

Beazley | Safeguard



beazley

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Beazley Claims Service

Delivering great claims service is one of Beazley's top priorities. Our Claims Service Standards highlight what our stakeholders can expect when working with our Claims Team – expertise, responsiveness, partnership, fairness, and accountability. Please visit www.beazley.com to read more about our Claims Service Standards under Our Approach to Claims.

Insurance Company, Claims and Circumstance Notification and Complaints Information

Thank you for choosing to insure with us. Please read your policy documentation carefully to ensure that the cover meets your requirements. If anything is not correct please contact your broker as soon as possible.

A. Insurance Company

Syndicate 2623/623 at Lloyd's

B. Claims and Circumstances Notification – Where to notify a claim or circumstance

Beazley Group
Attn: Claims Group
30 Batterson Park Road
Farmington, CT 06032
claims@beazley.com

To report a **circumstance** under the Safeguard Additional Coverage, call +1 844 285 4700 where a service representative will be available 24 hours a day, seven days a week

C. Complaints Information – How to make a complaint

Every effort is made to ensure that a high standard of service is provided. However, if the **insured** is not satisfied with the service it has received or it has any questions or concerns about this Policy the **insured** should contact:

Beazley USA Services, Inc. (on behalf of one or more Beazley Group insurers)
To get information or file a complaint with your **insurance company**:

Online: www.beazley.com
Email: us.complaints@beazley.com
Mail: 30 Batterson Park Road
Farmington, CT 06032

All correspondence should be addressed to Beazley Complaints.



Declarations

NOTICE: THIS POLICY IS A CLAIMS MADE AND REPORTED POLICY AND APPLIES ONLY TO CLAIMS FIRST MADE AGAINST THE INSURED DURING THE POLICY PERIOD AND REPORTED IN WRITING TO THE INSURANCE COMPANY IN ACCORDANCE WITH THE TERMS OF THIS POLICY. AMOUNTS INCURRED AS DEFENSE COSTS WILL REDUCE AND MAY EXHAUST THE LIMIT OF LIABILITY AND ARE SUBJECT TO THE RETENTION. PLEASE REVIEW THE COVERAGE PROVIDED UNDER THIS POLICY CAREFULLY AND DISCUSS WITH YOUR INSURANCE AGENT OR BROKER.

These Declarations along with the **application**, and the Policy with endorsements shall constitute the contract between the **insured** and the **insurance company**.

Policy Number:

Named Insured:

Name:

Address:

Policy Period:

From:

To:

Both days 12.01 a.m. Local Time at the Address specified above

Limit of Liability:

(a) USD in the aggregate during the **policy period** for all **claims** brought by or on behalf of each **victim**, and

(b) USD in the aggregate during the **policy period** for all **claims** brought by or on behalf of all **victims**

and separately:

(c) USD 75,000 in the aggregate during the **policy period** for all **safeguard costs** resulting from all **circumstances**

Retention:

USD

each **victim**

Optional Extension Period:	12 months	<p>Additional premium of 100% of the annual premium plus applicable taxes, provided no claims and/or circumstances have been reported to the insurance company.</p> <p>In the event any claims and/or circumstances have been reported to the insurance company, the additional premium for the 12 month optional extension period will be determined by the insurance company at the time this Policy is not renewed or replaced by the insurance company</p>
Premium:	USD	(annual) plus applicable taxes
Retroactive Date:		
Prior and Pending Date:		
Notification of Claim or Circumstance:	<p>Beazley Group Attn: Claims Group 30 Batterson Park Road Farmington, CT 06032 claims@beazley.com</p> <p>or</p> <p>To report a circumstance under the Safeguard Additional Coverage, call +1 844 285 4700 where a service representative will be available 24 hours a day, seven days a week</p>	
Other Notices:	<p>Beazley Group 30 Batterson Park Road Farmington, CT 06032</p>	
Service of Suit:	Service of process in any suit shall be made upon:	
Governing Law:		



NOTICE: THIS POLICY IS A CLAIMS MADE AND REPORTED POLICY AND APPLIES ONLY TO CLAIMS FIRST MADE AGAINST THE INSURED DURING THE POLICY PERIOD AND REPORTED IN WRITING TO THE INSURANCE COMPANY IN ACCORDANCE WITH THE TERMS OF THIS POLICY. AMOUNTS INCURRED AS DEFENSE COSTS WILL REDUCE AND MAY EXHAUST THE LIMIT OF LIABILITY AND ARE SUBJECT TO THE RETENTION. PLEASE REVIEW THE COVERAGE PROVIDED UNDER THIS POLICY CAREFULLY AND DISCUSS WITH YOUR INSURANCE AGENT OR BROKER.

The **insurance company** agrees with the **named insured** in consideration of the payment of, or agreement to pay, the premium and subject to all the provisions of this Policy:

Coverage

Sexual Abuse and Misconduct Liability

To pay **loss** resulting from any **claim** first made against any **insured** during the **policy period** for a **wrongful act** and reported in accordance with the Claim Requirements and Information section.

Additional Coverage

Safeguard Coverage

To pay, at the **insurance company's** sole discretion, any **safeguard costs** resulting from any **circumstance** which the **insureds** first become aware of during the **policy period**, provided that, as a condition to coverage:

- (a) such **circumstance** is reported to the **insurance company** in accordance with the Claim Requirements and Information section, but in no event later than 72 hours after a **responsible person** becomes aware of such **circumstance**; and
- (b) the **insured organization** enters into a formal written agreement with the **safeguard service provider** within 24 hours of the **insurance company** appointing such **safeguard service provider**.

Exclusions from Cover

The **insurance company** will not be liable for any **loss** in connection with or resulting from:

Assumed Liability

any **claim** or **circumstance** arising out of, based upon, attributable to or in any way involving any liability of others assumed by the **insured** under any contract or agreement, either oral or written, including any hold harmless or indemnity agreements.

This Exclusion will not apply to the extent the **insured** would have been liable in the absence of such contract or agreement.

Employment-Related Practices

that part of any **claim** or **circumstance** arising out of, based upon, attributable to or in any way involving any employment-related practice, policy, act or omission which does not otherwise constitute a **wrongful act**.

Indemnity to Perpetrator

any **claim** against any **insured person** who personally committed, participated in or assisted in any act of **sexual abuse and misconduct**.

This Exclusion will not apply to any **defense costs** incurred by such **insured person** until such time as:

- (a) such **insured person** is judicially determined to have committed, participated in or assisted in any act of **sexual abuse and misconduct**; or
- (b) such **insured person** admits in any context to having committed, participated in or assisted in any act of **sexual abuse and misconduct**.

Insured against Insured

any **claim** brought by or on behalf of any **insured**.

Prior and Pending

any **claim** arising out of, based upon, attributable to or in any way involving any **circumstance**, written demand for monetary damages, litigation, arbitration, administrative or other proceeding which was alleged or brought against an **insured** prior to the **prior and pending date**, or any **wrongful act** or fact or circumstance underlying or alleged therein.

Prior Knowledge of Acts of Sexual Abuse and Misconduct

any **claim** or **circumstance** if, prior to the date of the **wrongful act** giving rise to such **claim** or **circumstance**, any **insured** was aware of any allegation or complaint of any act of **sexual abuse and misconduct** being made against the same **insured person** as accused in such **claim** or **circumstance**.

Prior Notice

any **claim** or **circumstance** arising out of, based upon, attributable to or in any way involving:

- (a) any act of **sexual abuse and misconduct**, fact, circumstance, transaction or situation which has been the subject of any **claim** or **circumstance**, whenever made, of which notice has been provided prior to the **policy period** under any other policy, or
- (b) any act of **sexual abuse and misconduct** which is considered **related acts of sexual abuse and misconduct** of which notice of the earlier such act of **sexual abuse and misconduct** has been provided prior to the **policy period** under any other policy.

Limit of Liability

The Limit of Liability specified in Declarations under part (a) is the maximum amount payable by the **insurance company** for all **loss** under this Policy in respect of all **claims** against the **insureds** brought by or on behalf of each **victim**.

The Limit of Liability specified in Declarations under part (b) is the maximum amount payable by the **insurance company** for all **loss** under this Policy in respect of all **claims** against the **insureds** brought by all **victims**.

The Limit of Liability specified in Declarations under part (c) is the maximum amount payable by the **insurance company** for all **safeguard costs** under this Policy in respect of all **circumstances**. Such Limit of Liability will be in addition to the Limit of Liability specified in Declarations under parts (a) and (b).

Any **loss** paid by the **insurance company** under this Policy will reduce all applicable Limits of Liability.

The **insurance company** will not be obligated to pay any **loss**, or defend any **claim**, after the applicable Limits of Liability have been exhausted, or after deposit of the Limit of Liability in a court of competent jurisdiction.

Retention

The Retention specified in the Declarations will apply separately for **claims** brought by or on behalf of each **victim**, and the **insurance company** will be liable only for **loss** in excess of that amount.

The Retention for each **victim** will be satisfied by monetary payments of **loss** by the **insured**.

No Retention will apply to **safeguard costs**.

Claim Requirements and Information

Notification of Claims

As a condition to coverage under this Policy, the **insured** must give notice to the **insurance company** of any **claim** as soon as practicable but in no event later than 30 days after any **responsible person** first becomes aware of such **claim** or 30 days after the end of the **policy period** (whichever date is earlier).

Notification of Circumstances

The **insured** may during the **policy period** notify the **insurance company** of any **circumstance**.

Any notice must include:

- (a) the reasons why the **insured** reasonably anticipates that such **circumstance** could give rise to a **claim**, and
- (b) full particulars of the dates, acts and persons involved (where available).

If a **claim** is made after the end of the **policy period** and arises from a **circumstance** reported in accordance with this provision, then such **claim** will be deemed to have been made at the same time as the **circumstance** was reported to the **insurance company**.

Related Claims

All **related claims**:

- (a) are deemed a single **claim** for the purposes of this Policy, irrespective of the number of **insureds** involved in the **claim**, and
- (b) are deemed to have been made at the time of the first such **claim**, and

- (c) will be treated by the **insurance company** as having been reported when the first of such **claims** was reported or is deemed to have been reported to the **insurance company**, and
- (d) will be subject to a single Retention.

Related Acts of Sexual Abuse and Misconduct

All related acts of sexual abuse and misconduct:

- (a) are deemed a single act of **sexual abuse and misconduct** for the purposes of this Policy, irrespective of the number of **insured's** involved, and
- (b) are deemed to have been first committed at the time of the first such act of **sexual abuse and misconduct**.

Notice to the Insurance Company

All notices to the **insurance company** must be sent either by e-mail to or by mail to the address specified in the Declarations.

Defense, Safeguard Costs and Settlement

(a) Duties

The **insurance company** has the right and duty to defend any **claim** against the **insured** seeking **loss** which is payable under the terms of this Policy, even if any part of such **claim** is groundless, false or fraudulent.

(b) Selection of defense counsel and consent to **defense costs** and **safeguard costs**

The **insurance company** has the right to select defense counsel and will not be obligated to pay **defense costs** or **safeguard costs** unless it has given prior written consent to such **defense costs** or **safeguard costs** being incurred.

(c) Repayment of **defense costs**

To the extent it is established that any **defense costs** paid by the **insurance company** are not covered in whole or in part under this Policy, the **named insured** shall repay such **defense costs** to the **insurance company**.

(d) Settlement of **claims**

The **insured** will not admit liability, make any payment, assume any obligation, incur any expense, make an offer to settle or agree to any settlement, stipulate to any judgment or dispose of any **claim** without the prior written consent of the **insurance company**.

If the **insured** refuses to consent to any settlement recommended by the **insurance company** and acceptable to the claimant, the **insurance company's** liability for **loss** will not exceed:

- i. the amount for which the **claim** could have been settled, less the remaining Retention, plus the **defense costs** incurred up to the time of such refusal, plus
- ii. 20% of any **loss** incurred after the date such settlement was recommended to the **insured**, with the remaining 80% of such **loss** to be borne by the **insured** at their own risk and uninsured.

Assistance and Cooperation

If any **claim** or **circumstance** is reported by the **insured** under this Policy, the **insured** will give all information and assistance to the **insurance company** as it may need to investigate such **claim** or

circumstance. The **insured** will cooperate with the **insurance company** in responding to such **claim** or **circumstance**. The **insured** agrees not to take any action which in any way increases the **insurance company's** exposure under this Policy.

Any costs to provide such information or assistance to the **insurance company** will be at the **insured's** own cost.

Allocation

If a judgment, award and/or settlement constitutes both **loss** covered by this Policy and loss uncovered by this Policy either because the **claim** includes both covered and uncovered allegations or because it includes both insured and uninsured parties, then the **insured** and the **insurance company** will use their best efforts to determine a fair and appropriate allocation between that portion of **loss** that is covered under this Policy and that portion of loss that is not covered under this Policy. The **insurance company** and the **insured** agree that in determining a fair and appropriate allocation of **loss** and non-covered loss, such parties will take into account the relative legal and financial exposures of the settlement of the **claim** by the **insured** and others.

Other Insurance

The insurance under this Policy will apply in excess of any other valid and collectible insurance available to any **insured**, including any self-insured retention or deductible of such insurance. This provision will not apply where such other insurance is written only as specific excess insurance over this Policy.

Subrogation and Recoveries

If any payment is made under this Policy, the **insured** will transfer its rights of recovery against any third party to the **insurance company**. The **insured** will do whatever is reasonably necessary to secure and preserve such rights after a **claim** is first made against them or the date they become aware of a **circumstance**.

Any amounts recovered will be applied in the following order:

- (a) to reimburse costs incurred by or on behalf of the **insurance company** in bringing proceedings against such other party;
- (b) then to the **insured** for the amount of any **loss** which exceeds the Limit of Liability;
- (c) then to the **insurance company** up to the amount of the **loss** paid by the **insurance company** and the Limit of Liability will be reinstated for such amounts;
- (d) then to the **insured** to reimburse the Retention.

Action against the Insurance Company

No action will lie against the **insurance company** unless and until the **insured** has fully complied with all the terms of this Policy.

No person or organization will have the right under this Policy to join the **insurance company** as a party to an action against the **insured** to determine the **insured's** liability or implead the **insurance company** in any such action.

General Conditions

Change of Control or Subsidiary Acquired by Another Entity

In the event during the **policy period**:

- (a) there is a **change of control**, or
- (b) a **subsidiary** is acquired by another entity,

this Policy will not apply to that part of any **claim** or **circumstance** which arises from a **wrongful act** that was committed after such **change of control** or acquisition.

The **named insured** will, as soon as practicable, give the **insurance company** written notice of a **change of control**.

Mergers and Acquisitions

- (a) In the event the **named insured** acquires another entity whose number of employees do not exceed 20% of the total number of **employees** of the **insured organization** as the time of acquisition, then such acquired entity will be considered part of the **insured organization**, and this Policy will apply, from the date of such acquisition, for any **claim** or **circumstance** in any way involving such entity; or

- (b) In the event the **named insured**:

- i. merges with another entity such that the **named insured** is the surviving entity; or
- ii. acquires another entity whose number of employees exceeds the percentage threshold in (a) above,

then this Policy will only apply for a period of 60 days, from the date of such merger or acquisition, for any **claim** or **circumstance** in any way involving such merged or acquired entity.

After 60 days, coverage will only be available under this Policy if:

- 1. the **named insured** provides the **insurance company** with information in connection with such merger or acquisition as the **insurance company** requires; and
- 2. the **named insured** accepts any special terms, conditions, exclusions or additional premium charge as may be required by the **insurance company**.

- (c) Coverage for such entity specified in (a) or (b) above:

- i. will only apply if all employees of such entity specified in (a) or (b) above have successfully completed both a criminal background and abuse registry check prior to the time of such merger or acquisition; and
- ii. will only apply to that part of any **claim** or **circumstance** for any **wrongful act** committed after the date of such merger or acquisition.

Optional Extension Period

If this Policy is cancelled by the **named insured** or is not renewed or replaced by the **insurance company**, the **named insured** will be entitled to purchase an **optional extension period**.

The **optional extension period** will only be available if:



- (a) the **named insured** gives written notice to the **insurance company** of its intent to purchase the **optional extension period** within 60 days after the effective date of cancellation or, in the event this Policy is not renewed or replaced, the end of the **policy period**; and
- (b) the **named insured** pays the additional premium specified in the Declarations to the **insurance company** within 60 days after the effective date of cancellation or, in the event this Policy is not renewed or replaced, the end of the **policy period**.

The **optional extension period** will only apply to that part of any **claim** or **circumstance** for any **wrongful act** committed before the effective date of cancellation or, in the event this Policy is not renewed or replaced, the end of the **policy period**. In no event will the **optional extension period** apply to any **safeguard costs**.

The **optional extension period** cannot be cancelled, and the premium is deemed fully earned at the inception date of such **optional extension period**.

The **optional extension period** will not increase the Limit of Liability. Any payments with respect to **claims** made during the **optional extension period** will be part of the Limit of Liability.

The offer of renewal terms, conditions or premiums different from those in effect prior to renewal will not constitute non-renewal or replacement.

Cancellation

- (a) By the **named insured**

If an **insured** has not reported any **claims** or **circumstances**, the **named insured** may cancel this Policy by giving the **insurance company** written notice stating when thereafter the cancellation will be effective. In such event the **insurance company** will give the **named insured** the customary short rate refund of the premium for the remaining portion of the **policy period**, subject always to a 5% minimum earned premium.

- (b) By the **insurance company**

The **insurance company** will have the right to cancel this Policy only for nonpayment of premium by providing in writing 20 days notice of cancellation to the **named insured**. If the premium is paid in full to the **insurance company** before the 20 day notice period expires, notice of cancellation will automatically be revoked. In the event of cancellation, the **insurance company** will be entitled to the pro-rata portion of the premium. If the foregoing notice provision is in conflict with any governing law or regulation, then such provision will be amended to afford the minimum requirements permitted thereunder.

Non-Renewal

The **insurance company** may non-renew this Policy by giving the **named insured** 60 days written notice before the end of the **policy period**. The mailing of such notice shall be sufficient notice. Delivery of such written notice by the **insurance company** will be equivalent to mailing. If the foregoing notice provision is in conflict with any governing law or regulation, then such provision will be amended to afford the minimum requirements permitted thereunder.

Authorization

The **named insured** will be considered the agent of all the **insureds**. This means that the **named insured**:

- (a) will act on behalf of all the **insureds** with respect to the giving of or receipt of all notices pertaining to this Policy, and
- (b) will accept any endorsements to this Policy, and
- (c) will be responsible for the payment of all premiums and Retentions and for receiving any refunds of premium.

Assignment

The **insured** cannot assign this Policy or any right under it without the prior written consent of the **insurance company**.

Headings

The titles of provisions or endorsements in this Policy are intended solely for convenience and reference. They are not deemed in any way to limit, expand or otherwise affect the provisions to which they relate.

Single form of a Word

Whenever the singular form of a word is used in this Policy, the same word will include the plural when required by context.

Governing Law

This Policy will be governed by and construed in accordance with the laws of the state designated in the Declarations.

Service of Suit

It is agreed that in the event of the failure of the **insurance company** to pay any amount claimed to be due under this Policy, the **insurance company**, at the request of the **insured**, will submit to the jurisdiction of a court of competent jurisdiction within the United States. Nothing in this General Condition constitutes or should be understood to constitute a waiver of the **insurance company's** rights to commence an action in any court of competent jurisdiction in the United States, to remove an action to a United States District Court, or to seek a transfer of a case to another court as permitted by the laws of the United States or of any state in the United States. It is further agreed that service of process in such suit may be made upon the **insurance company's** representative, specified in the Declarations, and that in any suit instituted against any one of them upon this contract, the **insurance company** will abide by the final decision of such court or of any appellate court in the event of an appeal.

The **insurance company's** representative specified in the Declarations is authorized and directed to accept service of process on behalf of the **insurance company** in any such suit and/or upon the request of the **insured** to give a written undertaking to the **insured** that they will enter a general appearance upon the **insurance company's** behalf in the event such a suit shall be instituted.

Further, pursuant to any statute of any state, territory or district of the United States which makes provision therefor, the **insurance company** hereby designates the Superintendent, Commissioner or Director of Insurance or other officer specified for that purpose in the statute, or his successor in office, as their true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the **insured** or any beneficiary hereunder arising out of this Policy, and hereby designates the **insurance company's** representative, specified in the Declarations, as the person to whom the said officer is authorized to mail such process or a true copy thereof.

Entire Agreement

By acceptance of the Policy, the **insured** agrees that this Policy embodies all agreements between the **insurance company** and the **insured** relating to this Policy. No change or modification to this Policy will be effective unless made by endorsement issued by the **insurance company**.

Representation by the Insured

The **insured** represents that the statements contained in the **application** are true, accurate and are not misleading. The **insured** also agrees that the **insurance company** issued this Policy, and assume the risks hereunder, in reliance upon the truth of such statements.

In the event that the **application** contains misrepresentations made with the actual intent to deceive, or contains misrepresentations which materially affect either the acceptance of the risk or the hazard assumed by the **insurance company** under this Policy, this Policy will not afford any coverage with respect to:

- (a) those **insureds** who made or had knowledge of such misrepresentations; and
- (b) all **insureds** if the individuals who executed the **application** made or had knowledge of such misrepresentations.

Except as provided for in paragraph (b) above, no knowledge possessed by any **insured** will be imputed to any other **insured**.

None of the foregoing provisions in this General Condition will in any other way limit or void the **insurance company's** rights to rescind this Policy.

The Insurance Company's Consent

Where the **insured** is required under this Policy to seek the consent of the **insurance company**, the **insurance company** will not unreasonably withhold, delay or deny such consent.

Sanction Limitation

The **insurance company** will not be liable to provide any cover, benefit or pay any **loss** under this Policy to the extent that the provision of such cover, benefit or payment of such **loss** would expose the **insurance company** to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the United States of America, Canada, European Union or United Kingdom.

Bankruptcy

Bankruptcy or insolvency of the **insureds** will not relieve the **insurance company** of its obligations, or deprive the **insurance company** of its rights or defenses under this Policy.

Territory

This Policy will apply to **claims** made against the **insureds** anywhere in the world.

Valuation and Currency

All premiums, limits, retentions, **loss** and other amounts under this Policy are expressed and payable in the currency of the United States. If judgment is rendered, settlement is denominated or another element of **loss** under this Policy is stated in a currency other than United States dollars, payment under this Policy will be made in United States dollars at the rate of exchange published in the *Wall Street Journal* on the date the judgment becomes final or payment of the settlement or other element of **loss** is due.

Complaints

Every effort is made to ensure that a high standard of service is provided. However, if the **insured** is not satisfied with the service it has received or it has any questions or concerns about this Policy the **insured** should contact Beazley Complaints as indicated on the Insurance Company, Claim and Circumstance Notification and Complaints Information form.

Definitions

The following definitions are applicable to this Policy:

application means the completed and signed application for this Policy including any written materials submitted with the application, all of which will be deemed part of this Policy, as if physically attached.

change of control means:

- (a) the acquisition by any person or entity of more than 50% of the outstanding securities or equity interest of the **named insured** representing the present right to vote for the election of directors; or
- (b) the merger or consolidation of the **named insured** into another entity such that the **named insured** is not the surviving entity.

change of control will not be considered to have occurred in the event of **financial impairment**.

circumstance means a **wrongful act** or a reasonable suspicion thereof that has not yet given rise to a **claim**.

claim means:

- (a) a written demand for monetary damages;
- (b) a written document filed with a governmental authority as a prerequisite to filing a civil proceeding; or
- (c) a civil or administrative proceeding.

claim will not include any criminal, investigative or regulatory proceeding.

defense costs means:

- (a) reasonable fees, costs and expenses, including legal fees, costs and expenses, necessarily incurred by or on behalf of the **insured** in connection with the investigation, defense, settlement or appeal of a **claim**;
- (b) all other fees, costs and expenses incurred by or on behalf of the **insured** with the **insurance company's** prior written consent; and
- (c) premiums for appeal bonds for covered judgments or bonds to release property used to secure a legal obligation, if required for a **claim** against any **insured** for a **wrongful act**. However, the **insurance company** will have no obligation to appeal or to obtain such bonds.

defense costs will not include the salary and/or cost of time of any **insured person** (except expenses of **employees** where required to attend a court hearing or trial, subject to a cap of \$500 travel per day and an aggregate of \$10,000 for each **claim** regardless of the number of **employees**), overheads expenses of the **insured organization** or any **safeguard costs**.

employee means any natural person employed by the **insured organization** for wages or salary, which includes part time, seasonal, leased and temporary workers.

employee will include volunteers, substitute teachers, student teachers, coaches, counselors and clergy while performing activities on the **insured organization's** behalf that the **insured organization** has authorized and/or sponsored.

employee does not include individuals who are leased to another employer.

financial impairment means the appointment by any state or federal official, agency or court of any receiver, trustee, examiner, conservator, liquidator, rehabilitator or similar official to take control of, supervise, manage or liquidate the **insured organization**.

independent contractor means any natural person who is self-employed and performs labor or service for the **insured organization** pursuant to a written contract or agreement, where only the result of such labor or service is under the exclusive direction of the **insured organization**. The status of an individual as an **independent contractor** shall be determined as of the date of an alleged **wrongful act**.

insured means the **insured organization** and the **insured persons**.

insured organization means:

- (a) the **named insured**;
- (b) any **subsidiary**; and
- (c) the **named insured** or any **subsidiary** as a debtor in possession under the United States bankruptcy law or similar legal status under foreign law.

insured persons means any natural person who was, is or during the **policy period** becomes:

- (a) a director or officer of the **insured organization**;
- (b) a manager, managing member, member of the board of managers, managing partner, general partner of a limited partnership (including the board of directors of any such general partner that is a corporation) or equivalent executive of the **insured organization**;
- (c) an **employee**; or
- (d) an **independent contractor**

but only when and to the extent acting for and on behalf of the **insured organization** in such capacity.

insured persons will include:

- i. the lawful spouse, civil or domestic partner of any natural person specified above:
 - 1. solely in their capacity as such, and
 - 2. only for the purposes of any **claim** seeking damages recoverable from:
 - a. marital community property,
 - b. property jointly held by any such person and the spouse, civil or domestic partner, or
 - c. property transferred from any such person to the spouse, civil or domestic partner, and
- ii. the estate, heirs, legal representatives, trusts, estate planning vehicles or assigns of any natural person specified above in the event of their death, incapacity or bankruptcy.

insurance company means Syndicate 2623/623 at Lloyd's.

loss means:

- (a) judgments (including pre and post-judgment interest), awards, settlements and statutory attorney fees incurred by the **insured**;
- (b) **defense costs**; and
- (c) with respect to the Safeguard Additional Coverage, **safeguard costs**.

loss will not include:

- i. fines, sanctions or penalties;
- ii. punitive or exemplary damages or any damages which are a multiple of compensatory damages; and
- iii. any amounts deemed uninsurable by law.

management control means:

- (a) owning interest representing at least 50% of the voting, appointment or designation power for the selection of a majority of the board of directors of a corporation, the members of the management board of a limited liability corporation, the management committee members of a joint venture or with respect to entities operating or organized outside the United States of America, persons serving in a functionally equivalent role; or
- (b) having the right, pursuant to written contract or the bylaws, charter, operating agreement or similar documents of the **insured organization** to elect, appoint or designate a majority of the board of directors of a corporation, the management board of a limited liability corporation, the management committee members of a joint venture or with respect to entities operating or organized outside of the United States of America, persons serving in a functionally equivalent role.

named insured means the entity specified in the Declarations.

optional extension period means the period specified in the Declarations after the end of the **policy period** in respect of **claims** first made against the **insured** and reported to the **insurance company** during such period specified in the Declarations.

policy period means the period specified in the Declarations.

prior and pending date means the date specified in the Declarations.

related claims means all **claims** made by or on behalf of each **victim** involving the same **wrongful act** or **related acts of sexual abuse and misconduct**.

related acts of sexual abuse and misconduct means any and all acts of **sexual abuse and misconduct** against any one **victim** which have as a common nexus any fact, circumstance, situation, event, transaction, cause or series of causally or logically connected facts, circumstances, situations, events, transactions or causes.

responsible person means any member of the management committee, chairperson, chief executive officer, chief operating officer, president, chief financial officer, risk manager, human resources staff or an individual acting in a similar capacity with the **insured organization**.

retroactive date means the date specified in the Declarations.

safeguard costs means reasonable costs necessarily charged by a **safeguard service provider** on behalf of the **insured organization** in connection with providing **safeguard services**.

safeguard service provider means any service provider who is appointed at the sole decision of the **insurance company**.

safeguard services means any one or more of the following services that a **safeguard service provider** provides to the **insured organization** which at the sole decision of the **insurance company** are necessary to mitigate harm to the **insured organization's** reputation or potential covered damages, judgments or settlements by the Policy resulting from a **circumstance**:

- (a) crisis communications services;
- (b) crisis management services;
- (c) forensic and investigatory services;
- (d) legal services;
- (e) government relations services;
- (f) victim support service;
- (g) hotline services; or
- (h) any other services approved in advance by the **insurance company**.

sexual abuse and misconduct means any actual or alleged abuse, molestation, mistreatment or maltreatment of a sexual nature, including, but not limited to, any sexual involvement, sexual conduct or sexual contact, regardless of consent.

subsidiary means any entity, including any limited liability corporation and joint venture, in which the **named insured** either directly or indirectly has or had **management control** on or before the inception date of this Policy. Coverage for such entity will only apply for any **wrongful act** committed while the **named insured** had **management control** of such entity.

victim means any individual who alleges that he or she is the subject of an act of **sexual abuse and misconduct**.

wrongful act means:

- (a) any act of **sexual abuse and misconduct** first committed by an **insured person** on or after the **retroactive date** against any one **victim** whilst performing duties in relation to the **insured organization's** business; or

- (b) any negligent employment, investigation, supervision, training or retention of, or failure to report to proper authorities any person, including any minor, who first committed any act of **sexual abuse and misconduct** on or after the **retroactive date** against any one **victim** by any **insured** whilst performing duties in relation to the **insured organization's** business.

wrongful act will not include **related acts of sexual abuse and misconduct** where the first such act of **sexual abuse and misconduct** was committed prior to the **retroactive date**.