

ENDORSEMENT

This endorsement, effective 12:01 A.M. forms part of

Policy No.: Issued to

By:

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EMPLOYMENT PRACTICES LIABILITY ENDORSEMENT

This endorsement modifies insurance provided under the following:

ACCOUNTANTS PROFESSIONAL LIABILITY POLICY

In consideration of the premium paid, and subject to all other terms and conditions of the policy to which this is attached, it is hereby understood and agreed that we provide additional coverage as follows:

1. EMPLOYMENT PRACTICES LIMITS, DEDUCTIBLE, AND RETROACTIVE DATE:

For all Employment Practices **Claims**:

Limit of Liability: \$ _____ Each **Claim**

\$ _____ Annual Aggregate

Deductible: \$ _____ Each **Claim**

Retroactive Date XX/XX/XXXX

(This Limit of Liability and the Deductible are provided in addition to the Limit of Liability and Deductible stated in the Declarations for the Accountants Professional Liability Policy).

2. EMPLOYMENT PRACTICES INSURING AGREEMENT:

The **Company** will pay on behalf of the **Insured** those sums in excess of the Deductible that the **Insured** shall become legally obligated to pay as **Loss Amounts** resulting from an **Employment Practices Claim** first made against the **Insured** and reported to the Company during the **Policy Period** or **Extended Reporting Period**, if applicable, as the result of a **Wrongful Act** occurring prior to the end of the Policy Period, and subsequent to the Retroactive Date shown in Section 1. of this **EMPLOYMENT PRACTICES LIABILITY ENDORSEMENT**.

3. DEFINITIONS:

For the purposes of this endorsement, only, Paragraphs V., W. and X. of Section **III. DEFINITIONS** are deleted in their entirety.

In addition to the Definitions under the Accountants Professional Liability Policy, the following shall apply to this Employment Practices Liability Endorsement:

- A. **Employee** means an individual whose labor or service is engaged by and directed by the **Insured**. **Employee** includes part-time, seasonal and temporary employees as well as any supervisory **Employee**. "Supervisory **Employee**" means an officer or director of the **Insured** who has the authority to employ or terminate the employment of other **Employees** of the **Insured**. An individual who is leased to the **Insured** shall be an **Employee** but only if the **Insured** provides indemnification to such leased individual in the same manner as is provided to the **Insured's Employees**. Any other individual who is contracted to perform work for the **Insured**, or who is an independent contractor for the **Insured** shall also be an **Employee**, but only if the **Insured** provides indemnification to such individual in the same manner as that provided to the **Insured's Employees** and such individual is scheduled by written endorsement attached hereto, and the **Insured** pays any additional premium required by the **Company** relating to such individual.
- B. **Employment Practices Claim** means a **Claim**, other than any criminal proceeding, because of an **Insured Event**; however, **Employment Practice Claim(s)** shall not include a labor or grievance arbitration pursuant to a collective bargaining agreement.
- C. **Discrimination** means violation of a person's civil rights with respect to such person's race, color, national origin, religion, gender, marital status, age, sexual orientation or preference, physical or mental condition, or any other protected class or characteristic established by any federal, state, or local statutes, rules or regulations.
- D. **Insured Event** means:
- an **Employee**, or an applicant for employment, alleging **Discrimination** by an **Insured**; or
 - an **Employee** alleging **Sexual Harassment** by an **Insured**; or
 - an **Employee** alleging **Workplace Torts** by an **Insured**; or
 - an **Employee** alleging **Wrongful Acts** by an **Insured**; or
 - an **Employee** alleging **Wrongful Termination** by an **Insured**.
- "Alleging", for the purposes of this definition, means lodging a complaint or charge with the management of the **Insured** or a Supervisory **Employee**, or with any government agency, or commencing a civil action.
- E. **Sexual Harassment** means any actual or alleged unwelcome sexual advances and/or requests for sexual favor and/or other verbal or physical conduct of a sexual nature that (1) are made a condition of employment; and/or (2) are used as a basis for employment decisions; and/or (3) create a work environment that interferes with performance or creates an intimidating, hostile, or offensive work environment.
- F. **Workplace Torts** means retaliation, defamation, infliction of emotional distress, invasion of privacy, libel, slander, negligent evaluation, wrongful discipline, wrongful reference, failure to grant tenure, negligent hiring, employment related misrepresentation, wrongful failure to employ or promote, wrongful deprivation of career opportunity, or wrongful demotion.
- G. **Wrongful Acts** in the context of this Endorsement means with respect to the **Insured** or any **Employee**, any breach of duty, neglect, error, misstatement, misleading statement, omission or act by the **Insured** or an **Employee**, but solely as respects an **Employment Practices Claim**.
- H. **Wrongful Termination** means termination of an employment relationship in a manner that actually or allegedly is against the law and wrongful or in breach of an implied agreement to continue employment.

Wrongful Termination shall not include **Loss Amounts** determined to be owing under an express obligation to make payments in the event of the termination of employment.

4. EXCLUSIONS

For the purposes of this endorsement only, Paragraph H. of Section **II. EXCLUSIONS** is deleted in its entirety.

In addition to the Exclusions under Section **II. EXCLUSIONS** of the Accountants Professional Liability Policy , the following exclusions apply to this Employment Practices Liability Endorsement:

The insurance afforded by this Endorsement shall not apply for any **Employment Practices Claim**;

- A. that has been reported, or in any way involved circumstances of which notice has been given, under any policy of which this endorsement is a renewal or replacement or which it may succeed in time;
- B. arising out of violations(s) of any of the responsibilities, obligations or duties imposed upon fiduciaries by the Employee Retirement Income Security Act of 1974, or amendments thereto, or any similar provisions of state statutory law or common law; or
- C. arising out of:
 - a. a lockout, strike, picket line, replacement or other similar action in connection with labor disputes or labor negotiations; however this exclusion shall not apply to any **Employment Practices Claims** brought by an **Employee** alleging **Wrongful Termination** or retaliation as a result of strike activity or union involvement; or
 - b. the Workers' Adjustment and Retaining Notification Act, Public Law 100-379 (1988).

All other terms and conditions of the policy remain the same.

Authorized Representative