

**NON-PROFIT RELIGIOUS ORGANIZATIONS VOLUNTEER SECURITY
LIABILITY INSURANCE POLICY**

CLAIMS-MADE AND REPORTED INSURANCE

NOTICE: This is a Claims-Made and Reported Policy. Except to such extent as may otherwise be provided herein, the coverage afforded under this insurance policy is limited to those Claims which are first made against the Insured and reported to the Company during the Policy Period or Extended Reporting Period, if applicable. Claims Expenses are within and reduce the Limit of Liability under this Policy. Certain words and phrases which appear in bold type have special meaning; please refer to Section V., Definitions. Please review the coverage afforded under this insurance policy carefully and discuss the coverage hereunder with your insurance agent or broker.

In consideration of the payment of premium and reliance upon the statements, representations and warranties made in the application which is made a part of this insurance policy (hereinafter referred to as the "Policy" or "insurance") and subject to the Limit of Liability, exclusions, conditions and other terms of this insurance, the Company agrees with the **Named Insured** set forth in Item 1. of the Declarations, which is a part of this Policy, as follows:

I. INSURING AGREEMENTS

A. Coverage

The Company will pay on behalf of the **Insured Damages** and **Claims Expenses**, subject to the limits of liability set forth in Item 4. of the Declarations, which the **Insured** shall become legally obligated to pay because of any **Claim** or **Claims** first made against any **Insured** during the **Policy Period** and reported to the Company during the **Policy Period** or any applicable **Extended Reporting Period**, for **Personal Injury** or **Property Damage** caused by **Wrongful Acts** in the performance by the **Insureds** of **Volunteer Security Services** taking place during the **Policy Period**.

B. Defense and Settlement

1. The Company shall have the right and duty to defend the **Insured**, subject to the Limit of Liability, for any **Claim** first made against the **Insured** seeking **Damages** provided coverage under the terms of this Policy, even if any of the allegations of the **Claim** are groundless, false or fraudulent. The Company shall choose defense counsel in consultation with the **Insured**, but in the event of a dispute, the decision of the Company is final.
2. It is agreed that the Limit of Liability available to pay **Damages** shall be reduced and may be completely exhausted by payment of **Claims Expenses**.
3. The Company shall have the right to make any investigation they deem necessary, including, without limitation, any investigation with respect to coverage and statements made in the application.

4. If the **Insured** refuses to consent to any settlement or compromise recommended by the Company and acceptable to the Claimant and elects to contest the **Claim**, the Company's liability for any **Damages** and **Claims Expenses** shall not exceed the amount for which the **Claim** could have been settled, plus the **Claims Expenses** incurred up to the time of such refusal, or the applicable Limit of Liability, whichever is less, and the Company shall have the right upon such refusal to withdraw from the defense of the **Claim** by tendering control of said defense to the **Insured**. The Company shall have no obligation to provide a defense, pay **Claims Expenses**, or indemnify for any **Damages** after such refusal.
5. The Company shall not be obligated to pay any **Damages** or **Claims Expenses**, or to undertake or continue defense of any **Claim** after the applicable Limit of Liability has been exhausted by payment of **Damages** and/or **Claims Expenses** or after deposit of the remaining applicable Limit of Liability in a court of competent jurisdiction, and upon such payment, the Company shall have the right to withdraw from the further defense of the **Claim** by tendering control of said defense to the **Insured**.

C. Supplementary Payments

1. Defendant's Reimbursement and Deposition Coverage

The Company will pay, with respect to any **Claim** provided coverage under this Policy and as to which the Company is providing a defense to the **Insured**:

- a. Actual loss of earnings and reasonable expenses due to the **Insured's** attendance at mediation meetings, arbitration proceedings, hearings and trials in such **Claim**. The maximum the Company will pay is \$1,000 per day for all **Insureds** and up to a total of \$15,000 for all such amounts incurred for all **Claims**.
- b. Actual loss of earnings and reasonable expenses incurred due to the **Insured's** attendance at a deposition in such **Claim**. The maximum the Company will pay is \$5,000 for each deposition and up to a total of \$15,000 for all depositions.

However, the Company will not pay any amounts, including but not limited to any expenses or fees, for, arising out of or resulting from any criminal investigations or proceedings.

These supplementary payments will not reduce the limits of liability set forth in Item 4. of the Declarations for Each **Claim** or the limit of liability set forth in Item 4. of the Declarations as to Aggregate Limit of Liability for All **Claims**.

II. PERSONS INSURED

Each of the following is an **Insured** under this Policy to the extent set forth below:

- A. the **Named Insured** designated in Item 1. of the Declarations but only with respect to conduct of an individual **Insured**;
- B. The individual volunteer providing **Volunteer Security Services** to the **Named Insured**;
- C. the estate, heirs, executor, administrators, assigns and legal representatives of any individual **Insured** in the event of the individual **Insured's** death, incapacity, insolvency or bankruptcy, but only to the extent that such individual **Insured** would otherwise be provided coverage under this Policy; and
- D. The spouse of an individual **Insured**, but only as respects the vicarious liability of such spouse for **Personal Injury** or **Property Damage** caused by the **Wrongful Acts** of the individual **Insured** in the performance of **Volunteer Security Services** as otherwise covered under this Policy.

III. TERRITORY

This insurance applies to any **Personal Injury** or **Property Damage** which take place at the premises of the **Named Insured** as set forth in Item 1. of the Declarations to this Policy, provided that the **Claim** is made against the **Insured** in the United States, its territories or possessions, or Canada.

IV. EXCLUSIONS

This Policy does not apply to **Damages** or **Claims Expenses** incurred with respect to any **Claim**:

- (a) arising out of **Personal Injury** or **Property Damage** except to the extent such **Claim** arises out of any **Wrongful Act** in the performance by the **Insured** of **Volunteer Security Services**;
- (b) arising out of any criminal, dishonest, fraudulent or malicious act, error or omission of any **Insured**, committed with actual criminal, dishonest, fraudulent or malicious purpose or intent. However, notwithstanding the foregoing, the Company will, subject to the applicable Limits of Liability, provide the **Insured** with a defense to any **Claim** containing such allegations unless and until there is a final adjudication that such conduct was committed by the **Insured** or at the **Insured's** direction, but further provided that no coverage will be afforded by this Policy as to any **Damages** or **Claims Expenses** as to any criminal investigation or proceeding of any type or nature;
- (c) arising out of or relating to any liability under any contract or agreement, including but not limited to any defense, indemnity or hold harmless contract or agreement, whether written or oral, unless such liability would have attached to the **Insured** in the absence of such contract or agreement;
- (d) based upon an express or implied warranty or guarantee, or breach of contract in respect of any agreement to perform **Volunteer Security Services**;

- (e) arising out of any **Insured's** activities as a law enforcement officer whether on or off duty;
- (f) arising out of the actual or alleged publication or utterance of libel or slander or other defamatory or disparaging material, or a publication or utterance in violation of an individual's right to privacy;
- (g) for liability arising out of **Personal Injury** or **Property Damage** arising out of ownership, maintenance, operation, use, loading or unloading of:
 - (1) any **Automobile**, Aircraft or Watercraft owned or operated by or rented or loaned to any **Insured**; or
 - (2) any other **Automobile**, Aircraft or Watercraft operated by any person in the course of his or her employment or volunteer duties for any **Insured**;
- (h) arising out of **Personal Injury** or **Property Damage** arising out of:
 - (1) the ownership, maintenance, operation, use, loading or unloading of any **Mobile Equipment** while being used in any prearranged or organized event, function, entertainment, or contest or in practice or preparation for same; or
 - (2) the operation or use of any snowmobile, moped or motorized bicycle, or trailer designed for use therewith;
- (i) for **Personal Injury** or **Property Damage** arising out of and in the course of the transportation of **Mobile Equipment** by any **Automobile** owned or operated by or rented or loaned to any **Insured**;
- (j) arising out of **Personal Injury** or **Property Damage** for which the **Insured** may be held liable to any person or entity:
 - (1) while engaged in the business of manufacturing, distributing, selling, or serving alcoholic beverages; or
 - (2) if not so engaged, as an owner or lessor of premises used for such purposes, if such liability is imposed by, or because of the violation of, any statute, ordinance or regulation pertaining to the sale, gift, distribution or use of any alcoholic beverage;
 - (3) for causing or contributing to the intoxication of any person.
- (k) arising out of **Personal Injury** or **Property Damage** to:
 - (1) any **Employee** or volunteer of the **Named Insured** arising out of and in the course of his employment or retention by the **Named Insured**; or
 - (2) the spouse, child, parent, brother or sister of the **Employee** as a consequence of the above. This exclusion applies:

- (i) whether the **Insured** may be liable as an employer or in any other capacity; and
 - (ii) to any obligation to share **Damages** with or repay someone else who must pay **Damages** arising out of such liability;
- (l) arising out of **Property Damage** to:
 - (1) property owned, rented or temporarily occupied by the **Insured** with permission of the owner, including fixtures permanently attached thereto, any costs or expenses incurred by the **Insured**, or any other person, organization, entity for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;
 - (2) premises given away, sold or abandoned by the **Insured**, unless such premises were never occupied, rented or held for rental by the **Insured**;
 - (3) property loaned to the **Insured**;
 - (4) personal property in the care, custody and control of the **Insured**;
 - (5) that particular part of real property on which the **Insured** or any contractors or subcontractors working directly or indirectly on behalf of the **Insured** or temporarily occupied by the **Insured** as to premises rented to the **Insured** or temporarily occupied by the **Insured** with permission of the owner if such **Property Damage** arises out of those operations;
- (m) arising out of **Property Damage** to premises owned or alienated by the **Named Insured** arising out of such premises or any part thereof;
- (n) arising out of loss of use of tangible property which has not been physically injured or destroyed resulting from a delay in or lack of performance by or on behalf of the **Named Insured** of any contract or agreement;
- (o) relating to or arising out of:
 - (1) infringement of patent, trademark, service mark, and trade name, other than titles or slogans by use thereof on or in connection with goods, products or services sold, offered for sale or advertised; or
 - (2) incorrect description or mistake in advertised price of goods, products or services sold, offered for sale or advertised.
- (p) made by or against or in connection with any business enterprise (including the ownership, maintenance or care of any property in connection therewith), not named in the Declarations, which is owned by any **Insured** or in which any **Insured** is a trustee, partner, officer, director or **Employee**;

- (q) to any **Claim** arising out of the Employee Retirement Income Security Act of 1974 and its amendments or any regulation or order issued pursuant thereto;
- (r) arising out of any actual or alleged form or type of discrimination in violation of any federal, state or local statute, ordinance, regulation, rule or common law, including but not limited to discriminatory business or employment practices, allegations of actual or alleged violations of civil rights, or acts of discrimination based in whole or in part on race, gender, pregnancy, national origin, religion, age or sexual orientation;
- (s) directly or indirectly arising out of:
 - (1) the actual, alleged or threatened discharge, dispersal, release or escape or failure to detect the presence of **Pollutants**, provided that this Exclusion shall not apply to: (i) **Personal Injury** sustained by any patient, visitor or invitee; and (ii) **Personal Injury** or **Property Damage** arising out of heat, smoke or fumes from a **Hostile Fire**;
 - (2) the manufacture, distribution, sale, resale, rebranding, installation, repair, removal, encapsulation, abatement, replacement or handling of, exposure to or testing for **Pollutants** contained in a product, carried on clothing, inhaled, transmitted in any fashion or found in any form whatsoever; or
 - (3) any governmental or regulatory directive or request that the **Insured** or anyone acting under its direction or control to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize said **Pollutants**;
- (t) arising out of the insolvency or bankruptcy of any **Insured** or of any other entity including but not limited to the failure, inability, or unwillingness to pay **Claims**, losses or benefits due to the insolvency, liquidation or bankruptcy of any such individual or entity;
- (u) arising out of or resulting from:
 - (1) any **Sexual Abuse, Sexual Harassment** or **Sexual Molestation**; or
 - (2) the **Insured's** actual or alleged negligent employment, investigation supervision, hiring, training or retention of any **Employee, Insured** or person for whom the **Insured** is legally responsible and whose conduct falls within paragraph (1), above, whether or not such conduct was committed at the supervision or direction of any **Insured**.
- (v) for punitive or exemplary **Damages**, or **Damages** which are a multiple of compensatory **Damages**, fines, sanctions, taxes or penalties, or the return, forgiveness or reimbursement of fees, costs or expenses charged by any **Insured**;
- (w) arising out of **Personal Injury** to any **Employee** or volunteer worker of any **Insured** arising out of and in the course of employment by the **Insured**, or under any obligation for which the **Insured** or any carrier as his insurer may be liable, under any Workers' Compensation, Unemployment Compensation, Disability Benefits Law or under any similar law;

- (x) based upon or arising out of a violation or alleged violation of the Securities Act of 1933 as amended, or the Securities Exchange Act of 1934 as amended, or any State Blue Sky or securities law or similar state or Federal statute and any regulation or order issued pursuant to any of the foregoing statutes;
- (y) for any actual or alleged violation of the Racketeer Influenced and Corrupt Organizations Act, 18 U.S.C. §1961 et seq., and any amendments thereto, or any rules or regulations promulgated thereunder;
- (z) arising from costs of complying with physical modifications to any premises or any changes to the **Insured's Volunteer Security Services** mandated by the Americans with Disabilities Act of 1990, including any amendments, or similar federal, state or local law;
- (aa) for, based on, or arising out of any **Communicable Disease**;
- (bb) caused directly or indirectly, in whole or in part, by:
 - (1) any fungus(es) or spore(s);
 - (2) any substance, vapor or gas produced by or arising out of any fungus(es) or spore(s);
 - (3) any materials, product, building component, building or structure that contains, harbors, nurtures or acts as a medium for any fungus(es) or spore(s);
 - (4) any materials, product, building component, building or structure that contains, harbors, nurtures or acts as a medium for any fungus(es) or spore(s);
 - (5) the actual, potential, alleged or threatened formation, growth, presence, release or dispersal of any fungus(es), molds, spore(s) or mycotoxins of any kind;
 - (6) any action taken by any party in response to the actual, potential, alleged or threatened formation, growth, presence, release or dispersal of any fungus(es), molds, spores or mycotoxins of any kind, such action to include investigating, testing for, detection of, monitoring of, treating, remediating or removing such fungus(es), molds, spore(s) or mycotoxins; or
 - (7) any governmental or regulatory order, requirement, directive, mandate or decree that any party take action in response to the actual, potential, alleged or threatened formation, growth, presence, release or dispersal of any fungus(es), molds, spores or mycotoxins of any kind.

regardless of any other cause, event, material, product and/or building component that contributed concurrently or in any sequence to that injury or **Damages**.

For the purposes of this Exclusion, the following Definitions are added:

“Fungus(es)” includes, but is not limited to, any form of mold, mushroom or mildew.

“Spore(s)” mean any reproductive body produced by or arising out of any fungus(es).

- (cc) based upon or arising out of any action or proceeding brought by or on behalf of any federal, state or local governmental, regulatory or administrative agency, regardless of the name in which such action or proceeding is brought, including, but not limited to, the Health Insurance Portability and Accountability Act of 1996, the Social Security Act, 42 U.S.C. §1320a, et. seq., or any similar state or federal statute, regulation or executive order promulgated thereunder;
- (dd) based upon or arising out of any **Insured’s** data processing, including:
- (1) conversion of data from source material into media for processing on the **Insured’s** electronic data processing system;
 - (2) processing of data by the **Insured** on the **Insured’s** electronic data processing system;
 - (3) design or formulation of an electronic data processing program or system;
 - (4) any liability arising from:
 - (i) the failure of any program, instruction or data for use in any computer or other electronic processing device, equipment or system to function in the manner expected or intended;
 - (ii) the transmission or receipt of any virus, program or code that causes loss or damages to any computer system and /or prevents or impairs its proper function or performance;
 - (iii) unauthorized access to any computer system;
 - (iv) the functioning, non-functioning, improperly functioning, availability or unavailability of:
 - (a) the internet or similar facility; or
 - (b) any intranet or private network or similar facility; or
 - (c) any website, bulletin board, chat room, search engine, portal or similar third party application service;
 - (v) the alteration, corruption, destruction, distortion, erasure, theft or other loss of or damage to data, software, information repository, microchip, integrated system or similar device in any computer equipment or non-computer equipment or any kind of programming or instruction set;
 - (vi) any loss of use or functionality, whether partial or entire, of data, coding, program, software, any computer or computer

system or other device dependent upon any microchip or embedded logic and any ensuing inability or failure of any insured to conduct business;

- (vii) any alteration, breach, corruption, destruction, or failure of any computer, network systems or firewalls;
 - (viii) theft, loss, or unauthorized disclosure or access to personally identifiable information including non-public personal information, medical or healthcare information (including protected health information) in the care, custody or control of the **Insured** or a third party for whose such unauthorized disclosure or access the **Insured** is legally liable, or violation of a privacy law protecting such information, including any consequential liability (including any failure to comply with any legislation requiring monitoring or notification to any person affected by any of the above, or in respect of any related regulatory proceeding or investigation); or
 - (ix) theft, loss, or unauthorized disclosure or access to information emanating from a third party that the **Insured** is required by agreement to maintain confidential;
- (ee) based upon or arising out of any **Insured** gaining any profit, remuneration or advantage to which such **Insured** was not legally entitled;
- (ff) arising directly out of, or resulting from or in consequence of, or in any way involving:
- (1) asbestos or any materials containing asbestos in whatever form or quantity;
 - (2) the actual, potential, alleged or threatened presence, release or dispersal of any asbestos;
 - (3) any action taken by any party in response to the actual, potential or threatened presence, release or dispersal of any asbestos particles of any kind, such action to include investigating, testing for, detection of, monitoring of, treating, remediating or removing such materials containing asbestos;
 - (4) any governmental or regulatory order, requirement, directive, mandate or decree that any party take action in response to the actual, potential, alleged or threatened presence, release or dispersal of any asbestos containing particles of any kind;
 - (5) any product, substance or waste which contains lead;
 - (6) inhaling, ingesting or physical exposure to silica directly or through any goods, products, structures, real estate or land containing silica;
 - (7) the use or presence of silica in any process or operation of any type, including but not limited to construction, manufacturing, sandblasting, cleaning, drilling, farming or mining;

- (8) the use or presence of silica in any goods, products, structures, real estate or land, or any component part of any good, product, structures, real estate or land containing silica;
- (9) the manufacture, sale, transportation, handling, storage, or disposal of silica or any goods, products, structures, real estate or land containing silica;
- (10) disease actually or allegedly caused by, contributed to or aggravated by silica, including but not limited to silicosis, chronic silicosis, accelerated silicosis, acute silicosis, conglomerate silicosis, any auto-immune disorder, tuberculosis, silicoproteinosis; cancer, scleroderma, emphysema, pneumoconiosis, pulmonary fibrosis, progressive massive fibrosis, any lung disease or any other ailment actually or allegedly caused by, contributed to or aggravated by silica;
- (11) any costs of medical or other testing, monitoring or diagnosis arising from or related to any actual, alleged, threatened or feared disease or injury, including any emotional or mental distress, arising in whole or in part, directly or indirectly, out of silica; or
- (12) any cost of investigations, feasibility studies, cleaning, removal or remediation of the actual or alleged presence of silica in or on any goods, products, structures, real estate or land;

For the purposes of this Exclusion (jj), "silica" means any silica in the form of and any of its derivatives, including but not limited to silica dust, silicon dioxide (SiO₂), crystalline silica, quartz, or non-crystalline (amorphous silica);

- (gg) based upon, arising out of, resulting from, any actual or alleged: (1) failure to obtain, effect, or maintain any form, policy, plan or program of insurance, stop loss or provider excess coverage, reinsurance, self-insurance, suretyship, or bond; (2) commingling, mishandling of or liability to pay, collect or safeguard funds; or (3) failure to collect or pay premiums, commissions, brokerage charges, fees or taxes;
- (hh) for **Personal Injury** or **Property Damage** due to war, whether or not declared, civil war, insurrection, rebellion or revolution or to any act or condition incident to any of the foregoing;
- (ii) arising out of or relating to any loss, damage, or cost or expense of whatsoever nature directly or indirectly caused by, resulting from happening through, arising out of or in connection with any act of terrorism, regardless of any other cause contributing concurrently or in any other sequence to the loss, damage, cost or expense.

For the purpose of this Exclusion (nn), "terrorism" means an act or threat of violence or an act harmful to human life, tangible or intangible property or infrastructure with the intention or effect to influence any government or to put the public or any section of the public in fear. In any action, suit or other proceedings where the Company allege that by reason of this Exclusion, a loss, damage, cost or expense is not covered by this Policy, the burden of proving that such loss, damage, cost or expense is covered shall be upon the **Insured**.

In the event any portion of this Exclusion is found to be invalid or unenforceable, the remainder shall remain in full force and effect;

- (jj) brought against any **Insured** by any other **Insured** hereunder;
- (kk) arising out of or resulting from the distribution of unsolicited email, direct mail or facsimiles, or telemarketing;
- (ll) arising out of or resulting from any action or omission that violates or is alleged to violate:
 - (1) the Telephone Consumer Protection Act (TCPA);
 - (2) the CAN-SPAM Act of 2003;
 - (3) the Fair Credit Reporting Act; or
 - (4) any statute, ordinance or regulation, other than TCPA, CAN-SPAM Act of 2003 or the Fair Credit Reporting Act, that prohibits or limits the sending, transmitting, communicating or distribution of material or information;
- (mm) arising from a service rendered, or which should have been rendered and was not, while any **Insured** or the **Insured's** employee or agent is under the influence of intoxicants, narcotics or drugs;
- (nn) arising out of or resulting from an electronic chatroom or bulletin board any **Insured** hosts, owns or which the **Insured** exercises control;
- (oo) arising out of or resulting from any oral or written publication of material, if done by or at the direction of the **Insured** with the knowledge of its falsity;
- (pp) arising out of actual or alleged plagiarism, misappropriation of likeness, breach of confidence, or misappropriation or infringement of any intellectual property right, including patent, trademark, trade secret, trade dress and copyright.

V. DEFINITIONS

Wherever used in this Policy, the bolded terms have the meaning provided:

- (a) **“Act of Self-Defense”** means the act of defending oneself or others by the threatened or actual use of a legally possessed **firearm** while performing **volunteer security services**, including but not limited to:
 - (1) The use of a **firearm** in the rendering of emergency assistance solely at the request of a uniformed law enforcement officer;
 - (2) The accidental discharge of a **firearm** while otherwise handling a **firearm**, whether or not while in the act of defending oneself or others; and

- (3) The providing by the **insured** in the **insured's** position as a member of a non-profit organization and on a voluntary and unpaid basis, of precautionary and preventative security services on the premises of the non-profit organization or at another venue at which the non-profit organization is conducting a function, as a part of which the **insured** is required or requested to carry a legally possessed **firearm**.
- (b) “**Automobile**” means a land motor vehicle, trailer or semi-trailer designed for travel on public roads (including any machinery or apparatus attached thereto), but does not include **Mobile Equipment**, as hereinafter defined.
- (c) “**Bodily Injury**” means physical injury (including death at any time resulting therefrom), mental injury, mental illness, mental anguish, humiliation, emotional upset, shock, sickness, disease or disability.
- (d) “**Claim**” means a written notice received by any **Insured** of an intention to hold the **Insured** responsible for compensation for **Damages** as a result of **Wrongful Acts** in the performance of **Volunteer Security Services**, including the service of suit or institution of arbitration proceedings against the **Insured**.
- (e) “**Claims Expenses**” means:
- (1) reasonable and customary fees charged by an attorney(s) designated and agreed by the Company in consultation with the **Insured**, but subject always to the Company' final decision; and
 - (2) all other fees, costs and expenses resulting from the investigation, adjustment, defense and appeal of a **Claim**, if incurred by the Company, or by the **Insured** with the written consent of the Company.
- Claims Expenses** does not include any salary, overhead or other charges by any **Insured** for any time spent in cooperating in the defense and investigation of any **Claim** or circumstance which might lead to a **Claim** notified under this Policy.
- (f) “**Communicable Disease**” means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:
- (1) the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and
 - (2) the method of transmission includes, but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and
 - (3) the disease, substance or agent can cause or threaten bodily injury, illness, emotional distress or damage to human health, human welfare or property damage, and

- (g) **“Damages”** means a civil monetary judgment, award or settlement, but does not include:
- (1) the restitution of compensation and expenses paid to the **Insured** for services;
 - (2) punitive damages or exemplary damages;
 - (3) the multiple portion of any award of damages;
 - (4) fines, sanctions, taxes, or penalties;
 - (5) the return, forgiveness or reimbursement of fees, costs or expenses charged by any **Insured**;
 - (6) judgments or awards deemed uninsurable by law.
- (h) **“Employee”** means a person who is paid by the **Insured**, either on a payroll, with federal and, if applicable, state and local taxes withheld, or paid in some other fashion, whose work is directed or controlled by the **Insured**, including part-time and seasonal **Employees** and leased workers.
- (i) **“Extended Reporting Period”**, if applicable, means the period of time after the end of the **Policy Period** for reporting **Claims** arising out of **Wrongful Acts** in the performance of **Volunteer Security Services** which take place prior to the end of the **Policy Period** but subsequent to the Retroactive Date identified in Item 7. of the Declarations.
- (j) **“Firearm”** means any instrument of an offensive or defensive nature, by whatever name known, which is designed to expel a projectile or projectiles by the action of an explosive. **Firearm** includes, but is not limited to, pistols, tasers, revolvers, shotguns, rifles and machine guns.
- (k) **“Hostile Fire”** means a fire which becomes uncontrollable or breaks out from where it was intended to be.
- (l) **“Mobile Equipment”** means a land vehicle (including any attached machinery or apparatus) whether or not self-propelled:
- (1) not subject to motor vehicle registration;
 - (2) maintained for use exclusively on premises owned by or rented to the **Insured**, including the ways immediately adjoining;
 - (3) designed for use principally off public roads; or
 - (4) designed or maintained for the sole purpose of affording mobility to equipment of the following types forming an integral part of or permanently attached to such vehicle:
 - (i) power cranes, shovels, loaders, diggers and drills;
 - (ii) concrete mixers (other than the mix-in-transit type), graders, scrapers, rollers and on the road construction or repair equipment;

- (iii) air-compressors, pumps and generators including spraying, welding and building cleaning equipment; or
 - (iv) geophysical exploration and well servicing equipment.
- (m) **"Moonlighting"** means those activities performed by a person for money or other compensation while off-duty from the person's normal and usual service as a law enforcement officer, whether or not the person has submitted or notified to, or received approval or authorization by a law enforcement force, agency, or body.
- (n) **"Named Insured"** means the entity identified in Item 1 of the Declarations.
- (o) **"Personal Injury"** means:
 - (1) **Bodily Injury**;
 - (2) false arrest, false imprisonment, wrongful eviction, detention or malicious prosecution;
 - (3) libel, slander, defamation of character or invasion of right of privacy, unless arising out any advertising activities; or
 - (4) 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.
- (p) **"Policy Period"** means the period of time between the inception date and the effective date of termination, expiration or cancellation of this insurance shown in Item 2. of the Declarations and specifically excludes any **Extended Reporting Period**.
- (q) **"Pollutants"** means any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to asbestos and/or lead (or products containing asbestos and/or lead whether or not the asbestos and/or lead is or was at any time airborne as a fibre or particle, contained in a product, carried on clothing, inhaled, transmitted in any fashion or found in any form whatsoever), smoke, vapour, soot fumes, acids, alkalis, toxic chemicals and waste (waste includes materials to be recycled, reconditioned or reclaimed).
- (r) **"Property Damage"** means:
 - (1) physical injury to or destruction of tangible property, including consequential loss of use thereof; or
 - (2) loss of use of tangible property which has not been physically injured or destroyed.
- (s) **"Sexual Abuse"**, **"Sexual Harassment"** and **"Sexual Molestation"** shall collectively mean any and all actual or alleged sexual or physical abuse, molestation, assault, battery, negligent or deliberate touching, indecent exposure, corporal punishment, licentious, lewd, lascivious, immoral or sexual behavior,

whether or not intended to lead to or culminating in any sexual act, sexual acts, relations or exploitation, the transmission of a sexual exhibition, photographic, video or other reproduction of sexual activity, sexual stimulation, fondling, intimacy, exposure of sexual organs, fornication, undue familiarity or unauthorized physical touching, actual or threatened transmittal of any sexual communicable disease and mental, physical, emotional or psychological abuse, injury or harm.

- (t) **“Volunteer Security Services”** means those security activities performed by the individual **Insured** as a volunteer for the **Named Insured**, without any monetary or other compensation, including but not limited to crowd control, identification checking, violence prevention and traffic direction **Volunteer Security Services** does not include **moonlighting** or any other activity performed by an off-duty law enforcement officer or member of a law enforcement force, body, or agency of any type.
- (u) **“Wrongful Act”** means negligent acts, errors, or omissions committed or alleged to have been committed by an **Insured** while in the performance of **Volunteer Security Services**.

VI. LIMIT OF LIABILITY AND DEDUCTIBLE

A. Limit of Liability Per Claim

The Limit of Liability stated in Item 3. of the Declarations as “Each **Claim**” is the Limit of Liability payable by Company under this Policy for **Damages** and **Claims Expenses** as to each **Claim**.

B. Aggregate Limit of Liability for all Claims

The Aggregate Limit of Liability stated in Item 3. of the Declarations is the Aggregate Limit of the Company’s liability for all **Damages** and **Claims Expenses** payable under this Policy for all **Claims**.

C. Neither the inclusion of more than one **Insured** under this Policy, nor the making of **Claims** by more than one person or entity shall increase the Limit of Liability.

D. The Limit of Liability for any **Extended Reporting Period** shall be part of, and not in addition to, the Company’s Limit of Liability for the **Policy Period**.

E. Deductible

The “Each **Claim**” Deductible shown in Item 4. of the Declarations applies to each **Claim** and will be paid by the **Insured**, as a condition precedent to payment of any **Loss** by the Company under this Policy. Any Aggregate Deductible amount shown in Item 4 of the Declarations is the most the **Insured** will pay as a deductible for all **Claims** covered by this Policy.

VII. INNOCENT INSURED

Whenever coverage under this Policy would be excluded, suspended or lost:

- A. because of Exclusion IV (b) relating to intentional, criminal, dishonest, fraudulent or malicious acts, errors or omissions by any **Insured**, and with respect to which any

other **Insured** did not personally participate or personally acquiesce or remain passive after having personal knowledge thereof; or

- B. because of non-compliance with any condition relating to the giving of notice to the Company with respect to which any other **Insured** shall be in default solely because of the failure to give such notice or concealment of such failure by one or more **Insureds** responsible for the loss or damage otherwise covered hereunder;

the Company agree that such insurance as would otherwise be afforded under this Policy shall be paid with respect to those **Insureds** who did not personally participate in committing or personally acquiesce in or remain passive after having personal knowledge of (a) one or more of the acts, errors or omissions described in any such exclusion; or (b) such failure to give notice, provided that the condition be one with which such **Insured** can comply, and after receiving knowledge thereof, the **Insured** entitled to the benefit of Section VII. shall comply with such condition promptly after obtaining knowledge of the failure of any other **Insured** to comply therewith.

With respect to this provision, the Company's obligation to pay in such event shall be in excess of the full extent of any assets of any **Insured** to whom the exclusion applies and shall be subject to the terms, conditions and limitations of this Policy.

VIII. EXTENDED REPORTING PERIOD

- A. In the event of cancellation or non-renewal of this Policy, the **Named Insured** designated in Item 1. of the Declarations shall have the right to purchase an **Extended Reporting Period** on the terms and for the period identified in Item 5. of the Declarations for **Claims** first made against any **Insured** and reported to the Company during the **Extended Reporting Period**, subject to the conditions set forth in the definition of **Extended Reporting Period** herein. In order for the **Named Insured** to invoke the **Extended Reporting Period** option, the payment of the additional premium set forth in Item 5. of the Declarations for the **Extended Reporting Period** must be paid to the Company within 30 days of the expiration date in the event of non-renewal, or the effective date of cancellation. If payment of the additional premium is not received by the Company within the 30 day period, the right to purchase the **Extended Reporting Period** shall be void and unavailable.
- B. The Limit of Liability for the **Extended Reporting Period** shall be part of, and not in addition to, the Company's Limit of Liability for the **Policy Period**.
- C. The quotation by the Company of a different premium or Limit of Liability or changes in Policy language for the purpose of renewal shall not constitute a refusal to renew by the Company.
- D. The right to the **Extended Reporting Period** shall not be available to the **Named Insured** where cancellation or non-renewal by the Company is due to non-payment of premium or failure of an **Insured** to pay any amounts otherwise due and payable under this Policy, including but not limited to any deductible.

- E. All notices and premium payments with respect to the **Extended Reporting Period** shall be directed to the Company through the Agent named on the Declarations.
- F. At the commencement of the **Extended Reporting Period**, the entire premium shall be deemed earned, and in the event the **Named Insured** terminates the **Extended Reporting Period** for any reason prior to its natural expiration, the Company will not be liable to return any premium paid for the **Extended Reporting Period**.

IX. OTHER INSURANCE

This insurance shall apply in excess of any other valid and collectible insurance or self-insurance available to any **Insured**, unless such other insurance is written only as specific excess insurance over the Limits of Liability of this Policy.

X. NOTICE OF CLAIM, OR CIRCUMSTANCE THAT MIGHT LEAD TO A CLAIM

- A. If any **Claim** is made against the **Insured**, the **Insured** shall forward as soon as practicable to the Company, through the persons or entities named in Item 9. of the Declarations, written notice of such **Claim** and forward every demand, notice, summons or other process received by the **Insured** or the **Insured's** representative. In no event shall the Company be given notice of a **Claim** later than the end of the **Policy Period** or the end of the **Extended Reporting Period**, if purchased. The **Insured's** duty to provide notice in accordance with this provision is a condition precedent to coverage.
- B. If during the **Policy Period** the **Insured** first becomes aware of a **Wrongful Act** in the performance of **Volunteer Security Services** that could reasonably lead to a **Claim**, the **Insured** must give written notice to the Company through the persons or entities named in Item 8. of the Declarations during the **Policy Period** of:
 - (1) the specific **Wrongful Acts** and **Volunteer Security Services**;
 - (2) the injury or damage which may result or has resulted from the **Wrongful Acts** and **Volunteer Security Services**; and
 - (3) the circumstances by which the **Insured** first became aware of the **Wrongful Acts** and **Volunteer Security Services**.

Any subsequent **Claim** made against the **Insured** which is the subject of the written notice shall be deemed to have been made at the time written notice was first given to the Company.

- C. A **Claim** or circumstance that might lead to a **Claim** shall be considered to be reported to the Company when notice is received by the Company through the persons or entities named in Item 9. of the Declarations.
- D. All **Claims** arising out of the same, continuing or related **Wrongful Acts** or arising out of the same, continuous or related **Volunteer Security Services** shall be considered a single **Claim** and deemed to have been made at the time the first of

the related **Claims** is reported to the Company. Such related **Claims** shall be subject to one Limit of Liability and one Deductible as identified in the appropriate portions of Items 4. of the Declarations.

- E. In the event of non-renewal of this Policy by the Company, the **Insured** shall have thirty (30) days from the expiration date of the **Policy Period** to notify the Company that a **Claim** has been made against the **Insured** during the **Policy Period** which arise out of any **Wrongful Acts** and **Volunteer Security Services** occurring prior to the termination date of the **Policy Period** and otherwise covered by this Policy.
- F. If any **Insured** shall make any **Claim** under this Policy knowing such **Claim** to be false or fraudulent, as regards amount or otherwise, this Policy shall become null and void and all coverage hereunder shall be forfeited.

XI. **ASSISTANCE AND CO-OPERATION OF THE INSURED**

The **Insured** shall co-operate with the Company in all investigations, including regarding the application and coverage under this Policy, and upon the Company's request, assist in making settlements, in the conduct of suits and in enforcing any right of contribution or indemnity against any person or organization other than an **Employee** of any **Insured** who may be liable to the **Insured** because of **Wrongful Acts** in the performance of **Volunteer Security Services** with respect to which insurance is afforded under this Policy. The **Insured** shall attend hearings and trials and assist in securing and giving evidence and obtaining the attendance of witnesses. The **Insured** shall not, except at his or her own cost, admit liability, make any payment, assume any obligation, incur any expense, enter into any settlement, stipulate to any judgment or award or otherwise dispose of any **Claim** without the consent of the Company.

XII. **ACTION AGAINST THE COMPANY**

No action shall lie against the Company unless, as a condition precedent thereto, there has been full compliance with all terms of this insurance, nor until the amount of the **Insured's** obligation to pay shall have been finally determined either by judgment or award against the **Insured** after actual trial or arbitration or by written agreement of the **Insured**, the claimant and the Company. No person or organization shall have any right under this Policy to join the Company as a party to an action or other proceeding against the **Insured** to determine the **Insured's** liability, nor shall the Company be impleaded by the **Insured** or its legal representative.

XIII. **BANKRUPTCY**

Bankruptcy or insolvency of the **Insured** or of the **Insured's** estate shall not relieve the Company of their obligations hereunder.

XIV. **SUBROGATION**

In the event of any payment under this Policy, the Company shall be subrogated to all the **Insured's** rights of recovery against any person or organization, and the **Insured** shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. The **Insured** shall do nothing before or after the payment of **Damages** by the Company to prejudice such rights.

XV. CHANGES

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

XVI. ASSIGNMENT

The interest under this Policy of any **Insured** is not assignable. If the **Insured** shall die or be adjudged incompetent, this Policy shall cover the **Insured's** legal representative as the **Insured**, as would be permitted by this Policy.

XVII. CANCELLATION

A. This Policy may be cancelled by the **Named Insured**, by surrender thereof to the Company or by mailing or delivering to the Company through the entity named in Item of the Declarations, written notice stating when the cancellation shall be effective.

B. This Policy may be cancelled by the Company by mailing or delivering to the **Named Insured** at the address shown in Item 8. of the Declarations written notice stating when, not less than sixty (60) days thereafter, such cancellation shall be effective. However, if the Company cancel this Policy because the **Insured** has failed to pay a premium when due, this Policy may be cancelled by the Company by mailing a written notice of cancellation to the **Named Insured** at the address shown in item 1. of the Declarations stating when, not less than ten (10) days thereafter, such cancellation shall be effective. Mailing of notice shall be sufficient proof of notice. The time of surrender or the effective date and hour of cancellation stated in the notice shall become the end of the **Policy Period**. Delivery of such written notice either by the **Named Insured** or by the Company, where permitted by law, shall be equivalent of mailing.

C. If the **Named Insured** cancels this Policy, the earned premium shall be computed in accordance with the attached short rate table and procedure.

D. If the Company cancel this Policy prior to any **Claim** being reported under this Policy, earned premium shall be computed pro rata.

E. The premium shall be deemed fully earned if any **Claim** under this Policy is reported to the Company under this Policy on or before the date of cancellation.

F. Premium adjustment may be made either at the time cancellation is effected or as soon as practicable after cancellation becomes effective, but payment or tender of unearned premium is not a condition of cancellation.

XVIII. REPRESENTATIONS, WARRANTIES AND CONDITIONS PRECEDENT

The **Named Insured** has made representations in the application as to its review, evaluation and approval of the background, credentials and successful completion of all training of the personnel employed, selected or otherwise retained to perform the covered **Volunteer Security Services**. The Company has issued this Policy in reliance on the

statements made in the application, which is part of this Policy. It is therefore a condition precedent of coverage under this Policy that the **Named Insured** perform such review, evaluation and approval and that the personnel complete the required training for performance of any and all **Volunteer Security Services** provided coverage under this Policy. No coverage will be afforded under this Policy for any **Damages** and/or **Claims Expenses** incurred as to any **Claim** if the **Named Insured** has failed to perform such review, evaluation and approval of the personnel involved in any such **Claim**, or the personnel involved in any such **Claim** have failed to complete the required training.

XIX. SINGULAR FORM OF A WORD

Whenever the singular form of a word issued, herein, the same shall include the plural when required by context.

XX. ENTIRE CONTRACT

By acceptance of this Policy, the **Insured** agrees that the statements in the Declarations and application are his or her agreements and representations, that this insurance is issued in reliance upon the truth of such representations and that this Policy embodies all agreements existing between the **Insured** and the Company relating to this insurance.

XXI. NUCLEAR INCIDENT EXCLUSION

The insurance provided by this Policy does not apply:

- A. To injury sickness, disease, death or destruction
 - (1) with respect to which an **Insured** under this Policy of insurance is also an **Insured** under a nuclear energy liability insurance issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Company or Nuclear Insurance Association of Canada or would be an **Insured** under any such insurance but for its termination upon exhaustion of its limits of liability; or
 - (2) resulting from the hazardous properties of nuclear material and with respect to which (i) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (ii) the **Insured** is, or had this insurance 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. Under any Medical Payments Coverage, or under any Supplementary Payments Provision relating to immediate medical or surgical relief, to expenses incurred with respect to **Bodily Injury**, sickness, disease or death resulting from the hazardous properties of nuclear material and arising out of the operation of a nuclear facility by any person or organization.
- C. To injury, sickness, disease, death or destruction resulting from the hazardous properties of nuclear material, if

- (1) the nuclear material (i) is at any nuclear facility owned by, or operated by or on behalf of, an **Insured** or (ii) has been discharged or dispersed there from;
- (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 injury, sickness, disease, death or destruction arises out of the furnishing by an **Insured** of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any nuclear facility, but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion (3) applies only to injury to or destruction of property at such nuclear facility.

D. As used in this Section: "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 (i) containing by-product material and (ii) resulting from the operation by any person or organization of any nuclear facility under paragraph (1) or (2) thereof; "nuclear facility" means

- (1) any nuclear reactor;
- (2) any equipment or device designed or used for (i) separating the isotopes of uranium or plutonium, (ii) processing or utilizing spent fuel, or (iii) handling, processing or packaging waste;
- (3) any equipment or device used for the processing, fabricating or alloying of special nuclear material if 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 of any combination thereof, or more than 250 grams of uranium 235; or
- (4) any structure, basin, excavation, premises or place prepared or used for the storage or disposal of waste;

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations; "nuclear reactor" means any apparatus designed or used to sustain nuclear fission in self-supporting chain reaction or to contain a critical mass of fissionable material. With respect to injury to or destruction of property, the word "injury" or "destruction" includes all forms of radioactive contamination of property.

It is understood and agreed that, except as specifically provided in the foregoing to the contrary, this Section is subject to the terms, exclusions, conditions and limitations of the insurance to which it is attached.

SPECIMEN