable, or injunctive relief.

Comment [A72]: Added this new definition to define the expenses we will reimburse when optional Coverage B is purchased.

16. "Loss" means a compensatory monetary award, settlement or judgment, ~~including damages for which you may be required by law to indemnify an insured.~~

Comment [A73]: Eliminating unnecessary wording.

"Loss" does not include:

- a. Taxes, fines or penalties imposed by law;
- b. The cost of compliance with injunctive or other non-monetary relief; or
- c. The value of tuition or scholarships.

17. "Notice Manager" means the natural persons in the offices of the president, chancellor, provost, treasurer, vice presidents, deans, personnel director, risk manager, general counsel, principal, superintendent or other comparable senior administrator of the "Educational Entity".

Comment [A74]: This definition was introduced in the insuring agreement 1.d.(4). The purpose is to frame the prior knowledge limitation so that it will be attributed only to the "Notice Manager", rather than to any "insured" as was the case in the previous coverage form. This is a coverage enhancement.

18. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:

- a. False arrest, detention or imprisonment;
- b. Malicious prosecution;
- c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord, or lessor;
- d. Oral ~~or~~, written **or electronic** publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products, or services;
- e. Oral ~~or~~, written **or electronic** publication of material that violates a persons right of privacy; ~~or~~
- f. Copying, in your "advertisement", a person's or organization's "advertising idea" or style of "advertisement"; ~~or~~
- g. Infringement of copyright, slogan, or title of any literary or artistic work, in your "advertisement"; ~~or~~
- h. Discrimination or humiliation ~~that results in injury to the feelings or reputation of a natural person~~, but only if such discrimination or humiliation is not directly or indirectly related to the employment, prospective employment of any person or persons by any insured.

Comment [A75]: This definition has been updated to reflect changes made to this definition under the Commercial General Liability Coverage Part and the General Liability endorsement applicable to schools and colleges.

However, "personal and advertising injury" does not include "bodily injury" or injury arising out of any "employment practice wrongful act".

Comment [A76]: Editorial, no impact.

19. "Policy period" means the period beginning with the Inception Date shown in the Declarations and ending with the earlier of:

- a. The date of cancellation of this policy; or
- b. The expiration date shown in the Declarations.

20. "Property damage" means:

- a. Physical injury to tangible property, including all resulting loss of use of that property. -All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or

Comment [A77]: This definition has been updated to be consistent with the Commercial General Liability Definition.

- b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.

49As used in this definition, computerized or electronically stored data, programs or software are not tangible property. Electronic data means information, facts or programs:

- a. Stored as or on;
- b. Created or used on; or
- c. Transmitted to or from;

computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

21. "Volunteer worker" means a person who:

- a. Is not your "employee";
- b. Donates his or her work;
- c. Acts at the direction of and within the scope of duties determined by you; and
- d. Is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

Comment [A78]: This definition has been added, and matches the definition contained in the Commercial General Liability Coverage Part.

22. "Wrongful act" means any:

- a. "Directors and executive officers wrongful act";
- b. "Educational wrongful act";
- c. "Employment benefits wrongful act"; or
- d. "Employment practice wrongful act".

SECTION VII - NUCLEAR ENERGY LIABILITY EXCLUSION

1. This Coverage Part does not apply:

- a. To any "loss" or damages;
 - (1) With respect to which an insured under the Coverage Part is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
 - (2) Resulting from the "hazardous properties" of "nuclear material" and with respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the insured is, or had this Coverage Part 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.
- b. To any "loss" or damages resulting from the "hazardous properties" of "nuclear material", if:
 - (1) The "nuclear material" (a) is at any "nuclear facility" owned by, or operated by or on behalf of, an insured or (b) has been discharged or dispersed therefrom;
 - (2) The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of an insured; or
 - (3) The "loss" or damages arise out of the furnishing by an insured of services, materials, parts or equipment in connection with the planning, construction, maintenance, operations or use of any "nuclear facility".

2. As used in this exclusion:

- "Hazardous properties" include radioactive, toxic or explosive properties;
- "Nuclear material" means "source material", "special nuclear material" or "by-product material";
- "Source material", "special nuclear material", and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in 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 (a) containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and (b) resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility". "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 device 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 a self-supporting chain reaction or to contain a critical mass of fissionable material;

Damages include all forms of radioactive contamination of property.

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Superseded Attachments

Please note that all items on the following pages are items, which have been replaced by a newer version. The newest version is located with the appropriate schedule on previous pages. These items are in date order with most recent first.

Original Date:	Schedule	Document Name	Replaced Date	Attach Document
No original date	Supporting Document	Explanatory Memorandum	03/06/2008	