



**B. SUPPLEMENTARY PAYMENTS:**

In addition to the applicable limits of liability shown in the schedule the company will:

1. Pay all premiums on bonds to release attachments for an amount not in excess of the applicable limit of liability of this form, all premiums on appeal bonds required in any such suit, but without any obligation to apply for or furnish such bonds, all costs taxed against the "insured" in any such suit, all expenses incurred by the company, all interest accruing after entry of judgment, until the company has paid, tendered or deposited in court such part of such judgment as does not exceed the limit of the company's liability thereon; and
2. Reimburse the "insured" for all reasonable expenses, other than loss of earnings, incurred by the "insured" at the company's request.

**C. COVERAGE PERIOD AND TERRITORY:**

This form applies to any negligent act, error or omission of the "insured" which:

1. Takes place within the United States of America, its territories or possessions, or Canada, and such claim or suit is under the legal jurisdiction of a court of law or equity therein.
2. Occur during the policy period provided the claim or suit is brought during the period of coverage indicated in the schedule of this form; or
3. Occurred prior to the policy period but after the retro date indicated in the schedule of this form and the suit or claim is brought during the period of coverage. In addition:
  - a) There is no other insurance which:
    - (i) is valid and collectible; or
    - (ii) would be valid and collectible but for the exhaustion of the Limits of Liability.
  - b) The Insured had no prior knowledge or could not reasonably have foreseen any circumstances which might result in a claim or "suit";
  - c) The claim or "suit" is brought during the policy period; and
  - d) The insured notifies us in writing.

**D. DEFINITIONS:**

1. "Insured" means the following while acting within the scope of their duties: the named insured shown in the Policy Declarations and, if it is a corporation, any director, stockholder, executive officer, or other employee thereof, provided such employee is authorized to act in the "administration" of the insured's "Employee Benefits Programs".
2. "Employee Benefits Programs" means group life insurance, group accident or health insurance, pension plans, employee stock subscription plans, workers' compensation, unemployment insurance, social security, disability benefits and any other similar "Employee Benefits Programs", provided such "Employee Benefits Programs" are described in the Schedule of Additional Employee Benefits Programs made a part hereof.

Should the "insured" during the coverage period of this form, institute additional "Employee Benefits Programs", coverage will apply, provided the company is notified of such additional program, or programs, within a period of 30 days after the effective date of such program or programs.

*Signature*

**3. "Administration" means:**

- a. Giving counsel to employees with respect to the "Employee Benefits Programs";
- b. Interpreting the "Employee Benefits Programs";
- c. Handling of records in connection with the "Employee Benefits Programs";
- d. Effecting enrollment, termination or cancellation of employees under the "Employee Benefits Programs";

provided all such acts are authorized by the "Named Insured".

**E. EXCLUSIONS:**

This coverage does not apply to:

1. Any dishonest, fraudulent, criminal or malicious act, libel, slander, discrimination or humiliation;
2. Bodily injury to, or sickness, disease, or death, of any person, or injury to or destruction of any tangible property, including the loss of use thereof;
3. Any claim based upon the "insured's" failure to comply with any law concerning workers' compensation, unemployment insurance, social security or disability benefits;
4. Any claim or suit based upon:
  - a. failure of any plan included in the "Employee Benefits Programs" or of any investment thereof to perform as represented by an "insured", or
  - b. advice given by an "insured" to any employee relating the participation or non-participation in any plan included in the "Employee Benefits Programs";
5. Any claim based upon:
  - a. the failure of an insurance company or other organization to perform its obligations under a contract with the "insured", or
  - b. any negligent act, error, or omission of an insurance company or other organization under contract with the "insured";
6. Any claim or suit based upon any actual or alleged error, omission or breach of duty committed or alleged to have been committed by the "insured" in the discharge of fiduciary duties, obligations or responsibilities imposed by the Employee Retirement Income Security Act, Pub. L. 93-406 (29 U.S.C. 1001 et seq), as now or hereafter amended, or any regulations promulgated pursuant thereto.

**F. CONDITIONS:**

Application of the Provisions of the Policy and Endorsements:

None of the terms of the Policy to which this form is attached except the Conditions of the Policy titled "Declarations", "Action Against Company", "Other Insurance", "Subrogation", "Changes", and "Cancellation" applies to the coverage afforded by this form. None of the terms of this form apply to the coverage afforded by the Policy.

Specimen

1.Limit of Liability:

- a. The limit of liability stated in the schedule as applicable to "each claim" is the most we will pay for all damages incurred for each claim or suit brought against this coverage.
- b. The limit of liability stated in the schedule as "aggregate" is the total limit of liability for all claims covered hereunder and occurring during each policy year. The inclusion of more than one "insured" shall not increase the limits of liability.

2.Deductible:

- a. In the event of a claim \$1,000 shall be deducted from the amount of each claim when determined and the company will be liable for loss only in excess of that amount;
- b. The terms of the policy to which this form is attached, including those with respect to notice of claim or suit, apply irrespective of the application of the deductible amount;
- c. We may pay any part of all of the deductible amount to effect settlement of any claim or suit, and upon notification of the action taken, the "insured" will promptly reimburse us for such part of the deductible amount that we have paid.

3.Notice of Claim or Suit:

As soon as practicable, notice must be given to us by or on behalf of the "insured", including information as to the alleged negligent act, error or omission, with full particulars of any claim arising therefrom. If suit is brought, the "insured" must immediately forward to us every summons or other process they have received.

4.Assignment:

The interest of the "insured" under this form cannot be assigned to any other interest.

5.Premium:

- a. The premium stated in the Schedule is an estimated premium only. Upon termination of each period of coverage of this form, the "insured", upon request, will furnish us with a statement of personnel changes during the coverage period and the earned premium will be computed in accordance with our rules, rates and premiums applicable to this coverage.
- b. If the earned premium thus computed exceeds the estimated advance premium paid the "insured" will pay the additional premium to us; if less, we shall return to the "insured" the applicable unearned portion paid by the "insured".

6.Terms of this Coverage Conformed to Statute:

The terms of this form which are in conflict with the statutes of the state wherein this form is issued are hereby amended to conform to such statutes.

**G. SCHEDULE OF ADDITIONAL EMPLOYEE BENEFITS PROGRAMS, if any, not already described in Item D.2.**