

## **POLICYHOLDER DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE**

Coverage for acts of terrorism, as defined in the Terrorism Risk Insurance Act, as amended, (the “Act”), is included in your policy. As defined in Section 102(1) of the Act: The term “act of terrorism” means any act that is certified by the Secretary of the Treasury—in consultation with the Secretary of Homeland Security, and the Attorney General of the United States—to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion. Under your coverage, any losses resulting from certified acts of terrorism may be partially reimbursed by the United States Government under a formula established by the Act. However, your policy may contain other exclusions which might affect your coverage, such as an exclusion for nuclear events. Under the formula, the United States Government generally reimburses 80% beginning on January 1, 2020 of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage. The Act contains a \$100 billion cap that limits U.S. Government reimbursement as well as insurers’ liability for losses resulting from certified acts of terrorism when the amount of such losses exceeds \$100 billion in any one calendar year. If the aggregate insured losses for all insurers exceed \$100 billion, your coverage may be reduced.

The portion of your annual premium that is attributable to coverage for acts of terrorism as defined in the Act is \$0, and does not include any charges for the portion of losses covered by the United States government under the Act.

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

First Named Insured <b>Winslow Point Condominium Association</b>			Endorsement Number
Policy Symbol	Policy Number <b>CM000004061-01</b>	Policy Term 07/09/2024 <b>to</b> 07/09/2025	Effective Date
Issued By (Name of Insurance Company) Great Divide Insurance Company			

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

This endorsement modifies insurance provided under the following:  
 DIRECTORS, OFFICERS AND CORPORATE LIABILITY INSURANCE COVERAGE SECTION  
 DIRECTORS, OFFICERS AND ORGANIZATION LIABILITY INSURANCE COVERAGE SECTION  
 FIDUCIARY LIABILITY INSURANCE COVERAGE SECTION  
 EXCESS INSURANCE POLICY  
 GENERAL LIABILITY COVERAGE PART  
 COMMUNITY ASSOCIATION LEADERS PROFESSIONAL LIABILITY INSURANCE POLICY –  
 DIRECTORS AND OFFICERS LIABILITY COVERAGE  
 EMERGENCY MEDICAL SERVICES GENERAL LIABILITY COVERAGE PART

In consideration of the premium paid for this Policy, it is amended as follows:

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

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in consultation with the Secretary of Homeland Security and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any loss that is otherwise excluded under this Policy.

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# Community Associations D&O Liability Program

Evidence of Insurance & Purchasing Group Membership

**PRODUCER:** LoPriore Insurance Agency, Inc.  
426 Main Street Suite 2  
Stoneham, MA, 02180

**NAMED INSURED:**

Winslow Point Condominium Association  
  
c/o The Dartmouth Group  
131 Hartwell Ave #115  
Lexington, MA, 02421

**PROGRAM ADMINISTRATOR:**

**McGowan Program Administrators**  
*(A Division of McGowan & Company, Inc.)*  
Old Forge Centre – 20595 Lorain Road  
Fairview Park, OH 44126  
Ph: (440) 333-6300 / F: (440) 333-3214

**ITEM 1. COVERAGE PERIOD:** Effective 07/09/2024 To 07/09/2025 At 12:01 A.M. Standard Time  
At the Named Insured's Mailing Address Shown Above

**POLICY NUMBER:** CM000004061-01

**ITEM 2. INSURER:** Great Divide Insurance Company

**ITEM 3. LIMIT OF LIABILITY:**

\$ 1,000,000 **Combined Limit of Liability - Each Wrongful Act**  
Applies to Coverage A, B and C (including defense costs)

\$ 2,000,000 **Policy Aggregate**  
Applies to Coverage A, B, C and D

\$ 1,000,000 **Defense Costs - In Addition to Combined Limit of Liability**  
Applies to Coverage D

\$ 2,500 **Deductible - Each Wrongful Act**  
Applies to Coverage A, B, C and D

\$ 2,500 **Deductible - Employment Practices - Each Wrongful Act**

**ITEM 4. FORMS, TERMS & CONDITIONS ATTACHED AT INCEPTION:**

See The "Forms and Endorsements" In Your Policy.

**ITEM 5. IMPORTANT COVERAGE NOTES & ADDITIONAL TERMS, CONDITIONS & EXCLUSIONS:**

- (1) You Must Notify Us If You Have A Change In Operations Or Exposures Which Increases The Insurance Company's Risk Of Loss.
- (2) This "Evidence Of Insurance & Purchasing Group Membership Agreement" Does Not Convey Or Modify Insurance Coverage. The Policy Is The Controlling Instrument With Regards To The Terms And Conditions Of Insurance Coverage. The Policy Will Also Contain Coverage Enhancement, Coverage Restrictions, And Exclusions. The Application Becomes A Material Part Of The Policy Of Insurance. This "Evidence Of Insurance & Purchasing Group Membership Agreement" Is Intended To Highlight The Pertinent Terms & Conditions Of Coverage, Provide A Detailed Statement Of Charges, And Convey Membership Terms And Conditions.

**ITEM 6. SCHEDULE OF CHARGES:**

**Total Premium, Fees, Surcharges & Taxes (If Applicable):** \$ 1,307.14

Premium:	\$ 1,098.00	Charged By Insurance Company
Purchasing Group Membership Fee:	\$ 209.14	Charged By Purchasing Group
Surplus Lines Tax:	\$ 0.00	Charged By State
Stamping Fee:	\$ 0.00	Charged By State
Other State Or Municipal Surcharge:	\$ 0.00	Charged By State Or Municipality
Loss Control Inspection Fee:	\$ 0.00	Charged By Program Administrator Or Inspection Service

**Purpose & Effect Of "Application For Insurance & Purchasing Group Membership."** By Signing An "Application For Insurance & Purchasing Group Membership" (Hereinafter "Application"), Applicant Agreed: (1) To Become A Member Of Community Associations PG, Inc. (Hereinafter "PG"); (2) To Participate In A Program Of Insurance Designed Exclusively For The Members Of PG; (3) To Accept, Abide By, And Be Bound By The "Terms & Conditions Of Insurance" Posted At [www.purchasinggroups.com](http://www.purchasinggroups.com); (4) To Accept, Abide By, And Be Bound By The "Membership Agreement – Terms & Conditions Of Membership" Posted At [www.purchasinggroups.com](http://www.purchasinggroups.com); (5) To Pay All Premiums (Including Audit And Additional Premiums, If Applicable), Fees (Including Broker & Purchasing Group Membership Fees), And State & Federal Taxes & Surcharges (If Applicable) When Due; (6) That Any Additional Material Supplied By Applicant Or Applicant's Insurance Broker To The Managing General Underwriter For A Given Program Of Insurance Becomes A Material Part Of The Application For Insurance; (7) That The Application Which It Signed Was The Basis Of The Contract [Policy &/Or "Evidence Of Insurance & Purchasing Group Membership" (Hereinafter "EOI")], Whether Or Not Said Application Was/Is Attached To The Policy &/Or EOI; (8) That The Application Is A Material Part Of The Policy &/Or EOI, Whether Or Not It Is Attached To The Policy &/Or EOI; And, (9) That The Application Is Considered Attached To The Policy &/Or EOI For Legal Purposes, Whether Or Not It Is Physically Or Electronically Attached To The Policy &/Or EOI.

**Disclosure Regarding Shared Limits.** Members Do Not Share Limits And Each Member Is Provided With Its Own Policy &/Or EOI.

**Disclosure Pursuant To Federal Law Regarding Purchasing Groups [U.S.C. 15 3901, Et Seq.]** PG Is A "Purchasing Group," As Defined Under Federal Law, Formed To Purchase Liability Insurance On A Group Basis For Its Members To Cover The Similar Or Related Liability Exposure(s) To Which The Members Of PG Are Exposed By Virtue Of Their Related, Similar, Or Common Business Or Service. Members Do Not Share Limits And Each Member Is Provided With Its Own Policy &/Or EOI.

**Disclosure Pursuant To Terrorism Risk Insurance Program Reauthorization Act of 2007.** By Signing Below, Applicant Agrees That It Has Read And Understands The "Disclosure Pursuant To The Terrorism Risk Insurance Program Reauthorization Act of 2007" Which Appears At [www.purchasinggroups.com](http://www.purchasinggroups.com).

**To Learn More.** Please Visit [www.purchasinggroups.com](http://www.purchasinggroups.com), Which Contains More Information About Your Purchasing Group And Purchasing Groups, In General, As Well As Your Insurance Coverage, Premiums, Fees, Taxes, The MGUs' Income, And Your Insurance Broker's Income.

Issue Date: 07/01/2024



## GREAT DIVIDE INSURANCE COMPANY

(a Capital Stock Insurance Company)

7233 E. Butherus Drive

Scottsdale, AZ 85260

*Administrative Offices: 233 South Wacker Drive, Suite 3900, Chicago, IL 60606*

### COMMUNITY ASSOCIATION LEADERS PROFESSIONAL LIABILITY INSURANCE

**NOTICE: THIS IS A CLAIMS MADE AND REPORTED POLICY. COVERAGE IS LIMITED TO LIABILITY FOR CLAIMS FIRST MADE AGAINST YOU AND REPORTED TO US WHILE THE COVERAGE IS IN FORCE. NOTE: THE LIMIT OF LIABILITY AVAILABLE TO PAY JUDGMENTS OR SETTLEMENTS SHALL BE REDUCED BY AMOUNTS INCURRED FOR LEGAL DEFENSE AFTER EXHAUSTION OF THE DEFENSE COSTS LIMIT OF LIABILITY UNDER COVERAGE PART D. PLEASE REVIEW THE POLICY CAREFULLY AND DISCUSS POLICY COVERAGE WITH YOUR INSURANCE AGENT OR BROKER.**

Throughout this Policy the words **We**, **Us** and **Our** refer to the Company providing this insurance. **You** and **Your** mean the **Insureds**.

Other words and phrases that appear in boldface have special meaning. Refer to SECTION II. DEFINITIONS.

In consideration of the premium paid and in reliance upon the statements in the Application completed by the **Insureds**, and upon the Declarations, and subject to its terms, conditions, and exclusions of the Policy and any amendments thereto, **We** and the **Insureds** agree as follows:

#### SECTION I. INSURING AGREEMENTS

##### Coverage Part A. Individual Insured Insurance

**We** shall pay on behalf of an **Individual Insured** all **Loss** the **Individual Insured** is legally obligated to pay arising from a **Claim** first made against an **Insured** during the **Policy Period** and reported to **Us** in writing during the **Policy Period** or the Extended Reporting Period, if applicable, for a **Wrongful Act** in the **Insured's** capacity as an **Individual Insured** of the **Organization** except when and to the extent that the **Organization** has indemnified the **Individual Insured**. The **Wrongful Act** shall take place on or after the **Continuity Date** and before the end of the **Policy Period**.

##### Coverage Part B. Organization Indemnification Reimbursement Insurance

**We** shall pay on behalf of the **Organization** all **Loss** an **Organization** has indemnified an **Individual Insured** for arising from a **Claim** first made against the **Insured** during the **Policy Period** and reported to **Us** in writing during the **Policy Period** or the Extended Reporting Period, if applicable, for a **Wrongful Act** committed in the **Individual Insured's** capacity for the **Organization** but only to the extent that the **Organization** has indemnified such **Individual Insured** for such **Loss** pursuant to law, common or statutory, or contract, or the Charter or By-laws of the **Organization** duly effective under such law which determines and defines such rights of indemnification. The **Wrongful Act** shall take place on or after the **Continuity Date** and before the end of the **Policy Period**.

##### Coverage Part C. Organization Insurance

**We** shall pay on behalf of an **Organization** all **Loss** an **Organization** is legally obligated to pay arising from a **Claim** first made against an **Organization** during the **Policy Period** and reported to **Us** in writing during the **Policy Period** or the Extended Reporting Period, if applicable, resulting from a **Wrongful Act**. The **Wrongful Act** shall take place on or after the **Continuity Date** and before the end of the **Policy Period**.

## Coverage Part D. Defense Provisions

**We** shall have the right and duty to defend and control any **Claim** made against an **Insured** based upon or arising out of any actual or alleged **Wrongful Act(s)**, even if such **Claim** is groundless, false or fraudulent. However, **We** shall have no obligation to defend any **Claim** after the Limit of Liability or any applicable Sublimit of Liability has been exhausted.

**We** shall have the right to investigate and/or settle any **Claim** against an **Insured** that **We**, in **Our** sole discretion, believe is proper. The **Insured(s)** shall give **Us** his/her/their full cooperation and such information as it may reasonably require in connection with its defense, investigation, and/or settlement of any **Claim(s)**.

The **Insured(s)** shall not admit or assume any liability, enter into any settlement agreement, stipulate to any judgment, or incur any **Defense Costs** without **Our** prior written consent. Only those settlements, stipulated judgments and **Defense Costs** which have been consented to by **Us** shall be recoverable as **Loss** under the terms of this policy; provided, however, that in all events **We** may withhold consent to any settlement, stipulated judgment or **Defense Costs**, or any portion thereof, to the extent such **Loss** is not covered under the terms of this policy.

If **We** recommend a settlement within the policy's applicable Limit of Liability which is acceptable to the claimant (a "Settlement Opportunity"), and the **Insured(s)** consents to such settlement, then the **Organization's** applicable Deductible amount shall be retroactively reduced by ten percent (10%) for such **Loss**. It shall be a condition to such reduction that the **Insured(s)** must consent to such settlement within thirty (30) days of the date the **Insured(s)** is first made aware of the Settlement Opportunity, or in the case of a Settlement Opportunity which arises from a settlement offer by the claimant, then within the time permitted by the claimant to accept such settlement offer, but in all events no later than thirty (30) days after the settlement offer was made.

However, if a Settlement Opportunity arises and the **Insured(s)** does not consent to the settlement within the time prescribed above, the Deductible amount shall remain the applicable amount set forth in Item 4 of the Declarations even if consent is given to a subsequent Settlement Opportunity.

Furthermore, in the event the **Insured(s)** does not consent to the First Settlement Opportunity within the time prescribed, then, subject to the applicable Limit of Liability, **Our** liability for all **Loss** on account of such **Claim** shall not exceed: (1) the amount for which the **Insurer** could have settled such **Claim** plus **Defense Costs** incurred as of the date such settlement was proposed in writing by **Us** ("Settlement Opportunity Amount"), plus (2) 50% of covered **Loss** in excess of such Settlement Opportunity Amount, it being a condition of this insurance that the remaining 50% of such **Loss** excess of the Settlement Opportunity Amount shall be carried by the **Organization** and the **Insured(s)** at their own risk and shall not be covered under this Policy. Notwithstanding the foregoing, this paragraph shall not apply until the Settlement Opportunity Amount exceeds the Deductible amount stated in Item 4 of the Declarations. The First Settlement Opportunity shall be deemed to include any proposed agreement by **Us** and claimant(s) or plaintiff(s) to enter into a binding arbitration or mediation of the **Claim**.

## SECTION II. DEFINITIONS

### A. **Claim** means:

- (1) a written demand for monetary, non-monetary or injunctive relief (including any request to toll or waive any statute of limitations) is received by an **Insured**; or
- (2) a civil proceeding commenced by the service of a suit, complaint or similar pleading; or
- (3) a formal civil administrative hearing, arbitration or regulatory proceeding commenced by the filing of a notice of charges or investigative order or similar document is received by an **Insured**.

**B. Community Association Management Entity** means an entity, sole proprietor or **Community Association Management Entity Employee** providing community association property management services to the **Organization** pursuant to a contract.

- C. **Community Association Management Entity Employee** means an individual employed and compensated by a **Community Association Management entity** to provide community association property management services to the **Organization** pursuant to a contract.
- D. **Community Association Management Wrongful Act** means a **Wrongful Act** allegedly committed by a **Community Association Management Entity** or **Community Association Management Entity Employee** while providing community association property management services to the **Organization** pursuant to a contract and includes a **Claim** where the **Community Association Management Entity** or **Community Association Management Entity Employee** is alleged to be vicariously responsible for the **Wrongful Act** of another **Insured**. However, a **Community Association Management Wrongful Act** does not include an **Employment Practice Claim** brought by a **Community Association Management Entity Employee**.
- E. **Continuity Date** shall mean the earliest date the **Named Organization** was formed by the filing of articles of incorporation or other statutory method of formation.
- F. **Construction Defect** means any alleged or actual defective, faulty or delayed construction or any other matter recognized as a construction defect under applicable common or statutory law, whether or not as a result of any of the following: faulty or incorrect design of architectural plans; improper soil testing; inadequate or insufficient protection from subsoil or earth movement or subsidence; construction, manufacture or assembly of any tangible property; failure to provide construction-related goods or services as represented or to pay for such goods or services; or supervision of such activities.
- G. **Defense Costs** means reasonable and necessary fees, costs and expenses consented to by **Us** (including premiums for any appeal bond, attachment bond or similar bond, but without any obligation to apply for or furnish any such bond) resulting solely from the investigation, adjustment, defense and appeal of a **Claim** against the **Insureds**, but excluding salaries of **Individual Insureds**.
- H. **Employee(s)** mean any employee of the **Organization**, whether such employee is in a supervisory, co-worker or subordinate position or otherwise, including any part-time, seasonal, and temporary employee of the **Organization** in his or her capacity as such. Any other individual who is a leased employee for the **Organization** shall also be an employee, but only if the **Organization** provides or is required to provide indemnification to such individual pursuant to a written contract, in the same manner as that provided to the **Organization's** employees.
- It is further understood and agreed that the coverage provided for leased employees shall only apply to **Wrongful Acts** of such leased employees occurring when they are acting pursuant to a written contract and in the course and within scope of the performance of work for the **Organization**, but only if and to the extent the **Organization** is contractually required to indemnify such leased employees in the same manner as is provided to its employees.
- I. **Employment Practices Claim** means a **Claim** alleging an **Employment Practices Wrongful Act**.
- J. **Employment Practices Wrongful Act(s)** means any actual or alleged:
- (1) wrongful dismissal, discharge or termination (either actual or constructive) of employment, including breach of an implied contract;
  - (2) harassment (including sexual harassment whether "quid pro quo", hostile work environment or otherwise);
  - (3) discrimination (including but not limited to discrimination based upon age, gender, race, color, national origin, religion, sexual orientation or preference, pregnancy, or disability);
  - (4) **Retaliation** (including lockouts);
  - (5) employment-related misrepresentation(s) to an **Employee** or applicant for employment with the **Organization**;
  - (6) employment-related libel, slander, humiliation, defamation or invasion of privacy;



- (7) wrongful failure to employ or promote;
- (8) wrongful deprivation of career opportunity, wrongful demotion or negligent **Employee** evaluation, including the giving of negative or defamatory statements in connection with an employee reference;
- (9) wrongful discipline;
- (10) failure to provide or enforce adequate or consistent organizational policies or procedures relating to any **Employment Practices Wrongful Act**;
- (11) violation of an individual's civil rights relating to any of the above,

but only if the **Employment Practices Wrongful Act** relates to an **Individual Insured**, or applicant for employment, with the **Organization** or an **Outside Entity**, whether direct, indirect, intentional or unintentional.

**K. Financial Insolvency** means: (1) entering into proceedings in bankruptcy or (2) becoming a debtor in possession; or (3) the taking of control, the supervision of, or the managing or liquidating the financial affairs of such entities by a receiver, conservator, liquidator, trustee, rehabilitator, or similar official.

**L. First Named Insured** means the **Named Organization** designated in Item 1 of the Declarations.

**M. Individual Insured(s)** means a past, present or future duly elected or appointed director, officer, trustee, committee member (of a duly constituted committee of the Organization), **Employee** or volunteer of the **Organization**. Coverage will automatically apply to all new persons who become **Individual Insureds** after the inception date of this policy.

**N. Insured(s)** means the **Organization** and all **Individual Insureds**.

**O. Loss** means damages (including back pay and front pay), judgments, settlements, pre- and post-judgment interest, the multiple or liquidated damages awards under the Age Discrimination in Employment Act and the Equal Pay Act and **Defense Costs**; however, **Loss** shall not include: (1) any amount for which the **Insureds** are not financially liable or which are without legal recourse to the **Insureds**; (2) employment-related benefits, stock options, perquisites, deferred compensation or any other type of compensation other than salary, wages or bonus compensation; (3) any liability or costs incurred by any **Insured** to modify any building or property in order to make said building or property more accessible or accommodating to any disabled person, or any liability or costs incurred in connection with any educational, sensitivity or other corporate program, policy or seminar relating to an **Employment Practices Claim**; or (4) matters which may be deemed uninsurable under the law pursuant to which this policy shall be construed; (5) the costs of compliance with any order entered in a matter arising out of a **Claim** seeking injunctive relief or non-monetary damages and relief.

**Loss** shall specifically include (subject to the policy's other terms, conditions and exclusions) punitive, exemplary and multiple damages subject to any limitation provided by State law, It is further understood and agreed that the enforceability of the foregoing coverage shall be governed by such applicable State law for punitive, exemplary and multiple damages. Notwithstanding the foregoing, coverage shall not be provided to any particular **Insured** who has been adjudicated to have obtained a profit or advantage or committed a fraudulent or dishonest act or a willful violation of any statute, rule or law.

**P. No Liability** means: (1) a final judgment of no liability obtained prior to trial, in favor of all **Insureds**, by reason of a motion to dismiss or a motion for summary judgment, after the exhaustion of all appeals; or (2) a final judgment of no liability obtained after trial, in favor of all **Insureds**, after the exhaustion of all appeals. In no event shall the term "No Liability" apply to a **Claim** made against an **Insured** for which a settlement has occurred.

**Q. Non-Employment Discrimination** means any actual or alleged sexual harassment or unlawful discrimination, as described in paragraphs (2) and (3) of the definition of **Employment Practices Wrongful Act**, or the violation of the civil rights of a person relating to such sexual harassment or discrimination, when such acts are alleged to be committed against anyone other than an **Individual Insured**, or applicant for employment with the **Organization**



or an **Outside Entity**, including but not limited to: customers, suppliers, invitees, renters, potential renters and purchasers of the **Organization's** units and/or apartments.

- R. Organization** means: (1) the **Named Organization** designated in Item 1 of the Declarations; (2) any **Subsidiary** thereof; and (3) any **Community Association Management Entity**.
- S. Outside Entity** means a not-for-profit organization, other than a **Subsidiary**, on which an **Individual Insured** serves, at the specific written request of the **Organization**, as a director, trustee, trustee emeritus or governor. Such coverage as is provided by this policy shall be specifically excess of any insurance in force as respects such **Outside Entity** and any indemnification provided by such **Outside Entity**.
- T. Policy Period** means the period of time from the inception date shown in Item 3 of the Declarations to the earlier of the expiration date shown in Item 3 of the Declarations or the effective date of cancellation of this policy.
- U. Policy Year** means a period of one year, within the **Policy Period**, commencing each year on the day and hour first shown in Item 3. of the Declarations, or if the time between the effective date or anniversary and termination of the Policy is less than one year, then such lesser period.
- V. Related Wrongful Acts** shall mean **Wrongful Acts, Claims or Loss** arising from continuous, related, or repeated **Wrongful Acts** regardless of the number of claimants, **Claims, Losses or Insureds** against whom such **Claims** or Suits are made. For the purpose of this definition, **Wrongful Act** includes **Employment Practice Wrongful Act** and **Community Association Management Wrongful Act**.
- W. Retaliation** means a **Wrongful Act** of an **Insured** relating to or alleged to be in response to any of the following activities: (1) the disclosure or threat of disclosure by an **Employee** to a superior or to any governmental agency of any act by an **Insured** which is alleged to be a violation of any federal, state, local or foreign law, common or statutory, or any rule or regulation promulgated thereunder; (2) the actual or attempted exercise by an **Employee** of any right that such **Employee** has under law, including rights under worker's compensation laws, the Family and Medical Leave Act, the Americans with Disabilities Act or any other law relating to employee rights; (3) the filing of any claim under the Federal False Claims Act or any other federal, state, local or foreign "whistle-blower" law; or (4) Employee strikes. For the purpose of this definition, **Wrongful Act** includes **Employment Practice Wrongful Act** and **Community Association Management Wrongful Act**.
- X. Subsidiary** means:
- 1) any organization which, on or before the inception of the **Policy Period**, the **Organization** owns more than fifty percent (50%) of the voting interest, either directly, or indirectly through one or more of its **Subsidiaries**, or has, on or before the inception of the **Policy Period**, the right to elect or appoint more than fifty percent (50%) of the voting directors, or trustees, either directly or indirectly through one or more of its **Subsidiaries**,
  - 2) any not for profit organization which becomes a **Subsidiary** during the **Policy Period** shall be provided coverage under this policy subject to the following conditions: the **Organization** (1) shall have provided **Us** with full particulars of the new Subsidiary; (2) shall have agreed to any additional premium or amendment of the terms and conditions of this policy required by **Us** relating to such new Subsidiary and, have paid when due any additional premium required by **Us** relating to such new Subsidiary.

In all events, such coverage as is afforded under this policy with respect to a **Claim** made against any **Subsidiary**, or any **Individual Insured** of a **Subsidiary**, shall only apply for **Wrongful Acts** committed or allegedly committed after the effective time that such **Subsidiary** became a **Subsidiary** and prior to the time that such **Subsidiary** ceased to be a **Subsidiary**.

- Y. Wrongful Act** means:
- (1) with respect to Individual **Insureds**, any breach of duty, neglect, error, misstatement, misleading statement, omission or act by such **Insureds** in his/her respective capacities as such, or any matter

claimed against such **Individual Insured** solely by reason of his/her status as **Individual Insureds** of the **Organization**;

- (2) with respect to the **Organization** under Coverage C, any breach of duty, neglect, error, misstatement, misleading statement, omission or act by or on behalf of the **Organization**;
- (3) with respect to service on an **Outside Entity**, any matter claimed against such **Individual Insureds** arising out of such **Insured** serving as a director, trustee, trustee emeritus or governor of an **Outside Entity** in such capacity, but only if such service is at the specific written request or direction of the **Organization**;
- (4) with respect to both the **Individual Insureds** and the **Organization** and subject to paragraphs Y (1), (2) and (3) above, **Wrongful Act** shall specifically include:
  - (a) **Employment Practices Wrongful Act**; or
  - (b) Non-Employment Discrimination; or
  - (c) **Community Association Management Wrongful Act**
  - (d) Libel, slander, defamation or publication or utterance in violation of an individual's right of privacy; or
  - (e) Wrongful entry or eviction or other invasion of the right of occupancy; or
  - (f) False arrest or wrongful detention; or
  - (g) Plagiarism; or
  - (h) Infringement of copyright or trademark or unauthorized use of title.

### SECTION III. EXTENSIONS

Subject otherwise to the terms hereof, this policy shall cover **Loss** arising from any **Claims** made against the estates, heirs, or legal representatives of deceased **Individual Insureds**, and the legal representatives of **Individual Insureds** in the event of an **Individual Insured's** incompetency, insolvency or bankruptcy, who were **Individual Insureds** at the time the **Wrongful Acts** upon which such **Claims** are based were committed.

Subject otherwise to the terms hereof, this policy shall cover **Loss** arising from all **Claims** made against the lawful spouse (whether such status is derived by reason of statutory law, common law or otherwise of any applicable jurisdiction in the United States of America) of an **Individual Insured** for all **Claims** arising solely out of his or her status as the spouse of an **Individual Insured**, including a **Claim** that seeks damages recoverable from marital community property, property jointly held by the **Individual Insured** and the spouse, or property transferred from the **Individual Insured** to the spouse; provided, however, that this extension shall not afford coverage for any **Claim** for any actual or alleged **Wrongful Act** of the spouse, but shall apply only to **Claims** arising out of any actual or alleged **Wrongful Acts** of an **Individual Insured**, subject to the policy's terms, conditions and exclusions.

The lawful spouse of an **Individual Insured** under this policy shall also extend to any individual person's Domestic Partner of such **Individual Insured**.

The term "Domestic Partner" shall mean any individual person qualifying as such either (1) under the provisions of any applicable federal, state, or local law, or (2) under the provisions of any formal program established by the Named **Organization** or its **Subsidiaries**.

## SECTION IV. EXCLUSIONS

The insurance provided does not apply to any **Claims, Damages, Loss** or **Defense Costs**, involving, caused by, based on, attributed to, arising out of or arising from, in consequence of, resulting directly or indirectly from, or in any way related to the following, regardless of whether any other cause, event, material condition or product contributed concurrently or in any other sequence to such **Claims, Damages, Loss** or **Defense Costs**:

- A. The gaining of any profit or advantage to which any judgment, final adjudication adverse to the **Insured(s)**, or alternative dispute resolution proceeding establishes the **Insured(s)** were not legally entitled;
- B. A plea of no contest or the committing of any criminal or deliberate fraudulent act if any judgment, final adjudication adverse to the **Insured(s)**, or alternative dispute resolution proceeding establishes that such criminal or deliberate fraudulent act occurred;
- C. Any **Wrongful Act** or circumstance prior to the inception date of the declarations and subsequent to the **Continuity Date**, an **Insured** was aware or could have reasonably foreseen might result in a **Loss** or **Claim**.
- D. Any fact, circumstance, situation, transaction, event, **Wrongful Act** which, before the inception date of this policy set forth in Item 3 of the Declarations, was the subject of any notice given under any other policy of directors and officers liability, similar management liability policy or general liability policy. With respect to **Community Association Management Entity**, the subject of any notice given by such **Community Association Management Entity** under any professional liability or general liability or similar insurance under which the **Community Association Management Entity** is an insured.
- E. The same or **Related Wrongful Act** alleged or contained in any **Claim** which has been reported, or in any circumstances of which notice has been given, under any policy in which the **Insured** against whom the **Related Wrongful Act** is being made was an **Insured** under the terms and conditions of that other policy.
- F. As of the **Continuity Date**, any pending or prior: (1) litigation; or (2) administrative or regulatory proceeding or investigation; or the alleging of any **Wrongful Act** which is the same or a **Related Wrongful Act** to that alleged in such pending or prior litigation, administrative, regulatory proceeding or investigation;
- G. To any actual or alleged act or omission of an **Individual Insured** serving in any capacity, other than with the **Organization** or as a director, trustee, trustee emeritus or governor of an **Outside Entity**;
- H. Which is brought by or on behalf of the **Organization** against any **Insured**. This exclusion shall not apply to any derivative **Claim** made on behalf of the **Organization** by a member of the **Organization**, an attorney general or any other such representative party if such action is brought and maintained independently of and without the solicitation of, assistance of, or active participation of or intervention of any **Insured**;
- I. Any **Wrongful Act** arising out of an **Individual Insured** serving as a director, trustee, trustee emeritus or governor of an **Outside Entity** if such **Claim** is brought by the **Outside Entity** or by any director, trustee, trustee emeritus or governor thereof;
- J. Bodily injury, sickness, disease, or death of any person, or damage to or destruction of any tangible property, including the loss of use thereof; provided, however, that this exclusion shall not apply to emotional distress or mental anguish where there are no allegations of bodily injury, sickness, disease, or death of any person;
- K. (1) the actual, alleged or threatened discharge, dispersal, release or escape of **Pollutants**; or  
(2) any direction or request to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize **Pollutants**, including, but not limited to, a **Claim** alleging damage to the **Organization**, its securities holders or members; provided, however, that this exclusion shall not apply to a non-Indemnifiable **Loss**, other than non-Indemnifiable **Loss** constituting **Cleanup Costs**.

As used herein, **Cleanup Costs** means expenses (including, but not limited to, legal and professional fees) incurred in testing for, monitoring, cleaning up, removing, containing, treating, neutralizing, detoxifying or assessing the effects of **Pollutants**.

As used herein, **Pollutants** means, but is not limited to, any solid, liquid, gaseous, biological, radiological or thermal irritant or contaminant, including smoke, vapor, dust, fibers, mold, spores, fungi, germs, soot, fumes, acids, alkalis, chemicals and **Waste**. **Waste** includes, but is not limited to, materials to be recycled, reconditioned or reclaimed and **Nuclear Materials**;

- L.** Violation(s) of any of the responsibilities, obligations or duties imposed by the Employee Retirement Income Security Act of 1974 (ERISA), the Fair Labor Standards Act (except the Equal Pay Act) (FLSA), the National Labor Relations Act (NLRA), the Worker Adjustment and Retraining Notification Act (WARN), the Consolidated Omnibus Budget Reconciliation Act (COBRA), the Occupational Safety and Health Act (OSHA), any rules or regulations of the foregoing promulgated there under, and amendments thereto or any similar Federal, State, local or foreign statutory law or common law. However, this exclusion shall not apply to a **Claim for Retaliation**; provided further, however, there is no coverage provided under this policy for any **Claim** related to, arising out of, based upon, or attributable to the refusal, failure or inability of any **Insured(s)** to pay wages or overtime pay for services rendered (hereinafter, **Earned Wages**) (as opposed to tort-based back pay or front pay damages); or for improper payroll deductions taken by any **Insured(s)** from any **Employee(s)** or purported employee(s), including, but not limited to, (i) any unfair business practice claim alleged because of the failure to pay **Earned Wages**, or (ii) any **Claim** seeking earned Wages because any **Employee(s)** or purported employee(s) was improperly classified or mislabeled as an exempt employee;
- M.** Liability for **Loss**, except **Defense Costs** for a **Claim** for liability of an **Insured** under or for a breach of any express or implied contract or agreement or liability of others assumed under any contract or agreement. This exclusion shall not apply to liability which would have attached in absence of any express, implied or other agreement. Further, this shall not apply to liability arising out of an **Employment Practices Wrongful Act**.
- N.** Any purchase or sale of securities by or on behalf of the **Organization**, **Individual Insured**, or **Subsidiary** under any Federal, State or other governmental law or regulation or other similar law. This exclusion shall not apply to any **Claim** arising out of, or in any way relating to the purchase or sale of any of the **Organization's** cooperative shares, if it is instigated and continued totally independent of, and totally without the solicitation of, or assistance of, or active participation of, or intervention of any **Insured** .
- O.** Brought against any Insured which directly or indirectly relates, in whole or in part, to such Insured's capacity as: (a) a builder, developer, declarant or sponsor of the **Organization**, or (b) an affiliate of a builder, developer, declarant or sponsor of the **Organization**;
- Including but not limited to any **Claim** based upon, arising from, or in consequence of any actual or alleged conflict of interest, self-dealing, or disputes relating to the construction or development of the **Organization**, the implementation and/or collection of assessments, or the establishment and/or maintenance of reserve accounts.
- P.** The **Hazardous Properties of Nuclear Material**, including but not limited to:
- (i) **Nuclear Material** located at any **Nuclear Facility** owned by, or operated by, or on behalf of the **Organization**, or discharged or dispersed there from;
  - (ii) **Nuclear Material** contained in **Spent Fuel** or **Waste** which was or is at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of the **Organization**;
  - (iii) The furnishing by an **Insured** or the **Organization** of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any **Nuclear Facility**; or
  - (iv) **Claims** for damages to the **Organization** or its members which alleges, arises from, is based upon, is attributed to or in any way involves, directly or indirectly, the **Hazardous Properties of Nuclear Material**;

- Q.** Which is insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability underwriters, or Nuclear Insurance Association of Canada, or would be insured under any such policy but for its termination or exhaustion of its Limit of Liability;
- R.** With respect to which (1) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (2) the **Organization** or any **Insured** is, or had this policy not been issued would be entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into the United States of America, or any agency thereof, with any **Insured** or the **Organization**.

As used in exclusions **O.**, **P.** and **Q.** above, the below terms shall mean the following:

**Hazardous Properties** include radioactive, toxic or explosive;

**Nuclear Material** means **Source Material**, **Special Nuclear Material** or **Byproduct Material**;

**Source Material**, **Special Nuclear Material**, and **Byproduct Material** have the meanings given them in the Atomic Energy Act of 1954 or in law amendatory thereof;

**Spent Fuel** means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a **Nuclear Reactor**;

**Waste** means any Waste material (1) containing **Byproduct Material** and (2) resulting from the operation by any person or Organization of any **Nuclear Facility** included within the definition of **Nuclear Facility** under paragraph (a) or (b) thereof;

**Nuclear Facility** means:

- (a) any **Nuclear Reactor**,
- (b) any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing **Spent Fuel**, or (3) handling, processing or packaging **Waste**,
- (c) any equipment or device used for the processing, fabricating or alloying of **Special Nuclear Material** if at any time the total amount of such material in the custody of the Insured(s) at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235; or
- (d) any structure, basin, excavation, premises or place prepared or used for the storage or disposal of **Waste**, and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

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

- S.** An **Individual Insured's** or an **Organization's** failure or omission to effect or maintain proper or adequate insurance coverage ("FTMI") provided, however, that this exclusion shall not apply to covered **Defense Costs** incurred in the defense of FTMI **Claim(s)**.

In addition, for the purposes of the applicability of this policy to any **Loss**, the **Organization** will be conclusively deemed to have indemnified the **Insured(s)** to the maximum extent that the **Organization** is permitted or required pursuant to law or contract or the charter, bylaws, operating agreement or similar documents of the **Organization** (which are hereby deemed to adopt the broadest provisions of the law which determines or defines such rights of indemnity). The **Organization** hereby agrees to indemnify the **Insured(s)** to the fullest extent permitted by law and pursuant to the terms and conditions of this policy; including the making in good faith any required application for court approval.



- T. **We** shall not be liable to make any payments for **Loss** in connection with any **Claim(s)** made against any **Insured** alleging, arising out of, based upon or attributable to the ownership, management, maintenance and/or control by the **Organization** of any captive insurance company or entity, including but not limited to any **Claim(s)** alleging the insolvency or bankruptcy of the **Organization** as a result of such ownership, operation, management and control.
- U. **We** shall not be liable to make any payment for **Loss** in connection with any **Claim(s)** made against any **Insured** alleging, arising out of, based upon or attributable to:
- (i) payments, commissions, gratuities, benefits or any other favors to or for the benefit of any full or part-time domestic or foreign governmental or armed services officials, agents, representatives, employees or any members of their family or any entity with which they are affiliated;
  - (ii) payments, commissions, gratuities, benefits or any other favors to or for the benefit of any full or part-time officials, directors, agents, partners, representatives, members, principal shareholders, owners or employees, or affiliates (as that term is defined in the Securities Exchange Act of 1934, including any of their officers, directors, agents, owners, partners, representatives, principal shareholders or employees) or any customers of the **Organization** or any members of their family or any entity with which they are affiliated; or
  - (iii) political contributions, whether domestic or foreign.
- V. Violation of the Sherman Antitrust Act or similar federal, state or local statutes or rules; or
- W. Brought by or on behalf of an **Insured** against a **Community Association Management Entity**.
- X. **Construction Defects**.

## SECTION V. LIMIT OF LIABILITY

- A. The Limits of Liability shown in the Declarations of this Policy and the information contained in this section indicate the most **We** shall pay under all Coverage Parts A, B and C regardless of the number of:
1. Persons or organizations covered by this Policy; or
  2. **Claims** made or brought.
- B. The Limit of Liability set forth in the Declarations of this Policy for Each **Wrongful Act** is the most **We** will pay for all **Loss** under Coverage Parts A, B and C that results from a single **Wrongful Act** regardless of the number of **Claims** or **Insureds** against whom a **Claim** has been made.
- C. All **Insureds** will share and be subject to the same Each **Wrongful Act** Limit of Liability and Policy Aggregate Limit of Liability set forth in the Declarations.
- D. The Limit of Liability set forth in the Declarations of this Policy as "Policy Aggregate" is the most **We** shall pay for all **Loss** and **Defense Costs** under Coverage Parts A, B, C and D resulting from **Claims** made during the **Policy Period**.
- E. The Limit of Liability for **Defense Costs** for Coverage part D stated in the Declarations of this Policy shall be in addition to, and not part of, the Limit of Liability stated in the Declarations. **Loss** constituting **Defense Costs** shall first reduce the Limit of Liability stated in the Declarations for Coverage Part D. If the Limit of Liability stated in the Declarations under Coverage Part D becomes exhausted or if the Limit of Liability under Coverage Part D stated in the Declarations is zero, then subsequent **Defense Costs** will reduce the Policy Aggregate Limit of Liability stated in the Declarations.
- F. For purposes of determining the Each **Wrongful Act** limit of this Policy, all **Claims** arising from **Related Wrongful Acts** shall be deemed to be one **Wrongful Act**, regardless of the number of claimants, **Claims** or **Insureds** against whom such **Claims** are made. In such instances, the Each **Wrongful Act** limit set forth in the



Declarations of this Policy is the most **We** shall pay for all such **Damages** that result from **Related Wrongful Acts** deemed to be one **Wrongful Act**. In a Suit naming more than one **Insured**, only one **Wrongful Act** Limit of Liability shall apply to that **Claim**. Only the Policy and its applicable Limits of Liability in effect when the first such **Claim** is first made shall apply to all such **Claims**.

- G.** All **Claims** arising out of one **Wrongful Act** shall be deemed to be made on the date that the first such **Claim** is made.
- H.** The Limits of Liability of this Policy apply separately to each consecutive annual period and to any remaining period of less than twelve (12) months, starting with the beginning of the **Policy Period** shown in the Declarations, unless the **Policy Period** is extended after issuance for an additional period of less than twelve (12) months. In that case, the additional period shall be deemed part of the last preceding **Policy Period** for purposes of determining the Limits of Liability.

## SECTION VI. DEDUCTIBLE

**We** shall only be liable for the amount of **Loss** and **Defense Costs** arising from a **Claim** for a **Wrongful Act**, which is in excess of the Deductible amount(s) stated in the Declarations under Coverage Parts A, B, C and D. The Deductible amount shall be borne by the **Organization** and shall remain uninsured, with regard to all **Loss** for which the **Organization** has indemnified or is permitted or required to indemnify the **Individual Insureds** ("Indemnifiable Loss") and **Loss** under Coverage Part C. A single Deductible amount shall apply to **Loss** arising from all **Claims** alleging the same **Wrongful Act** or **Related Wrongful Acts**. A separate deductible shall apply to **Employment Practices Wrongful Act(s)** as listed in the Declarations page.

Except as hereinafter stated, no Deductible shall apply to a **Claim** in the event of the **Financial Insolvency** of the Organization and all **Subsidiaries** which are permitted or required to indemnify an **Individual Insured** with regard to such **Claim**. Provided, however, the **Organization** hereby agrees to indemnify the **Insureds** to the fullest extent permitted by law taking all steps necessary in furtherance thereto, including the making in good faith of any required application for court approval and the passing of any required corporate resolution or the execution of any contract. The **Organization** and all **Subsidiaries** will be conclusively deemed to have indemnified the **Individual Insureds** to the extent that the **Organization** is permitted or required to indemnify them pursuant to law, common or statutory, or contract, or the charter or by-laws of the **Organization**.

## SECTION VII. CONDITIONS

### A. Action Against Us

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

Any person or organization or the legal representative thereof who has secured such judgment or written agreement shall thereafter be entitled to recover under this policy to the extent of the insurance afforded by this policy. No person or organization shall have any right under this policy to join **Us** as a party to any action against the **Insureds** to determine the **Insureds'** liability, nor shall **We** be impleaded by the **Insureds** or their legal representatives.

### B. Assignment

1. The interest of any **Insured** is not assignable. **You** shall not assign or transfer **Your** interest in this Policy without **Our** written consent attached to the Policy.
2. If **You** die, or are declared legally incompetent, **Your** rights and duties shall be transferred to **Your** legal representative, but only while acting within the scope of his duties.

### C. **Bankruptcy or Insolvency**

An **Insureds** bankruptcy, insolvency or inability to pay, shall not relieve **Us** from the payment of any **Claim** covered by this Policy.

### D. **Cancellation and Nonrenewal**

This Policy may be canceled by the **Named Organization** by surrendering to **Us** or any of our authorized agents or by mailing to us or any of our authorized agents' written notice stating when thereafter the cancellation shall be effective. Cancellation by a premium finance company is deemed to be a cancellation by the **Named Organization**. This Policy may be canceled by **Us** by mailing to the **Named Organization** at the address shown in this Policy written notice stating when, not less than 30 days thereafter such cancellation shall be effective. However, if **We** cancel this Policy because you have failed to pay a premium when due, this Policy may be canceled by **Us** by mailing a written notice of cancellation to the **Named Organization** at the address shown in this Policy, or the last address known to **Us** stating when, not less than 10 days thereafter, such cancellation shall be effective. The mailing of notice as aforesaid shall be sufficient proof of notice.

The time of the 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 Organization** or by **Us** shall be equivalent to mailing. Cancellation by a premium finance company for failure to timely make premium installment payments shall be deemed a cancellation by you. If the **Named Organization** cancels, the unearned premium shall be computed in accordance with the customary short rate table. If **We** cancel, unearned premium shall be computed pro rata. 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.

If **We** decide not to renew this policy, **We** will mail or deliver written notice of nonrenewal to the **Named Organization** at least 30 days before the expiration date. Any notice of nonrenewal will be mailed or delivered to the **Named Organization** at the last mailing address known to **Us**. The mailing of notice as aforesaid shall be sufficient proof of notice.

To the extent any term, condition, policy numbering and/or lettering conflicts with a State Cancellation/Non-Renewal Endorsement, the policy shall be deemed amended so as to conform to such Endorsement terms, conditions, numbering or lettering. In such event, all other conditions remain as stated.

### E. **Change of Control of Named Organization**

If during the **Policy Period**:

1. The declarant, developer, builder, sponsor or other entity transfers control of the **Named Organization** to the unit owners;
2. The declarant, developer, builder, sponsor or other entity that controls the **Named Organization** transfers its interest voluntarily or involuntarily (by sale or through default or bankruptcy) to an entity other than the **Named Organization** Unit Owners;
3. The **Named Organization** shall consolidate with or merge into, or sell all or substantially all of its assets to, any other person or entity, or group of persons or entities acting in concert;
4. Any person or entity, or group of persons or entities, acting in concert shall acquire an amount of the voting interest representing more than fifty percent (50%) of the voting power for the election or appointment of directors or trustees of the **Named Organization**, or acquires the voting rights of such an amount of such interest; or
5. The **Named Organization** shall change from not-for-profit to for-profit status;

(any of the above events herein defined as the **Transaction**)

then this policy shall continue in full force and effect as to **Wrongful Acts** occurring prior to the effective time of the **Transaction**, but there shall be no coverage afforded by any provision of this policy for any actual or alleged **Wrongful Act** occurring after the effective date of the **Transaction**. This policy may not be canceled after the effective time of the **Transaction** and the entire premium for this policy shall be deemed earned as of such time. The **Named Organization** shall also have the right to an offer by **Us** of an Extended Reporting Period described in Section VII, Conditions, Letter I of the policy.

The **Named Organization** shall give **Us** written notice of the **Transaction** as soon as practicable, but not later than thirty (30) days after the effective date of the **Transaction**.

#### F. **Conformance to Statute**

To the extent a term of this Policy conflicts with a statute of the State within which this Policy is issued, the term shall be deemed amended so as to conform to minimum requirements of the statute.

#### G. **Coverage Territory**

Subject to the terms, conditions and limits of liability of this policy, **We** will cover a **Wrongful Act** or an **Employment Practices Wrongful Act** in the United States of America, its territories and possessions, Canada and Puerto Rico, provided a **Claim** is made for **Loss** brought in the United States of America, its territories and possessions, Canada or Puerto Rico.

#### H. **Duties in the Event of an Incident, Claim or Facts and Circumstances**

1. Any **Insured** shall, as a condition precedent to exercising rights under this Policy, give **Us** written notice as soon as practicable of a **Claim**, but in no event later than sixty (60) days after the end of the **Policy Period**, or Extended Reporting Period, if exercised; provided that in the event this Policy is cancelled by **Us** for non-payment of premium, no coverage will be available for any **Claim** of which notice is provided to **Us** after termination of the **Policy Period**.
2. If during the **Policy Period** an **Insured** becomes aware of facts or circumstances which could give rise to a **Claim** and give written notice of such facts and circumstances to **Us** as soon as practicable thereafter, but in no event later than sixty (60) days after the end of the **Policy Period**, then any **Claim** subsequently arising from such facts and circumstances shall be considered to have been made during the **Policy Year** in which the facts and circumstances were first reported to **Us**.
3. All **Insureds** shall, as a condition precedent to exercising their rights under this Policy, give **Us** such information and cooperation as it may reasonably require, including but not limited to a description of the **Claim** or facts and circumstance, the nature of the alleged **Wrongful Act**, the nature of the alleged or potential damage, the names of the actual or potential claimants, and the manner in which such **Insured** first became aware of the **Claim** or facts and circumstances.
4. All **Related Wrongful Acts** will be treated as a single **Claim** made when the earliest of such **Related Wrongful Acts** was first made, or when the earliest of such **Related Wrongful Acts** is treated as having been made in accordance with the paragraphs (A) and (B) above.
5. The **Organization** and any other **Insured** shall:
  - a. Immediately send **Us** copies of any demands, notices, summonses or legal papers received in connection with any **Claim**,
  - b. Authorize **Us** to obtain records and other information,

- c. Cooperate with **Us** in the investigation, settlement or defense of the **Claim** or Suit, and
  - d. Assist **Us**, upon **Our** request, in the enforcement of any right against any person or organization which may be liable to the **Insured** because of injury or damage to which this insurance may also apply.
4. No **Insured** shall, except at their own cost, voluntarily make a payment, assume any obligation, or incur any expense without **Our** prior consent.
  5. Notice to **Our** authorized representative shall be deemed to be notice to **Us**.

## I. Extended Reporting Period

### A. Automatic Limited Reporting Period

1. Subject to all of the terms and conditions set forth in this paragraph, the **Named Organization** shall have an automatic limited reporting period of sixty (60) days starting with the end of the **Policy Period** during which period, **Claims** arising out of **Wrongful Acts**, which take place on or after the **Continuity Date** but before the end of the **Policy Period** shall be first made or brought.
2. This limited reporting period shall not extend the **Policy Period** or change the scope of coverage provided. Administratively, **We** shall consider any **Claim** first made or brought during the limited reporting period to have been made on the last date on which this Policy is in effect but the Automatic Extended Reporting Period applies only to covered **Claims** from **Wrongful Acts** which take place on or after the **Continuity Date** and before the end of the Policy Period.
3. The limited reporting period shall apply only if this Policy is canceled or not renewed for any reason.
4. The limited reporting period shall not apply to **Claims** if other insurance the **Named Organization** buys covers them or would cover them if its Limits of Liability had not been exhausted.
5. The Limits of Liability that apply at the end of the **Policy Period** are not renewed or increased for **Claims** first made or brought during the limited reporting period.

### B. Extended Reporting Period

1. If the **Named Organization** or **We** cancel, terminate or do not renew this Policy, the **Named Organization** shall have the right to buy for an additional premium an Extended Reporting Period Endorsement. If **We** cancel the Policy due to nonpayment of premium, the purchase of the Extended Reporting Endorsement is conditioned upon the payment of any premium for the expiring **Policy Period** which is owed and has not yet been paid. The **Named Organization** shall have the right to purchase an extended reporting period of one, two or three years after the effective date of such cancellation or nonrenewal.
2. The Extended Reporting Period Endorsement applies only to covered **Claims** from **Wrongful Acts** which take place on or after the **Continuity Date** and before the end of the **Policy Period**.
3. To obtain an Extended Reporting Period Endorsement the **Named Organization** shall request it in writing within sixty (60) days after the **Policy Period** ends and pay the premium when due. Once issued, an Extended Reporting Period Endorsement cannot be canceled. If **We** do not receive the **Named Organizations** written request within sixty (60) days after the **Policy Period** ends and payment of the additional premium when due, the **Named Organization** may not exercise this right at a later date.
4. The Limits of Liability that apply at the end of the **Policy Period** are not renewed or increased for **Claims** first made or brought during the extended reporting period.

5. The Additional Premium Amount for: (1) one year shall be 75% of the **full annual premium**; (2) two years shall be 125% of the **full annual premium**; (3) three years shall be 200% of the **full annual premium**. As used herein, **full annual premium** means the premium level in effect immediately prior to the end of the **Policy Period**.
6. An Optional Extended Reporting Period Endorsement is available in the event of a **Transaction** as defined in Section VII, Conditions, Letter E. The **Named Organization** shall have the right, within sixty (60) days before the end of the **Policy Period**, to request an offer from **Us** of an Extended Reporting Period (with respect to **Wrongful Acts** occurring prior to the effective time of the **Transaction**) for a period of no less than six years or for such longer or shorter period as the **Named Organization** may request. **We** shall offer such Extended Reporting Period pursuant to such terms, conditions and premium as **We** may reasonably decide. In the event of a **Transaction**, the right to an Extended Reporting Period shall not otherwise exist except as indicated in this paragraph.

#### **J. Office of Foreign Assets Control (“OFAC”)**

If coverage for a **Claim** under this policy is in violation of any United States of America’s economic or trade sanctions, laws, or regulations, including, but not limited to, sanctions, laws, and regulations administered and enforced by the U.S. Treasury Department’s OFAC then coverage for that **Claim** or suit shall be null and void.

#### **K. Other Insurance**

**We** shall be excess over any other insurance including, but not limited to, any self-insurance. If there is other insurance which applies to the **Damages** resulting from a **Wrongful Act** the other insurance shall pay first. This Policy applies to the amount of **Damages** which is more than:

1. The Limits of Liability of the other insurance; and
2. The total of all deductibles and self-insurance amounts under all such other insurance.

**We** shall not pay more than **Our** Limits of Liability.

#### **L. Premium Audit**

**We** may examine and audit the books, records and operations of any **Insured** under this policy at anytime during the **Policy Period** and extension thereof and within 3 years after the final termination of the policy or any Extended Reporting Period, as far as they relate to the subject matter of this insurance.

#### **M. Presumed Indemnification**

For the purposes of the applicability of this policy to **Loss**, the **Organization** will be conclusively deemed to have indemnified the **Individual Insured(s)** to the maximum extent that the **Organization** is permitted or required to grant such indemnification pursuant to law, common or statutory, or contract or by the charter or by-laws of the **Organization** (which are hereby deemed to adopt the broadest provisions of the law which determined or defines such rights of indemnity). The **Organization** hereby agrees to indemnify the **Individual Insured(s)** to the fullest extent permitted by law including the making in good faith of any required application for court approval.

#### **N. Priority of Payments**

In the event of a **Loss** arising from or relating to any **Claim(s)** for which payment is due under the provisions of this policy, but which **Loss**, in the aggregate, exceeds the remaining available Limit of Liability of this policy, then this policy shall:

- (i) first pay such **Loss** for which coverage is provided under Coverage Part A of the policy, then with respect to whatever remaining amount of the Limit of Liability is available after payment of such **Loss**, then

(ii) pay such **Loss** for which coverage is provided under Coverage Part B of the policy.

In the event of **Loss** arising from a **Claim(s)** for which payment is due under the provisions of this policy (including those circumstances described in the first paragraph of this clause), **We** shall at the written request of the Named **Organization**:

- (i) first pay such **Loss** for which coverage is provided under Coverage Part A of the policy, then
- (ii) either pay or hold payment for such **Loss** for which coverage is provided under **Coverage Part B** or Coverage Part C of the policy.

In the event that **We** withhold payment under Coverage Part B or Coverage Part C of the policy pursuant to the above request, then **We** shall, upon the written request of the **Organization**, release such **Loss** payment to the **Organization**, or make such **Loss** payment directly to **Individual Insured(s)** in the event of covered **Loss** under any **Claim(s)** covered under this policy pursuant to Coverage Part A.

Nothing in this Policy shall be construed to increase the Limit of Liability as set forth in the Declarations of this policy, which such Limit of Liability shall remain the maximum liability for all **Claim(s)** under all Coverage under this policy combined.

#### **O. Representations and Warranties; Severability**

1. The statements in the application for insurance, submission materials, and the Declarations are accurate and complete to the best of your knowledge and are based upon representations and warranties the **Insured's** made to **Us**; and
2. **We** have issued this Policy in reliance upon the **Insured's** representations, warranties and submission materials.

Any and all relevant provisions may be voided by **Us** in any case of fraud, intentional concealment, or misrepresentation of a material fact or circumstance by the **Insured's**.

3. With respect to such statements and representations, no knowledge or information possessed by any Individual Insured shall be imputed to any other Individual Insured. If any person who executed the application knew that such statement or representations was inaccurate or incomplete, such statement shall not be imputed to any such **Individual Insured** other than such signator and any other **Individual Insureds** who knew such statement or representations was inaccurate or incomplete.

#### **P. Special Rights and Duties of The Named Organization:**

The **Insured's** agree that when there is more than one person covered under this Policy, the **Named Organization** in the Declarations or Policy Administrator identified by Endorsement shall act on behalf of all **Insured's** as to:

1. Giving and receiving notice of cancellation;
2. Payment of premiums and receipt of return premiums;
3. Acceptance of any Endorsements to this Policy;
4. Purchasing or deciding not to purchase the Extended Reporting Period Endorsement;
6. Requesting changes in this Policy. This Policy can only be changed by a written Endorsement **We** issue and make part of this Policy.



**Q. Titles of Paragraphs, Upper and Lower Case:**

Titles of paragraphs are inserted solely for convenience of reference and shall not be deemed to limit, expand or otherwise affect the provisions to which they relate. As used in this Policy, use of upper and lower case fonts shall be deemed to include and mean either of the two, wherever necessary and vice versa.

**R. Transfer of Rights of Recovery Against Others to Us**

If an **Insured** has rights to recover all or part of any payment **We** have made under this Policy, those rights are transferred to **Us**. The **Insured** shall do nothing after loss to impair them. At **Our** request, the **Insured** shall bring suit or transfer those rights to **Us** and help **Us** enforce them.

**IN WITNESS WHEREOF, We** have caused this Policy to be signed by **Our** President and Secretary and countersigned where required by law on the Declarations Page by **Our** duly authorized representative.



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**Secretary**



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**President and Chief Executive Officer**




**Item 6. FORMS AND ENDORSEMENTS (attached at inception):**

265-0220	Policyholder Notice Of Terrorism Insurance Coverage
266-0220	Cap On Losses From Certified Acts Of Terrorism
CM00010213	Community Association Leaders Professional Liability Policy - Admitted
CM00130213	General Change Endorsement
CM00160213	Prior Acts Exclusion Backdated
DE30180213	Community Association Leaders Professional Liability Claims Made Declarations
SA10550213	State Changes Endorsement Cancellation And Non-Renewal State Of Massachusetts

**Item 7. PROGRAM ADMINISTRATOR:**

**McGowan Program Administrators (A Division  
of McGowan & Company, Inc.)**  
20595 Lorain Road  
Fairview Park, Ohio 44126  
(800) 545-1538  
[www.mcgowanprograms.com](http://www.mcgowanprograms.com)

By:   
\_\_\_\_\_  
**Authorized Representative**

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

Named Organization Winslow Point Condominium Association			Endorsement Number
Policy Symbol	Policy Number CM000004061-01	Policy Term 07/09/2024 to 07/09/2025	Effective Date 07/09/2024
Issued By (Name of Insurance Company) Great Divide Insurance Company			

**GENERAL CHANGE ENDORSEMENT**

We agree that the policy is amended as indicated below:

1.  **Named Organization** changed, as shown below:

2.  **Named Organization** mailing address changed, as shown below:

3.  **Policy Period** changed, as shown below:

**to**

4.  Deductible: \$ \_\_\_\_\_

5.  Return Premium Due: \$ \_\_\_\_\_

6.  Additional Premium Due: \$ \_\_\_\_\_

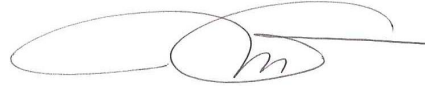
7.  **Other:**

Section II. Definitions, Letter E. Continuity Date is hereby deleted and replaced with Prior Acts Date as follows:  
Prior Acts Date means the date or dates listed on an endorsement We issue and attach to the policy.

This endorsement does not provide a separate limit of liability. Nothing herein contained shall be held to vary, alter, waive, or extend any of the other terms, conditions or limitations of the Policy, other than stated above.

**TO BE COMPLETED IF NOT ATTACHED WHEN POLICY IS ISSUED.**

First Named Insured	Winslow Point Condominium Association
Endorsement Effective	07/09/2024
Policy number	CM000004061-01
Dated at	Fairview Park, OH this day of June 1st, 20 <sup>24</sup>



Authorized Representative

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

Named Organization Winslow Point Condominium Association			Endorsement Number
Policy Symbol	Policy Number CM000004061-01	Policy Term 07/09/2024 to 07/09/2025	Effective Date 07/09/2024
Issued By (Name of Insurance Company) Great Divide Insurance Company			

**PRIOR ACTS EXCLUSION  
(BACKDATED)**

In consideration of the premium charged, it is hereby understood and agreed that the Company shall not be liable to make any payment for **Loss** in connection with any **Claim(s)** alleging any **Wrongful Act(s)** which occurred prior to 07/09/2024 . This policy only provides coverage for **Loss** arising from **Claims**, which allege **Wrongful Act(s)** occurring on or after 07/09/2024 and prior to the end of the **Policy Period** and otherwise covered by this policy. **Loss(es)** arising out of the same **Wrongful Act** or **Related Wrongful Act(s)** shall be deemed to arise from the first such same **Wrongful Act** or **Related Wrongful Act(s)**.

All other terms, conditions, provisions and exclusions of this policy remain the same.

**TO BE COMPLETED IF NOT ATTACHED WHEN POLICY IS ISSUED.**

<b>First Named Insured</b> Winslow Point Condominium Association <b>Endorsement Effective</b> 07/09/2024 <b>Policy number</b> CM000004061-01 <b>Dated at Fairview Park, OH this day of</b> June 1st, 20 24
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 \_\_\_\_\_  
 Authorized Representative



**STATE CHANGES ENDORSEMENT  
CANCELLATION AND NON-RENEWAL  
STATE OF MASSACHUSETTS**

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

This endorsement modifies insurance provided under the following:

**PROFESSIONAL LIABILITY POLICY**

**NON-RENEWAL/CANCELLATION**

1. Cancellation by the first **Named Insured**

The **First Named Insured** has the right to cancel his or her Policy at any time by giving notice to **Us** stating when thereafter the cancellation shall be effective. If the Policy is so canceled, earned premium shall be computed pro rata.

2. Cancellation by **Us**

We have the right to cancel the Policy of insurance only for one or more of the following reasons:

- a. Nonpayment of premium;
- b. Mutual consent of the parties to the contract of insurance;
- c. Fraud or material misrepresentation in the application for insurance or renewal thereof;
- d. Discovery of willful, reckless, or illegal acts or omissions by the **Insured** that increases the hazards insured against;
- e. Determination by the Commissioner that continuation of the policy would violate or place the insurer in violation of the law.

We must mail notice of cancellation, by first class mail, at least sixty (60) days prior to the effective date of such cancellation. If we cancel for non-payment of premium, we must mail notice of cancellation at least ten (10) days prior to the effective date of such cancellation. All notices must be mailed to the **First Named Insured** and shall state the reason for cancellation.

3. Non-Renewal by us

- a. We have the right to non-renew the policy effective as of the renewal date. All notices of non-renewal must be mailed by first class mail to the **First Named Insured** at the last mailing address known to us, at least sixty (60) days prior to the effective date of non-renewal and shall provide a specific explanation of the reason(s) for non-renewal.

This endorsement is attached to the **Named Insured's Certificate of Insurance** and amends the **Insured's** coverage under the Master Policy. It takes effect on the effective date of the **Named Insured's Certificate of Insurance**, unless another effective date is shown below. All other provisions of the **Insured's** coverage under the policy remain unchanged.

<i>Must Be Completed</i>	
ENDT. NO.	CERTIFICATE NO.

<i>Complete Only When This Endorsement Is Not Prepared with the Policy Or Is Not to be Effective with the Policy</i>	
ISSUED TO	ENDORSEMENT EFFECTIVE DATE

