

STOCK COMPANY

AlphaPack Not-For-Profit

POLICY DECLARATIONS

VALIDUS SPECIALTY

An  company

POLICY NUMBER: NFP1000302

Prior Policy Number: N/A

WESTERN WORLD INSURANCE COMPANY

TUDOR INSURANCE COMPANY

STRATFORD INSURANCE COMPANY

Named Insured and Mailing Address:

Intergovernmental Cooperation Authority for H
arrisburg

c/o Shaffer & Engle, LLC
2205 Forest Hills Drive, Suite 10
HARRISBURG, PA 17112

Agent/Broker # 15918

Premium: \$3,873

Producer:

AmWINS Brokerage of New England, LLC
308 Farmington Avenue
Farmington, CT, 06032

Policy Period: (Mo./Day/Yr.)

From: **06/19/2019** To: **06/19/2020** 12:01 AM, standard time at your mailing address shown above

IN EXCHANGE FOR THE PAYMENT OF THE PREMIUM, AND SUBJECT TO ALL THE TERMS, CONDITIONS, EXCLUSIONS AND ENDORSEMENT OF THIS POLICY, WE AGREE TO PROVIDE THE INSURANCE AS STATED IN THIS POLICY.

Item 1.	POLICY MAXIMUM AGGREGATE LIMIT OF LIABILITY:	\$1,000,000
Item 2.	COVERAGE PARTS	
	THIS POLICY CONSISTS OF THE FOLLOWING COVERAGE PARTS FOR WHICH AN AGGREGATE LIMIT OF LIABILITY IS INDICATED.	

Coverages Purchased	Coverage Part	Separate Limit of Liability	Limit of Liability Shared with
<input checked="" type="checkbox"/>	Public Entity Liability ("D&O")	<input checked="" type="checkbox"/>	
<input checked="" type="checkbox"/>	Employment Practices and Third-Party Liability ("EPL")	<input checked="" type="checkbox"/>	
<input type="checkbox"/>	Fiduciary Liability ("Fiduciary")		
<input type="checkbox"/>	Cyber Liability ("Cyber")		
	Commercial Crime ("Crime")	N/A	N/A

Public Entity Liability

Aggregate Limit of Liability: \$1,000,000

Pending or Prior Litigation Date: TBD

Additional Dedicated Limit of Liability for Non-Indemnifiable Loss: \$500,000

Agreement A Retention: \$0

Agreement B Retention: \$15,000

Agreement C Retention: \$15,000

Agreement D Retention: \$15,000

Employment Practices Liability

Aggregate Limit of Liability: \$1,000,000

Pending or Prior Litigation Date: TBD

Sub-Limit of Liability for **Third -Party Discrimination:** \$1,000,000

Agreement A Retention: \$15,000

Agreement B Retention: \$15,000

Item 3.	Discovery Period:	1	Year(s)	100	% of Policy Premium
		2	Year(s)	150	% of Policy Premium
		3	Year(s)	185	% of Policy Premium
Item 4.	Additional Defense Expenses :	\$1,000,000			
Item 5.	Forms and endorsements applying to this policy and attached at time of issue: See Applicable Schedule of Forms and Endorsements.				

THESE DECLARATIONS TOGETHER WITH THE COMPLETED AND SIGNED APPLICATION FOR THE FOLLOWED POLICY AND THE POLICY FORM ATTACHED HERETO CONSTITUTE THE POLICY.

WESTERN WORLD INSURANCE GROUP

Western World Insurance Company

Tudor Insurance Company

Stratford Insurance Company

Administrative Office

300 Kimball Drive, Suite 500

Parsippany, New Jersey 07054

We will provide the insurance described in this policy in return for the premium and compliance with all applicable provisions of this policy. If required by state law, this policy shall not be valid unless countersigned by our authorized representative.



Secretary



President

Countersigned:

06/19/2019

By. _____



Authorized Representative

B. Disclosure Of Federal Participation In Payment Of Terrorism Losses

The United States Government, Department of the Treasury, will pay a share of terrorism losses insured under the federal program. The federal share equals a percentage (as shown in Part II of the Schedule of this endorsement or in the policy Declarations) of that portion of the amount of such insured losses that exceeds the applicable insurer retention. However, if aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year, the Treasury shall not make any payment for any portion of the amount of such losses that exceeds \$100 billion.

C. Cap On Insurer Participation In Payment Of Terrorism Losses

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we 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.

AlphaPack-Not-For-Profit

NOT-FOR-PROFIT ORGANIZATION GENERAL TERMS AND CONDITIONS

THIS IS A CLAIMS MADE AND REPORTED POLICY. PLEASE READ IT CAREFULLY. ALL WORDS IN **BOLD FACE TYPE** SHALL HAVE THE MEANINGS SET FORTH IN SECTION II. **GENERAL DEFINITIONS** OF THESE GENERAL TERMS AND CONDITIONS, OR UNDER THE **DEFINITIONS** SECTION OF EACH **COVERAGE PART**.

In consideration of the payment of Premium, and subject to the agreement of the **Named Insured** to pay the Retention amount stated in the Declarations and as set forth in this Policy, and in reliance upon the **Application**, which shall be deemed incorporated herein, and subject to all of the terms, conditions, limitations, exclusions, and endorsements to this Policy, the **Insurer** and the **Insureds** agree as follows:

I. APPLICATION OF GENERAL TERMS AND CONDITIONS

This Policy is comprised of the **Application**, the Declarations, these NOT-FOR-PROFIT ORGANIZATION GENERAL TERMS AND CONDITIONS, all **Coverage Parts** that have been purchased, and any endorsements. These NOT-FOR-PROFIT ORGANIZATION GENERAL TERMS AND CONDITIONS apply to all **Coverage Parts** that have been purchased by the **Insured**, as indicated in Item 2. of the Declarations. A **Coverage Part** is included within this Policy and affords coverage only if the **Coverage Part** is designated in the Declarations as being purchased by the **Insured**. The respective terms and provisions of each **Coverage Part** shall apply only to that **Coverage Part** and shall in no way be construed as applying to any other **Coverage Part**. If any provision in these NOT-FOR-PROFIT ORGANIZATION GENERAL TERMS AND CONDITIONS is inconsistent or in conflict with the terms and conditions of any **Coverage Part**, the terms and conditions of such **Coverage Part** shall control for purposes of that **Coverage Part**.

II. GENERAL DEFINITIONS

- A. **Application** means the written application for this Policy along with any written attachments, warranties, and any other material submitted with or incorporated into such application, as well as any other documents submitted in connection with the underwriting of this Policy or any other policy issued by the **Insurer**, or any of its affiliates, of which this Policy is in whole or in part a renewal or replacement; and all publicly available documents prepared by the **Organization** in the past twelve (12) months and which are reviewed in connection with the underwriting of this Policy or any policy issued by the **Insurer** of which this Policy is in whole or in part a renewal or replacement.
- B. **Claim** shall have the meaning attributed to that term in each applicable **Coverage Part**; and solely with respect to the NOT-FOR-PROFIT ORGANIZATION COMMERCIAL CRIME COVERAGE PART, if purchased, shall include any **Occurrence**.
- C. **Clean Up Costs** means expenses (including but not limited to legal and professional fees) incurred in testing for, monitoring, cleaning up, remediating, containing, removing, treating, neutralizing, detoxifying, or assessing the effects of **Pollutants**.
- D. **Coverage Part** means each coverage part that is listed as purchased in Item 2. of the Declarations.
- E. **Defense Expenses** means reasonable and necessary legal fees and expenses incurred in the defense of a **Claim**, including the premium for an appeal bond; provided, however, that the **Insurer** shall not be required to apply for or furnish such bonds. **Defense Expenses** shall not include any of the **Insured's** overhead expenses, or any wages, salaries, benefits, or costs of **Insured Persons** or any other representative, agent or servant of any **Insured**.
- F. **Domestic Partner** means any individual person legally recognized as a domestic or civil union partner under:
 - 1. the provisions of any applicable federal, state, or local law; or
 - 2. the provisions of any formal program established by the **Organization**.

- G. **Employee** means any past or present employee whose labor or service is engaged by and directed by the **Organization** while performing duties related to the conduct of the **Organization's** business. **Employee** includes leased, part-time, seasonal and temporary workers, volunteers and interns, and independent contractors who are treated under applicable law as employees of the **Organization**. **Employee** shall not include **Executives**.
- H. **Employment Claim** means any **Claim** alleging an **Employment Practices Wrongful Act** against an **Insured** brought by or on behalf of any past or present **Insured Person** or any applicant for employment with the **Organization**.
- I. **Employment Practices Wrongful Act** means any actual or alleged:
1. wrongful termination, including but not limited to discharge, or dismissal of employment, whether actual or constructive;
 2. violation of any federal, state, local, foreign, or common law prohibiting employment discrimination, including but not limited to: the Age Discrimination in Employment Act of 1967; the Americans with Disabilities Act of 1990; the Civil Rights Act of 1866 and 1991; the Civil Rights Law of 1964; the Equal Pay Act of 1963; the Family and Medical Leave Act of 1993; the Genetic Information Nondiscrimination Act of 2008; the Older Workers Benefit Protection Act of 1990; or any rule or regulation promulgated under any of the foregoing provisions;
 3. discrimination based upon race, color, age, religion, gender, sexual orientation, disability, national origin, pregnancy, or any other basis prohibited by law;
 4. wrongful: deprivation of career opportunity; failure to employ or promote; discipline or evaluation; demotion; denial of tenure; or modification of any term or condition of employment;
 5. retaliation in response to an **Employee** exercising any lawful right;
 6. sexual or other harassment in the workplace;
 7. abusive or hostile work environment, including workplace bullying and cyber bullying;
 8. negligent retention, hiring or training, supervision, or failure to provide or enforce consistent employment-related corporate policies or procedures; or
 9. employment-related libel, slander, misrepresentation, defamation, or invasion of privacy.
- J. **Executive** means any natural person who was, now is, or shall be a duly elected or appointed director, officer, trustee, regent, governor, manager or member of the management board (or equivalent executive positions) of the **Organization**.
- K. **Insured** shall have the same meaning attributed to that term in each applicable **Coverage Part**.
- L. **Insured Person** shall have the same meaning attributed to that term in each applicable **Coverage Part**.
- M. **Insurer** means the insurance company issuing this Policy.
- N. **Interrelated Wrongful Acts** means any **Wrongful Acts** that are:
1. repeated or continuous;
 2. connected by reason of any common circumstance, situation, transaction, casualty, event, decision or policy; or
 3. part of the same series of facts, circumstances, situations, transactions, casualties, events, decisions, or policies.
- O. **Loss** shall have the same meaning attributed to that term in each applicable **Coverage Part**; and with respect to the NOT-FOR-PROFIT ORGANIZATION COMMERCIAL CRIME COVERAGE PART, **Loss** means the amounts covered under such applicable **Coverage Part**.
- P. **Named Insured** means the entity identified as such in the Declarations.

- Q. **Organization** means: the (i) **Named Insured**; (ii) any **Subsidiary** thereof; and (iii) in the event a bankruptcy proceeding is commenced by or against the foregoing entities, the resulting debtor-in-possession under United States bankruptcy law, or any equivalent status under foreign law.
- R. **Policy Period** means the time period beginning at the inception date and time specified in the Declarations as the Policy Period, and ending at the earlier of the expiration date and time stated in the Declarations as the Policy Period or the effective date and time of the cancellation of this Policy.
- S. **Pollutants** means any substance that exhibits any hazardous characteristics as defined by, or identified on, a list of hazardous substances issued by the United States Environmental Protection Agency or any state, county, local, or foreign equivalent thereof, including, but not limited to, solids, liquids, gaseous, or thermal irritants, contaminants or smoke, vapor, dust, soot, fumes, acids, alkalis, chemicals or waste materials (including, but not limited to, recycled, reconditioned, or reclaimed sewage or waste water, nuclear materials, or infectious or medical waste); or any air emission, magnetic or electric waves or emissions, odor, oil or oil products, asbestos or asbestos products, fibers, mold, spores, fungi, germs, bacteria, viruses or any noise.
- T. **Subsidiary** means any not-for-profit entity of which the **Named Insured** controls, directly or indirectly, the right to elect, appoint or select fifty percent (50%) or more of such entity's directors, officers, trustees, regents, governors, managers or members of the management board (or equivalent executive positions).
- In the event a **Subsidiary** is acquired at any point during the **Policy Period**, then Section **XIII. General Conditions**, Subsection E. **Transactions**, of these NOT-FOR-PROFIT ORGANIZATION GENERAL TERMS AND CONDITIONS shall apply.
- U. **Third-Party Discrimination** means any violation of a federal, state, local, foreign, or common law concerning discrimination against, or sexual harassment of, any natural person other than an **Insured Person**, including customers, clients, vendors, service providers, and business invitees.
- V. **Third-Party Discrimination Claim** means any **Claim** against an **Insured**, other than an **Employment Claim**, alleging any **Insured** committed **Third-Party Discrimination**.
- W. **Transaction** means:
1. the consolidation or merger of the **Named Insured** into any other not-for-profit entity, or group of not-for-profit entities acting in concert; or
 2. any acquisition by a person or not-for-profit entity, or group of persons or not-for-profit entities, acting in concert, of the right to elect, appoint or select fifty percent (50%) or more of the **Named Insured's** directors, officers, trustees, regents, governors, managers or members of the management board (or equivalent executive positions).
- X. **Voluntary Settlement** shall have the same meaning attributed to that term in the NOT-FOR-PROFIT ORGANIZATION FIDUCIARY LIABILITY COVERAGE PART.
- Y. **Wrongful Act** shall have the same meaning attributed to that term in each applicable **Coverage Part**.

III. GENERAL POLICY EXCLUSIONS

The **Insurer** shall not be liable to pay any **Loss** in connection with any **Claim**:

- A. brought about or contributed to by: (i) the gaining of any personal profit or financial advantage to which an **Insured** was not legally entitled; or (ii) by the committing of any intentional criminal or deliberate fraudulent act, if such profit or advantage or intentional criminal or deliberate fraudulent act is established by a final, non-appealable adjudication in the underlying action.

For the purpose of applying this exclusion, any **Wrongful Act** of the chief or lead: director; officer; trustee; regent; governor; or manager; of the **Organization** shall be imputed to the **Organization**. With the exception of the possible imputation of **Wrongful Acts** described in the preceding sentence, no **Wrongful Act** of an **Insured** may be imputed to any other **Insured**;

- B. for any actual or alleged bodily injury, mental anguish or emotional distress, disease, sickness, or death of any person, or damage to or destruction of any tangible property, including the loss of use thereof; provided, however, this exclusion shall not apply to:
1. emotional distress and mental anguish damages asserted in any **Employment Claim** that is otherwise covered by the NOT-FOR-PROFIT ORGANIZATION EMPLOYMENT PRACTICES AND THIRD PARTY DISCRIMINATION LIABILITY COVERAGE PART, if purchased;
 2. **Defense Expenses** incurred in a criminal proceeding for manslaughter (or for any similar offense).
- C. arising out of, based upon or in consequence of, resulting from or in any way involving any written demand, suit, proceeding or other claim, or any investigation of which any **Insured** had notice, pending on or prior to the respective **Coverage Part** Pending or Prior Litigation Date stated in Item 2. of the Declarations, or any fact, matter, circumstance, situation, transaction, or event underlying or alleged in such written demand, suit, proceeding, claim or investigation; provided, however, that this exclusion shall apply solely to the **Coverage Part** for which the **Insured's** notice of the written demand, suit, proceeding or other claim, or any investigation preceded its respective Pending or Prior Litigation Date;
- D. arising out of, based upon or in consequence of, resulting from or in any way involving;
1. any **Wrongful Act** alleged in any demand, suit, proceeding or other claim which has been the subject of any notice given or reported prior to the inception of the **Policy Period**, or in any circumstance of which notice has been given under any policy of which this Policy or any **Coverage Part** is a renewal, replacement, or succeeds in time;
 2. any other **Wrongful Act** whenever occurring, which together with a **Wrongful Act** which has been the subject of such prior claim or notice, would constitute **Interrelated Wrongful Acts**;
- E. arising out of, based upon or in consequence of, resulting from or in any way involving: (i) any access to or disclosure of any person's or organization's confidential or personal information, including donor lists, patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic or personally identifiable nonpublic information; (ii) any unauthorized access to, failure, malfunction or breakdown of any computer, electrical, electronic or mechanical systems, or machines; provided, however, that this exclusion shall not apply to any **Claim** otherwise covered under the NOT-FOR-PROFIT ORGANIZATION CYBER LIABILITY COVERAGE PART, if purchased;
- F. arising out of, based upon or in consequence of, resulting from or in any way involving any **Employment Claim, Third-Party Discrimination Claim, Employment Practices Wrongful Acts, or Third-Party Discrimination**; provided, however, this exclusion shall not apply to the NOT-FOR-PROFIT ORGANIZATION EMPLOYMENT PRACTICES AND THIRD-PARTY DISCRIMINATION LIABILITY COVERAGE PART, if purchased;
- G. for any actual or alleged violation of any of the responsibilities, obligations or duties imposed by:
1. the Employee Retirement Income Security Act of 1974 (ERISA), or amendments thereto or regulations thereunder or any similar foreign, state, local or common law; provided, however, that this exclusion shall not apply to any **Claim** otherwise covered by the NOT-FOR-PROFIT ORGANIZATION FIDUCIARY LIABILITY COVERAGE PART, if purchased;
 2. the Occupational Safety and Health Act (OSHA), the Worker Adjustment and Retraining Notification Act (WARN), the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA), the National Labor Relations Act (NLRA), or other similar provisions of any federal, state or local statutory or common law, or any rules or regulations promulgated under any of the foregoing;
 3. the Fair Labor Standards Act (FLSA), as amended, or any other foreign, federal, state, or local law, whether statutory or common law, governing the classification of employees to determine their eligibility for compensation or the payment of wages, overtime, on-call time, rest periods or minimum wages;

4. any employment-related tort; provided, however, that this paragraph shall not apply to any **Employment Claim** otherwise covered under the NOT-FOR-PROFIT ORGANIZATION EMPLOYMENT PRACTICES AND THIRD-PARTY DISCRIMINATION LIABILITY COVERAGE PART, if purchased;
5. any law governing workers' compensation, unemployment insurance, social security, disability benefits, or any similar foreign, state, local or common law;

Provided, however, that this exclusion shall not apply to **Employment Claims** for retaliation otherwise covered under the NOT-FOR-PROFIT ORGANIZATION EMPLOYMENT PRACTICES AND THIRD-PARTY DISCRIMINATION LIABILITY COVERAGE PART, if purchased; or

- H. arising out of, based upon or in consequence of, resulting from or in any way involving **Pollutants** and/or **Clean Up Costs**.

IV. DEFENSE AND SETTLEMENT

- A. It shall be the duty of the **Insurer**, and not the duty of the **Insureds**, to defend any **Claim** to which this insurance applies. Such duty shall exist even if such **Claim** is groundless, false or fraudulent, provided, however, that the **Insurer** shall not be obligated to defend such **Claim** after the least of the following has been exhausted: (i) the Policy Maximum Aggregate Limit of Liability; (ii) the Aggregate Limit of Liability of the applicable **Coverage Part**; or (iii) any applicable Sub-Limit of Liability.
- B. The **Insurer** may make any investigation it deems necessary, and shall have the right to settle any **Claim**; provided, however, no settlement shall be made without the consent of the **Named Insured**, such consent not to be unreasonably withheld.
- C. The **Insureds** agree not to settle or offer to settle any **Claim**, incur any **Defense Expenses**, or otherwise assume any contractual obligation or admit any liability with respect to any **Claim** without the prior written consent of the **Insurer**, such consent not to be unreasonably withheld. The **Insurer** shall not be liable for any settlement, **Defense Expenses**, assumed obligation, or admission to which it has not consented. The **Insureds** shall promptly send to the **Insurer** all settlement demands or offers received by any **Insured** from the claimant(s).
- D. The **Insureds** agree to provide the **Insurer** with all information, assistance and cooperation which the **Insurer** reasonably requests, and agree that in the event of a **Claim**, the **Insureds** will do nothing that shall prejudice the position of the **Insurer** or its potential or actual rights of recovery.

V. LIMITS OF LIABILITY

- A. The amount stated in Item 1. of the Declarations as the Policy Maximum Aggregate Limit of Liability shall be the **Insurer's** maximum aggregate liability for all payment obligations under this Policy under all **Coverage Parts**, combined, including any matter noticed during the Discovery Period, if applicable. All obligations of the **Insurer** under this Policy shall cease after the Policy Maximum Aggregate Limit of Liability stated in Item 1. of the Declarations has been paid by the **Insurer**.
- B. The amounts stated in Item 2. of the Declarations as the Aggregate Limit of Liability for each purchased **Coverage Part** listed shall be the maximum aggregate limit of liability of the **Insurer** under such **Coverage Part** for all payment obligations under this Policy. The amount set forth in Item 2. of the Declarations as the Aggregate Limit of Liability for each respective **Coverage Part** purchased shall be part of, and not in addition to, the amount stated in Item 1. of the Declarations as the Policy Maximum Aggregate Limit of Liability under the Policy. The amounts stated in Item 2. of the Declarations as the Sub-Limit of Liability under such **Coverage Part**, or the amount(s) listed as Limits of Liability for covered loss under NOT-FOR-PROFIT ORGANIZATION COMMERCIAL CRIME COVERAGE PART, shall be the maximum aggregate limit of liability for the **Insurer** under such sub-limited coverage, such amount being part of, and not in addition to, the Aggregate Limit of Liability for such **Coverage Part**. The **Insurer's** obligations under this Policy shall cease with respect to any respective **Coverage Parts** purchased after the Aggregate Limit of Liability under such **Coverage Part** has been paid by the **Insurer**.

If Shared Limits of Liability are indicated for any purchased **Coverage Part** under Item 2. of the Declarations, then each such Shared Limit of Liability shall be the maximum aggregate limit of the **Insurer's** liability for all amounts and all **Loss** of all **Insureds** during the **Policy Period** or the Discovery Period, if applicable, with respect to the applicable **Coverage Parts** subject to the shared limits, combined. The Limit of Liability respecting each **Coverage Part** which is indicated as Shared Limit of Liability in Item 2. of the Declarations shall be part of and not in addition to the Shared Limit of Liability of every other **Coverage Part** which is also indicated as Shared Limit of Liability in Item 2. of the Declarations. Furthermore, the Shared Limit of Liability for the Discovery Period shall be part of and not in addition to, this Shared Limit of Liability for the **Policy Period**. Each Shared Limit of Liability shall be part of and not in addition to the POLICY MAXIMUM AGGREGATE LIMIT OF LIABILITY in Item 1. of the Declarations. Any Sub-Limit of Liability provided in the Policy shall be part of and not in addition to Aggregate Limit of Liability as shown in the Declarations for the respective **Coverage Part** to which the Sub-Limit applies. Payment of **Loss** from such sublimit shall reduce the Aggregate Limit of Liability and any applicable Shared Limit of Liability.

- C. **Defense Expenses** are part of, and not in addition to, the applicable limit of liability, and payment of **Defense Expenses** by the **Insurer** shall reduce and may exhaust the applicable limits of liability; provided, however that:
1. Notwithstanding anything in this Subsection C. to the contrary and subject to paragraphs 2., 3., and 4., immediately below, if an Additional Dedicated Limit of Liability for **Defense Expenses** is indicated in Item 4. of the Declarations, then an additional Limit of Liability in the amount indicated in the Declarations as the Additional Dedicated Limit of Liability for **Defense Expenses** shall be available solely for **Defense Expenses** covered under this Policy ("**Additional Defense Expenses**");
 2. The amount indicated in the Declarations as the Additional Dedicated Limit of Liability for **Defense Expenses** shall be the limit for all such Additional **Defense Expenses** per **Claim** and in the aggregate, which amount is in addition to, and not part of, the Aggregate Limit of Liability for any **Coverage Part** exhausted by payments by the **Insurer** for **Defense Expenses** covered by this Policy;
 3. In the event **Defense Expenses** for a given **Claim**, or for all **Claims** combined, exceed the Additional Dedicated Limit of Liability for **Defense Expenses**, the **Insurer** will continue to defend any the Claim, but all **Defense Expenses** incurred on any **Claim** thereafter shall reduce the applicable Aggregate Limit of Liability under the applicable **Coverage Part(s)**;
 4. The Additional Dedicated Limit of Liability for **Defense Expenses** shall not be applicable with respect to the Cyber Liability and Crime **Coverage Parts**. Any **Defense Expenses** incurred under the Cyber Liability and Crime **Coverage Parts** shall reduce the applicable Aggregate Limit of Liability such **Coverage Part**, and the Additional Dedicated Limit of Liability for **Defense Expenses** shall not be available for any such **Claim** or matter noticed.
- D. If coverage is available for a **Claim** under more than one **Coverage Part**, then the maximum applicable limit of liability for such **Claim** shall be the largest applicable remaining Aggregate Limit of Liability under only one of the applicable **Coverage Parts**. The **Insurer's** obligations under this Policy shall cease with respect to such a **Claim** when the largest applicable remaining Aggregate Limit of Liability under only one of the applicable **Coverage Parts** is exhausted.

VI. RETENTIONS

- A. With respect to each **Claim** covered under any **Coverage Part**, the **Insurer** shall only pay **Loss** which is in excess of the Retention that is applicable to such respective **Coverage Part** (or Insuring Agreement subject to a separate Retention under such **Coverage Part**, if indicated) as set forth in Item 2. of the Declarations, such Retention shall be borne by the **Insureds**.

With respect to covered loss under the NOT-FOR-PROFIT ORGANIZATION COMMERCIAL CRIME COVERAGE PART and **Voluntary Settlements**, the **Insurer** shall only pay such covered loss and **Voluntary Settlements**, which are in excess of the applicable Retention as set forth in Item 2. of the Declarations for such applicable **Coverage Part**, such Retention shall be borne by the **Insureds**.

Should the **Organization** be unable or refuse to pay an applicable Retention due to bankruptcy or insolvency, the **Insurer** will then advance **Loss** within the Retention, subject to the other terms, conditions and exclusions of this Policy within sixty (60) days; provided, however, that the **Insurer** shall be entitled to recover such amounts advanced within the retention from the **Organization**.

- B. If a **Claim** could be subject to multiple Retentions, the largest applicable Retention set forth in Item 2. of the Declarations shall apply.
- C. With the exception of **Defense Expenses**, the applicable Retention shall not be reduced by any amounts that are determined to be non-covered loss pursuant to Section **XI. ALLOCATION**, below.

VII. ESTATES, LEGAL REPRESENTATIVES, SPOUSES, AND DOMESTIC PARTNER EXTENSION

- A. Coverage under this Policy, subject to its terms and the terms of each **Coverage Part**, shall be extended to apply to **Claims** for a **Wrongful Act** of an **Insured Person** made against:
 - 1. a natural person who, at the time the **Claim** is made, is the lawful spouse or **Domestic Partner** of an **Insured Person**, provided that such **Claim**:
 - a) arises solely out of such spouse or **Domestic Partner's** status as the spouse or **Domestic Partner** of such **Insured Person**; or
 - b) seeks recovery from marital community property, other property jointly held by the spouse or **Domestic Partner** and such **Insured Person**, or property transferred from such **Insured Person** to the spouse or **Domestic Partner**; or
 - 2. the estate, heir, legal representative or assigns of an **Insured Person**, in the event of such **Insured Person's** death, incompetency, insolvency or bankruptcy.
- B. There shall be no coverage extended under this Section for **Loss** resulting from a **Claim** arising from any act, error, or omission of any spouse, **Domestic Partner**, estate, heir, legal representative or assigns of such **Insured Person**.

VIII. NOTICE OF CLAIM AND WRONGFUL ACT

- A. As a condition precedent to the obligations of the **Insurer** under this Policy, the **Insureds** shall give the **Insurer** written notice of any **Claim** made during the **Policy Period** or the Discovery Period (if applicable) against an **Insured** as soon as practicable, but in all events before the later of:
 - 1. ninety (90) days after the Policy expires and is renewed with the **Insurer**, provided however, if the **Insured** can prove to the **Insurer's** satisfaction that it was not reasonably possible for the **Insured** to give such notice within the ninety (90) day time period and that subsequent notice was given as soon as reasonably possible thereafter, the **Insurer** shall waive the foregoing time period; or
 - 2. sixty (60) days after:
 - a) this Policy expires or terminates and is not renewed with the **Insurer**; or
 - b) the expiration date of the Discovery Period, if applicable.
- B. Notwithstanding the conditions and obligations set forth in Subsection A., above, in the event the **Insured** fails to provide timely notice of a **Claim**, coverage may be denied by the **Insurer** solely on the basis of late notice only if the **Insurer** can show that such late notice materially prejudiced its interests.
- C. If during the **Policy Period** or the Discovery Period (if applicable), the **Insured** becomes aware of any circumstances which reasonably may be expected to give rise to a **Claim** being made against an **Insured**, and gives written notice to the **Insurer** of such circumstances, including the anticipated alleged **Wrongful Act(s)**, the reasons for anticipating such a **Claim**, and full particulars as to dates, persons and entities involved, then any **Claim** subsequently made against the **Insureds** arising out of the circumstances described in such notice shall be deemed to have been made at the time such notice was received by the **Insurer**.

- D. The **Insureds** shall give notice to the **Insurer** under this Section at the address set forth by Endorsement to this Policy.

IX. DISCOVERY PERIOD

- A. If the **Named Insured** cancels or if the **Insurer** or the **Named Insured** refuses to renew this Policy, the **Named Insured** shall have up to thirty (30) days after the effective date of such cancellation or non-renewal, to pay the Additional Premium for the Discovery Period specified in Item 3. of the Declarations to extend the coverage granted by this Policy to any **Claim** first made during an additional period of time specified in Item 3. of the Declarations (the Discovery Period), which Discovery Period shall begin on the effective date of such cancellation or non-renewal; provided, however, that the **Named Insured** shall not be entitled to extend the coverage granted by this Policy by paying the Additional Premium for the Discovery Period if the Policy is rescinded, cancelled, or non-renewed as a result of a material misrepresentation in the **Application**.

Any coverage for **Claims** first made and first reported during the Discovery Period shall be limited only to **Wrongful Acts** that occurred prior to the inception of the Discovery Period.

- B. The Additional Premium for the Discovery Period shall be fully earned at the inception of the Discovery Period; and the Discovery Period is not cancelable, except that the **Insurer** may cancel the Discovery Period for non-payment of premium.
- C. The Discovery Period is not available and the provisions of this Section **IX. DISCOVERY PERIOD** shall not be applicable if the Policy is cancelled for non-payment of premium.

X. SINGLE CLAIM/INTERRELATED WRONGFUL ACTS

All **Claims** based upon or arising out of the same **Wrongful Act** or out of **Interrelated Wrongful Acts** shall be considered a single **Claim**, and each such **Claim** is deemed to have been first made on the earlier of the following:

- A. when the earliest **Claim** arising out of such **Wrongful Act** or **Interrelated Wrongful Acts** was first made; or
- B. when written notice of a fact, circumstance, or situation giving rise to such **Claim** pursuant to Section **VIII. NOTICE OF CLAIM AND WRONGFUL ACT**, Subsection C., above, was received by the **Insurer**.

XI. ALLOCATION

If both **Loss** covered by this Policy and loss not covered by this Policy are incurred as a result of a **Claim**, the **Insurer** shall not be liable for that portion of such amount allocated to non-covered loss; and:

- A. With respect to all loss incurred by the **Insureds** in connection with such a **Claim**, the **Insureds** and the **Insurer** agree to use their best efforts to determine a fair and proper allocation of covered **Loss** and non-covered loss, taking into account the relative legal and financial exposures of and the relative benefits obtained in the defense and/or settlement of the **Claim** by the **Insureds**.
- B. In the event that the **Insurer** and the **Insureds** cannot agree upon an allocation, the **Insurer** shall make an interim payment for the **Loss** that is not in dispute until a different amount shall be agreed upon or determined pursuant to the provisions of this Policy and applicable law. Notwithstanding the above, the **Insurer** shall pay, on behalf of the **Insureds**, all **Defense Expenses** incurred in defense of any **Claim** that is in whole or in part covered under this Policy.

XII. COORDINATION OF COVERAGE PARTS

- A. The **Insured** has elected to purchase the **Coverage Parts** as indicated in Item 2. of the Declarations by the appearance of a dollar amount Aggregate Limit of Liability corresponding to such **Coverage Part**, and any other **Coverage Part** available from the **Insurer** but not purchased by the **Insured** shall not be included in the Policy.
- B. Subject to the applicable Aggregate Limit of Liability, in the event any coverage is available for a **Claim** under more than one **Coverage Part** purchased, the **Insurer** shall only be liable for the actual amount of **Loss** incurred by the **Insureds**.
- C. The **Insurer** shall be entitled to make its own determination as to which **Coverage Part**, if any, **Loss** is covered and should be paid, regardless of the **Coverage Part** under which the **Insureds** provide notice of **Claim** or notice of circumstances which reasonably may be expected to give rise to a **Claim**.

XIII. GENERAL CONDITIONS

A. Cancellation and Non-Renewal

- 1. The **Insurer** may cancel this Policy for non-payment of any premium when due by providing written notice to the **Named Insured** stating when, not less than twenty (20) days thereafter, such cancellation shall be effective.
- 2. The **Named Insured** may cancel this Policy by providing written notice to the **Insurer** at the address set forth by Endorsement to this Policy, stating when thereafter such cancellation shall be effective. The **Insurer** shall retain the pro rata proportion of the premium calculated from the effective date of cancellation; provided, however, that if at the time of cancellation any **Claims** or notices of circumstance have been reported during the **Policy Period** under Section **VIII.**, above, then the entire premium shall be considered fully earned and non-refundable. Payment or tender of any unearned premium by the **Insurer** shall not be a condition precedent to the effectiveness of cancellation, but such payment shall be made as soon as practicable.
- 3. In the event the **Insurer** decides not to renew this Policy, the **Insurer** shall provide written notice of such non-renewal to the **Named Insured** not less than thirty (30) days prior to the end of the **Policy Period**. The notice shall state the reason for such non-renewal. An offer to renew this Policy on terms that involve any change in Retention amount, premium, limit of liability or other terms or conditions shall not constitute a decision by the **Insurer** not to renew this Policy.
- 4. Any notices to be given to the **Named Insured** shall be provided to the **Named Insured** at its last known principal address with a copy to its insurance agent or broker. The mailing by certified mail of such notice shall be sufficient.

B. Action Against the Insurer

No action shall lie against the **Insurer** unless, as a condition precedent thereto, there shall have been full compliance with all of the terms of this Policy.

C. ADR Provision

The **Insurer** and the **Insured** agree that they will attempt in good faith to negotiate a resolution to any dispute arising out of this Policy. In the event any dispute cannot be resolved by negotiation, the **Insurer** and the **Insured** agree to submit the dispute to non-binding mediation, the terms of which shall be subject to negotiation. If the parties cannot agree to such terms within thirty (30) days of either party requesting the mediation, the matter will be submitted to JAMS for mediation, with each party bearing their own costs. Should the mediation fail to result in a settlement of the dispute, no party may commence an action against any other party until at least thirty (30) days after the conclusion of the final mediation session.

D. Transaction

If a **Transaction** occurs during the **Policy Period**, then this Policy shall continue in full force and effect only for **Wrongful Acts** occurring prior to the effective date of the **Transaction**, unless:

1. the **Named Insured** gives the **Insurer** written notice of the **Transaction** as soon as practicable, but not later than thirty (30) days after the effective date of the **Transaction**;
2. the **Insurer** agrees in writing to provide coverage for **Wrongful Acts** occurring after such effective date; and
3. the **Named Insured** accepts any special terms, conditions, amendments, exclusions or additional premium charge required by the **Insurer**.

This Policy may not be canceled after the effective time of the **Transaction** and the entire premium for this Policy shall be deemed fully earned as of the effective date of the **Transaction**.

E. Mergers and Acquisitions

1. If the **Organization**, during the **Policy Period**:
 - a. acquires the right to control the management of another not-for-profit entity by merger or by consolidation with a **Subsidiary**; acquires all or substantially all of the rights to control the management of another not-for-profit entity; or creates or acquires a **Subsidiary**; and
 - b. provided such **Subsidiary** or acquired entity is not a: (i) public or for-profit company; (ii) a public, for-profit or not-for profit financial services organization or provider; or (iii) a public, for profit or not-for-profit healthcare services organization or provider;

then, subject to all the other provisions of this Policy, coverage shall apply to any **Claim** involving the merged or consolidated not-for-profit entity or **Subsidiary**.

2. There shall be no coverage for any **Wrongful Act** or **Occurrence** involving the merged or consolidated not-for-profit entity or **Subsidiary** that occurred prior to the consummation of a merger or consolidation described in Paragraph 1., above, or for any other **Wrongful Act** whenever occurring which together with a **Wrongful Act** that occurred prior to the consummation of such merger or consolidation would constitute **Interrelated Wrongful Acts**.
3. There shall be no coverage for any **Wrongful Act** of any **Subsidiary** or any of its directors, officers or employees occurring on or after the date such entity ceases to be a **Subsidiary**.
4. If an entity ceases to be a **Subsidiary** during the **Policy Period**, coverage with respect to any **Coverage Part** for such **Subsidiary** and its **Insureds** shall continue until expiration of the **Policy Period** or termination of this Policy, whichever occurs first, but only for **Claims** for **Wrongful Acts** while such entity was a **Subsidiary**.

F. Bankruptcy

Bankruptcy or insolvency of the **Organization** or of an **Insured Person** shall not relieve the **Insurer** of any of its obligations hereunder; and the **Insurer** agrees not to oppose or object to any efforts to obtain relief from any automatic stay or injunction which may apply to this Policy or its proceeds.

G. Representations

The **Insureds** agree that the **Application** is deemed attached to this Policy and incorporated herein, and that all warranties, statements and representations contained in or incorporated into the **Application** have been made to the **Insurer** and are material to the risk assumed by the **Insurer**. This Policy is issued in reliance upon the truth of such warranties, statements and representations. The **Insureds** further agree that in the event of any material misstatement, misrepresentation or omission in the **Application**, there shall be no coverage under this Policy for any **Insured** who had actual or imputed knowledge as of the inception date of the **Policy Period** of the facts that were misstated, misrepresented or omitted in the **Application** (whether or not such **Insured** was aware that such facts were misstated, misrepresented, or omitted in the **Application**). For purposes of determining the applicability of this Paragraph, any knowledge possessed by the chief or lead: director; officer; trustee; regent; governor; or manager; of the **Organization** shall be imputed to the **Organization**, but with the exception of the foregoing, any knowledge possessed by an **Insured** shall not be imputed to any other **Insured**.

H. Other Insurance

Such insurance as is provided by this Policy shall apply only as excess over any other valid and collectible insurance, unless such other insurance is written as specific excess insurance over this Policy. This Policy shall specifically be excess of any other valid and collectible insurance pursuant to which any other insurer has a duty to defend a **Claim** for which this Policy may be obligated to pay **Loss**.

I. Subrogation

1. The **Insurer** shall be subrogated to the extent of any payment made under this Policy to all of the rights of recovery of the **Insureds** against any person or organization. The **Insureds** shall do nothing to prejudice any of the **Insurer's** subrogation rights, and shall execute and deliver all papers and instruments required, and shall do whatever else is necessary, to enable the **Insurer** effectively to bring suit in their name and otherwise secure such rights. In no event, however, shall the **Insurer** exercise its subrogation rights against any **Insured Person** under this Policy, unless such **Insured Person** has been convicted of a criminal act, or been determined by a final adjudication to have committed a dishonest, fraudulent act or willful violation of any statute, rule or law, or determined by a final adjudication to have obtained any profit or advantage to which such **Insured Person** was not legally entitled.
2. Any amount recovered after payment under this Policy shall be apportioned in the inverse order of any actual payment of the underlying **Claim** so the last dollar paid shall be the first dollar recovered. The expenses incurred in obtaining any such recoveries shall be apportioned in the ratio of the actual recoveries of the **Insurer** and the **Insureds**; and any amounts recovered, less the expenses incurred in obtaining any such recovery, shall be credited toward the applicable limit of liability.

J. Assignment

This Policy and any and all rights hereunder are not assignable without the written consent of the **Insurer**.

K. Entire Agreement

By acceptance of this Policy, the **Insureds** and the **Insurer** agree that this Policy (including the **Application**) and any written endorsements attached hereto constitute the entire agreement between the parties.

L. Conformity to Statute

Any terms of this Policy which are in conflict with the terms of any applicable laws construing this Policy are hereby amended to conform to such laws.

M. Authorization

The **Insureds** agree that the **Named Insured** will act on behalf of the **Insureds** with respect to the giving of all notices to the **Insurer**, the receipt of notices from the **Insurer**, the payment of premiums, and the receipt of any return premiums that may become due under this Policy.

N. Worldwide Territory

The Policy shall apply to **Claims** made against the **Insureds** anywhere in the world.

O. Compliance with Laws Governing Trade and Economic Sanctions

Payment of **Loss** under this Policy shall be made only in full compliance with all economic or trade sanction laws and regulations, including but not limited to sanctions, laws, and regulations administered and enforced by the United States Treasury's Office of Foreign Asset Control (OFAC), and any other laws or regulations of the United States, European Union, or United Kingdom.

P. Headings

The descriptions in the headings and any subheading of this Policy (including any titles given to any endorsement attached hereto) are inserted solely for convenience and do not constitute any part of the terms or conditions hereof.

THIS POLICY SHALL NOT BE VALID UNLESS COMPLETED BY THE ATTACHMENT HERETO OF THE DECLARATIONS PAGE AND SIGNED BY A DULY AUTHORIZED REPRESENTATIVE OF THE **INSURER**.

NAMED INSURED: Intergovernmental Cooperation Authority for Harrisburg

POLICY NUMBER: NFP1000302

THIS ENDORSEMENT MODIFIES: NOT-FOR-PROFIT ORGANIZATION GENERAL TERMS AND CONDITIONS

NOTICE ENDORSEMENT

In consideration of the payment of premium for this Policy, it is understood and agreed that Notice under the Policy is to be provided as follows:

1. Notice of **Claims**, notice of circumstances, or notice of any other matter for which coverage may be sought:

Claims Notices

Eric Levine - FI Professional Liability

4 World Trade Center

150 Greenwich Street, 47th Floor

New York, NY 10007

Tel: (212) 785 - 2000

Fax: (212) 785 - 2001

Email: ValidusFIClaims@validusuw.com

2. All other notices or communications:

All Other Policy Notices

Underwriting Manager - FI Professional Liability

4 World Trade Center

150 Greenwich Street, 47th Floor

New York, NY 10007

Tel: (212) 785 - 2000

Fax: (212) 785 - 2001

PUBLIC ENTITY LIABILITY COVERAGE PART

THIS IS A "CLAIMS MADE AND REPORTED" COVERAGE PART. SUBJECT TO ITS TERMS AND PROVISIONS, THIS COVERAGE PART ONLY APPLIES TO CLAIMS FIRST MADE AGAINST THE INSUREDS, AND FIRST REPORTED TO THE INSURER IN THE TIME AND MANNER REQUIRED BY THIS POLICY. IN ADDITION, DEFENSE EXPENSES ARE INCLUDED IN AND WILL REDUCE THE LIMITS OF LIABILITY.

PLEASE READ THIS ENTIRE COVERAGE PART CAREFULLY. CONSULT YOUR BROKER OR OTHER REPRESENTATIVE IF YOU DO NOT UNDERSTAND ANY TERMS OR PROVISIONS OF THIS COVERAGE PART OR ANY OTHER PART OF THE POLICY.

In consideration of the payment of Premium, and subject to the agreement of the **Named Insured** to pay the retention amount stated in the Declarations and as set forth in this Policy, and in reliance upon the **Application**, which shall be deemed incorporated herein, and subject to all of the terms, conditions, limitations, exclusions, and endorsements to this Policy, the **Insurer** and the **Insureds** agree as follows:

I. INSURING AGREEMENTS

A. Insured Person Coverage For Non-Indemnified Loss

1. Insuring Agreement

The **Insurer** shall pay, on behalf of any **Insured Persons**, **Loss** to the extent the **Organization** has not indemnified such **Insured Persons**, arising from any **Claim** for any **Wrongful Act** taking place prior to the end of the **Policy Period**, and which is first made against the **Insured Persons** during the **Policy Period** or the Discovery Period (if applicable) and is reported to the **Insurer** in the time and manner required by this Policy.

2. Additional Dedicated Limit of Liability

- a. Notwithstanding anything in this Policy to the contrary, an Additional Dedicated Limit of Liability for Non-Indemnified **Loss**, if purchased as indicated in Item 2. of the Declarations, shall be an additional Limit of Liability available solely for **Loss** covered under **INSURING AGREEMENT A.1.**, and shall be in an amount not to exceed \$500,000 per **Claim** and in the aggregate, which amount is in addition to, and not part of, the Aggregate Limit of Liability for this **Coverage Part**, as set forth in Item 2. of the Declarations.
- b. The Additional Dedicated Limit of Liability for Non-Indemnified **Loss** is excess of any insurance available that is specifically excess to this **Coverage Part**, and such excess insurance must be completely exhausted by payment of loss, damages or defense costs thereunder before the **Insurer** shall have any obligation to make any payment on account of the Additional Dedicated Limit of Liability for Non-Indemnified **Loss**.

B. Organization Coverage For Indemnified Loss

The **Insurer** shall pay, on behalf of the **Organization**, **Loss**, to the extent the **Organization** has indemnified **Insured Persons**, arising from any **Claim** for any **Wrongful Act** taking place prior to the end of the **Policy Period**, and which is first made against such **Insured** during the **Policy Period** or the Discovery Period (if applicable) and is reported to the **Insurer** in the time and manner required by this Policy.

C. Organization Entity Coverage

The **Insurer** shall pay, on behalf of the **Organization**, **Loss** arising from any **Claim** for any **Wrongful Act** of the **Organization** taking place prior to the end of the **Policy Period**, and which is first made against the **Organization** during the **Policy Period** or the Discovery Period (if applicable) and is reported to the **Insurer** in the time and manner required by this Policy.

D. Outside Capacity Coverage

The **Insurer** shall pay, on behalf of an **Executive**, **Loss** arising from any **Claim** against the **Executive** for a **Wrongful Act** in an **Outside Capacity** which is first made against the **Executive** during the **Policy Period** or **Discovery Period** (if applicable) and is reported to the **Insurer** in the time and manner required by this Policy.

- a. Coverage hereunder shall be specifically excess of any indemnity and insurance available from or provided to the **Executive** by an **Outside Entity**.
- b. Payment by the **Insurer** for any **Claim** hereunder shall reduce, by the amount of such payment, the Limits of Liability stated in the Declarations.

II. DEFINITIONS

For the purposes of this **Coverage Part**:

A. Antitrust Violation means:

1. any violation of the Sherman Antitrust Act, the Clayton Act, the Robinson-Patman Act, each of the foregoing as amended, or any similar federal, state, local or foreign statutory, common or regulatory law; or
2. any violation of any federal, state, local or foreign statutory, common or regulatory law with respect to business competition, unfair trade practices or tortious interference with another's contractual or business relationships.

B. Claim means:

1. under **INSURING AGREEMENTS A. and B.:**
 - a. a written demand for monetary, non-monetary, or injunctive relief made upon an **Insured Person** for a **Wrongful Act**;
 - b. a civil, proceeding for monetary or non-monetary relief against an **Insured Person** for a **Wrongful Act**, which is commenced by: service of a complaint or similar pleading; or receipt of a notice of charges;
 - c. a criminal proceeding brought against an **Insured Person** for a **Wrongful Act**, which is commenced by an arrest or a return of an indictment or information;
 - d. a formal administrative or formal regulatory proceeding against an **Insured Person** for a **Wrongful Act**, which is commenced by the filing of a notice of charges, formal order or similar document;
 - e. a mediation or arbitration proceeding commenced by receipt of a demand for arbitration, demand for mediation or similar document alleging a **Wrongful Act** against an **Insured Person**;
 - f. an official request for **Extradition**, or the execution of a warrant for the arrest of any **Insured Person** where such execution is an element of **Extradition**, against an **Insured Person** for a **Wrongful Act**;
 - g. a civil, criminal, administrative, or regulatory investigation of an **Insured Person** for a **Wrongful Act** once such **Insured Person** is identified in writing by the authority undertaking the investigation as someone against whom a **Claim** as described in Paragraphs **II.B.1.a.** through **II.B.1.f.** may be commenced; or
 - h. any written request to toll or waive a statute of limitations received by an **Insured Person** relating to a potential **Claim** described in Paragraphs **II.B.1.a.** through **II.B.1.f.**, above.

2. under **INSURING AGREEMENT C.:**

- a. a written demand for monetary, non-monetary, or injunctive relief made upon the **Organization** for a **Wrongful Act** of the **Organization**;
- b. a civil, proceeding for monetary or non-monetary relief against the **Organization** for a **Wrongful Act**, which is commenced by: service of a complaint or similar pleading; receipt of a notice of charges;
- c. a criminal proceeding brought against the **Organization** for a **Wrongful Act**, which is commenced by a return of an indictment, information, or similar document;
- d. a formal administrative or formal regulatory proceeding against the **Organization** for a **Wrongful Act**, which is commenced by the filing of a notice of charges, formal order or similar document;
- e. a mediation or arbitration proceeding commenced by receipt of a demand for arbitration, demand for mediation or similar document alleging a **Wrongful Act** against the **Organization**;
- f. a civil, criminal, administrative, or regulatory investigation of the **Organization** for a **Wrongful Act** once the **Organization** is identified in writing by the authority undertaking the investigation as a party against which a **Claim** as described in Paragraphs **II.B.2.a.** through **II.B.2.e.** may be commenced; or
- g. any written request to toll or waive a statute of limitations relating to a potential **Claim** described in Paragraphs **II.B.2.a.** through **II.B.2.e.**, above.

Notwithstanding the foregoing, all **Loss** incurred in any written demands or civil proceedings for non-monetary or injunctive relief, including any fees or expenses awarded to a claimant in a written demand or civil proceeding for non-monetary or injunctive relief, shall be subject to a **Policy Period** Aggregate Sub-Limit of Liability of \$100,000, which will be part of, and not in addition to the applicable Limit of Liability stated in the Declarations.

C. **Insured** means the **Organization** or any **Insured Person**.

D. **Insured Person** means:

1. any **Executive** or **Employee** while acting solely in his or her capacity as such or on behalf of the **Organization**;
2. any member or **Employee** of a commission, board or other unit that is operated by and under the jurisdiction of the **Organization**, as well as within an apportionment of the total operating budget referenced in the **Application**;
3. any volunteer acting solely in his or her capacity as such for, on behalf of, at the request of and under the direction of the **Organization**;
4. any official or **Employee** of the **Organization** appointed at the request of the **Organization** to serve with an **Outside Entity**; and
5. any person providing services for the **Organization** under a mutual aid or similar written agreement.

E. **Extradition** means any formal process by which an **Insured Person** located in any country is surrendered to any other country for trial or to otherwise answer any criminal allegations.

F. **Internal Revenue Code Violation** means any actual or alleged violation by an **Insured Person** of the following sections of the Internal Revenue Code of 1986, as amended (hereinafter "the IRC"), involving a not-for-profit entity that is exempt from taxation under Section 501(c)(3) of the IRC:

1. Section 4911 (tax on excess expenditures to influence legislation);
2. Section 4940(a) (tax on net investment income of tax-exempt foundations);
3. Section 4941 (tax on self dealing);
4. Section 4942 (tax on failure to distribute income);

5. Section 4943 (tax on excess business holding);
 6. Section 4944 (tax on investments that jeopardize charitable purposes);
 7. Section 4945 (tax on taxable expenditures);
 8. Section 6652(c)(1)(A) and (B) (penalties for failure to file certain information returns or registration statements);
 9. Section 6655(a)(1) (penalties for failure to pay estimated income tax); and
 10. Section 6656(a) and (b) (penalties for failure to make deposit of taxes).
- G. **Loss** means **Defense Expenses**, and the amounts an **Insured** is legally obligated to pay as a result of any **Claim**, including:
1. settlements;
 2. compensatory damages;
 3. judgments, including awarded costs, and pre-judgment and post-judgment interest;
 4. punitive, exemplary and multiplied damages, where insurable under the law;
 5. attorney fees awarded to the prevailing plaintiff's counsel pursuant to a covered judgment; and
 6. an excess benefit transaction penalty assessed in the amount of ten percent (10%) by the Internal Revenue Service resulting from an **Internal Revenue Code Violation**.

Loss, other than **Defense Expenses**, shall not include:

1. any civil or criminal fines or penalties, except an excess benefit transaction penalty assessed in the amount of ten percent (10%) by the Internal Revenue Service resulting from an **Internal Revenue Code Violation**;
2. any of the following resulting from an **Internal Revenue Code Violation**:
 - a. twenty-five percent (25%) penalty assessed by the Internal Revenue Service against any **Insured** deemed to have benefited from an excess benefit transaction;
 - b. two hundred percent (200%) penalty assessed by the Internal Revenue Service to correct the award of any excess benefit transaction;
 - c. **Defense Expenses** incurred to defend any **Insured** if it has been determined to have benefited from an excess benefit transaction; and
 - d. any other relief resulting from an **Internal Revenue Code Violation** except an excess benefit transaction penalty assessed in the amount of ten percent (10%) by the Internal Revenue Service;
3. taxes;
4. the multiplied portion of any multiple damage award;
5. **Clean-Up Costs**;
6. the cost of any non-monetary relief, including without limitation: any costs associated with complying with any injunctive relief of any kind or nature imposed by any judgment or settlement;
7. any amount for which the **Insureds** are not financially liable or which are without legal recourse to the **Insureds**;
8. employment-related benefits, retirement benefits, perquisites, vacation and sick days, medical and insurance benefits, deferred cash incentive compensation or any other type of compensation;
9. any matter deemed uninsurable under the law pursuant to which this Policy shall be construed;

The **Insured's** good faith determination as to the insurability of matters otherwise included within this definition shall not be contested by the **Insurer**; such good faith determination shall be based upon the most favorable law bearing a reasonable relationship to the **Insured**, the **Insurer** or the **Claim**.

H. **Outside Capacity** means the services by an **Executive** in the position of director, officer, trustee, regent, governor, manager or member of the management board (or equivalent executive positions) of an **Outside Entity**, but only during the time that such service is provided with the knowledge and consent of, or at the request of, the **Organization**.

I. **Outside Entity** means:

1. any non-profit corporation, fund or foundation that is not the **Organization** and is exempt from federal income tax as an organization described on Sections 501(c)(3), 501(c)(4), 501(c)(7) and 501(c)(10) of the IRC;
2. any other entity organized for a religious or charitable purpose under any non-profit organization act or statute; or
3. any non-profit entity added by written endorsement to this Policy.

Outside Entity does not include a **Subsidiary**.

J. **Personal Injury Act** means:

1. false arrest, wrongful detention or imprisonment or malicious prosecution;
2. libel, slander, defamation of character or publication of material in violation of a person's right of privacy; or
3. wrongful entry or eviction or other invasion of right of privacy.

K. **Publisher Liability Act** means:

1. infringement of trademark;
2. unauthorized use of title;
3. plagiarism; or
4. misappropriation of ideas.

L. **Wrongful Act** means:

1. any actual or alleged breach of duty, error, misstatement, act or omission of an **Executive** but solely while acting in his or her capacity as such;
2. any actual or alleged breach of duty, error, misstatement, act or omission of an **Employee** but solely while acting in his or her capacity as such;
3. any actual or alleged breach of duty, error, misstatement, act or omission by the **Organization**;
4. any actual or alleged **Antitrust Violation**; or
5. any actual or alleged **Interrelated Wrongful Act**.

III. EXCLUSIONS

The following Exclusions are applicable to all **INSURING AGREEMENTS**:

The **Insurer** shall not be liable to pay any **Loss** arising from any **Claim**:

- A. arising out of, based upon or in consequence of, resulting from or in any way involving any actual or alleged act or omission of an **Insured Person** taking place or allegedly taking place while (i) serving in any other capacity other than an **Insured Person** of the **Organization**, including but not limited to his or her status as a director, officer, trustee, regent, governor, manager or member of the management board (or equivalent executive positions) of any entity other than the **Organization**; provided, however, that this exclusion shall not apply to any **Executive** while serving with the knowledge and consent of or at the request of the **Organization** in an **Outside Capacity**;

- B. brought or maintained by or on behalf of any **Outside Entity** which an **Insured Person** is or was serving with the knowledge and consent of, or at the request of, the **Organization**; provided, however, this exclusion shall not apply if the **Insured Person** has not served with, provided consultation in any capacity to, or has been employed by the **Outside Entity** for at least two (2) years prior to the date such **Claim** is first made, and the **Claim** by the **Outside Entity** is brought and maintained totally independent of and without the assistance, active participation or solicitation of the **Organization** or any **Insured Person** who has served with, provided consultation in any capacity to, or has been employed by the **Organization** in the last two (2) years;
- C. arising out of, based upon or in consequence of, resulting from or in any way involving:
1. the Securities Act of 1933 and any amendments thereto and/or regulations thereunder;
 2. the Securities Exchange Act of 1934 and any amendments thereto and/or regulations thereunder;
 3. the Investment Company Act of 1940 and any amendments thereto and/or regulations thereunder;
 4. any state securities or blue sky law; or
 5. any federal, state, local or foreign statutory or common law or regulation governing or concerning the offer, purchase or sale of securities;

Provided, however, that this exclusion shall not apply to a **Claim** arising out of, based upon or in consequence of or in any way involving the **Organization's** offer or sale of debt securities of the **Organization** in a transaction that is, or in a series of transactions that are, exempt from registration under the Securities Act of 1933, and any amendments thereto or regulations thereunder;

- D. brought or maintained by or on behalf of any **Insured**, provided this exclusion shall not apply to:
1. a **Claim** that is a derivative action brought or maintained on behalf of the **Organization** by one or more persons who are not **Insured Persons**, where: (i) the **Claim** is brought and maintained without the participation, solicitation or active assistance of the **Organization** or any **Insured Person**; or (ii) any such participation, solicitation or active assistance of the **Organization** or any **Insured Person** is protected by any whistleblower statute or is solely pursuant to, or in compliance with, an enforceable subpoena or legal process;
 2. a **Claim** that is brought by an **Insured Person** for indemnity or contribution, provided the **Claim** directly results from another **Claim** that is covered under this Policy;
 3. a **Claim** that is brought by or on behalf of a bankruptcy trustee, examiner, receiver, or creditors' committee of the **Organization** against which such **Claim** is made, or any assignee of such bankruptcy trustee, examiner, receiver, or creditors' committee;
 4. a **Claim** by an **Insured Person** who has not served as an **Insured Person** for at least two (2) years prior to the date such **Claim** is first made, and who brings and maintains such **Claim** without the participation, solicitation or active assistance of the **Organization** or any other **Insured Person** who currently serves or has served within the past two (2) years as an **Insured Person**;
 5. any cross-claims or counter-claims by one **Insured** against another **Insured**; or
 6. any **Claim** against an **Insured Person** resulting from "Whistleblowing." For purposes of the preceding sentence, "Whistleblowing" means the disclosure by an **Insured** of mismanagement, corruption, illegality or other wrongdoing;
- E. arising out of, based upon or in consequence of, resulting from or in any way involving any actual, alleged or threatened discharge, release, escape, seepage, migration or dispersal of any **Pollutant**, however, this exclusion shall not apply to **Loss** under **INSURING AGREEMENT A. - Insured Person Coverage For Non-Indemnified Loss**; or
- F. arising out of, based upon or in consequence of, resulting from or in any way involving any request, demand, order, direction or statutory or regulatory requirement that any **Insured** or any other person or entity test for, monitor, remove, contain, treat, detoxify, neutralize, clean up or in any way respond to or assess the effect of **Pollutants**.

- G. arising out of, based upon or in consequence of, resulting from or in any way involving the operation of the law and principles of eminent domain, condemnation, inverse condemnation, temporary or permanent taking, adverse possession or dedication by adverse use;

Notwithstanding the foregoing, the **Insurer** shall pay **Defense Expenses** incurred in any such **Claim** subject to a **Policy Period** Aggregate Sub-Limit of Liability of \$100,000, which will be part of, and not in addition to the applicable Limit of Liability stated in the Declarations;

- H. arising out of, based upon or in consequence of, resulting from or in any way involving strikes, riots, or civil commotions;

- I. arising out of, based upon or in consequence of, resulting from or in any way involving the operation or activities of any schools, hospitals, clinics, nursing homes or other health care operations, or firefighting authorities;

- J. arising out of, based upon or in consequence of, resulting from or in any way involving:

1. the activities of any **Insured** as a law enforcement officer, police officer, police department or other law enforcement unit or agency;
2. the operation of any jail cell, holding cell, detention or lock-up facility of any kind;
3. the activities of any **Insured** charged with the power to arrest, detain or interrogate another person, or to seize or confiscate the property of any individual or entity;

Provided, however, that this Exclusion shall not apply to **Claims** arising solely out of the administrative functions or administrative activities of any **Insured** in the enforcement of the municipal code, laws or regulations of the **Named Insured**, including but not limited to, the issuance of citations, fines, warnings, notices of violation, the issuance or denial of licenses or permits, or the inspection of property or buildings, by persons authorized to conduct such functions or activities on behalf of the **Named Insured**.

- K. arising out of, based upon or in consequence of, resulting from or in any way involving any actual or alleged failure to effect or maintain insurance or bond, including, but not limited to, insurance provided by self-insurance arrangements, pools, self-insurance trusts, captive insurance companies, retention groups, reciprocal exchanges or any other plans or arrangement for risk transfer or assumption or to advice of the need to maintain insurance, suretyship or bond; however, this exclusion shall not apply to **Defense Expenses** incurred in any such **Claim**;

- L. arising out of, based upon or in consequence of, resulting from or in any way involving the actual or alleged failure to pay any bond, interest on any bond, any debt, financial guarantee or debenture;

- M. arising out of, based upon or in consequence of, resulting from or in any way involving any actual or alleged **Personal Injury Act**;

- N. arising out of, based upon or in consequence of, resulting from or in any way involving any actual or alleged **Publishers Liability Act**; or

- O. arising out of, based upon or in consequence of, resulting from or in any way involving:

1. tax credits or tax incentives or the application thereof;
2. the formulation of tax rates;
3. the assessment, appraisal or valuation of property;
4. the assessment of taxes or other fees;
5. the collection of taxes, fees or other amounts; or
6. the disbursement of tax refunds.

The following Exclusions are applicable to **INSURING AGREEMENT C.**:

The **Insurer** shall not be liable to pay any **Loss** arising from any **Claim**:

- P. arising out of, based upon or in consequence of, resulting from or in any way involving: (i) any **Insured's** performance of or failure to perform professional services; (ii) medical malpractice, counseling or any error or omission by a professional while rendering services, including the failure to render such services; provided, however, that this exclusion shall not apply to professional services as a lawyer, architect, engineer or accountant that are rendered by the **Organization's Employee** within the scope of their respective employment as such and who provides such services solely for the **Organization**.
- Q. based upon or attributable to liability under any oral or written contract or agreement including but not limited to any express warranties or guarantees, liability assumed under any oral or written contract or agreement, and any construction, architectural and engineering contracts or agreements; provided, however, that this exclusion shall not be applicable to an **Insured's** alleged liability that exists in the absence of such contract or agreement;

Notwithstanding the foregoing, the **Insurer** shall pay **Defense Expenses**, subject to a **Policy Period** Aggregate Sub-Limit of Liability of \$100,000, which is part of, and not in addition to the applicable Limit of Liability stated in the Declarations, for all **Claims** arising out of or based upon an actual or alleged breach of an actual, express or implied contract, warranty, guarantee or promise.
- R. arising out of, based upon or in consequence of, resulting from or in any way involving any actual or alleged infringement or violation of patent or trade secret; or
- S. arising out of, based upon or in consequence of, resulting from or in any way involving: (i) any violation of the Telephone Consumer Protection Act (TCPA), including any amendments or additions thereto, or any rules or regulations promulgated thereunder, or any similar provisions of any federal, state, local, or foreign statutory or common law.

IV. ADDITIONAL TERMS AND CONDITIONS

A. In addition to the provisions set forth in the NOT-FOR-PROFIT ORGANIZATION GENERAL TERMS AND CONDITIONS, the following provisions shall apply to this **Coverage Part**:

1. Order of Payments

In the event a covered **Claim** results in **Loss** payable under this Policy, the **Insurer** shall:

- a. first pay **Loss** for which coverage is provided under **INSURING AGREEMENT A.**; then
- b. only after payment of all applicable **Loss** is made pursuant to Paragraph IV.A.1., above, whatever amounts remaining of the Aggregate Limit of Liability for this **Coverage Part**, and subject to the Policy Maximum Aggregate Limit of Liability, shall be paid by the **Insurer** for any **Loss** covered under **INSURING AGREEMENTS B., C., and D.**, if the **Insurer** is directed to do so in writing by the **Named Insured**.

2. If the **Organization** fails or refuses, other than for reason of financial impairment, to indemnify an **Insured Person** for **Loss** to the fullest extent permitted by statutory or common law, then any payment by the **Insurer** of such **Loss** shall be excess of the Retention applicable to **INSURING AGREEMENT B.**

3. Fully Non-Rescindable

The coverage provided by this **Coverage Part** shall not be rescinded by the **Insurer** for any reason; but such coverage shall be subject to all terms, conditions, and exclusions of this Policy.

THIS POLICY SHALL NOT BE VALID UNLESS COMPLETED BY THE ATTACHMENT HERETO OF THE DECLARATIONS PAGE AND SIGNED BY A DULY AUTHORIZED REPRESENTATIVE OF THE **INSURER**.

NAMED INSURED: Intergovernmental Cooperation Authority for Harrisburg

POLICY NUMBER: NFP1000302

THIS ENDORSEMENT MODIFIES: PUBLIC ENTITY LIABILITY COVERAGE PART

AMENDED BREACH OF CONTRACT EXCLUSION ENDORSEMENT

In consideration of the payment of premium for this Policy, it is understood and agreed that the PUBLIC ENTITY LIABILITY COVERAGE PART is amended as follows:

Section **III. EXCLUSIONS**, Subsection Q. is deleted and replaced with the following:

The **Insurer** shall not be liable to pay any **Loss** arising from any **Claim**:

Q. based upon or attributable to:

1. the breach of any express, implied, actual or constructive contract, warranty, guarantee or promise;
2. any construction, architectural or engineering contracts or agreements; or
3. liability under any oral or written contract or agreement including but not limited to any express warranties or guarantees, or liability assumed under any oral or written contract or agreement; provided, however, that this exclusion shall not be applicable to an **Insured's** alleged liability that exists in the absence of such contract or agreement;

Notwithstanding the foregoing, the **Insurer** shall pay **Defense Expenses**, subject to a **Policy Period** Aggregate Sub-Limit of Liability of \$250,000, which is part of, and not in addition to the applicable Limit of Liability stated in the Declarations, for all **Claims** arising out of or based upon an actual or alleged breach of an actual, express or implied contract, warranty, guarantee or promise.

ALL OTHER TERMS, CONDITIONS, AND EXCLUSIONS REMAIN UNCHANGED.

NAMED INSURED: Intergovernmental Cooperation Authority for Harrisburg

POLICY NUMBER: NFP1000302

THIS ENDORSEMENT MODIFIES: NOT-FOR-PROFIT ORGANIZATION GENERAL TERMS AND CONDITIONS
NOT-FOR-PROFIT ORGANIZATION EMPLOYMENT PRACTICES
LIABILITY COVERAGE PART
NOT-FOR-PROFIT ORGANIZATION FIDUCIARY LIABILITY COVERAGE PART

PUBLIC ENTITY LIABILITY AMENDATORY ENDORSEMENT

In consideration of the payment of premium for this Policy, it is understood and agreed that:

A. The NOT-FOR-PROFIT ORGANIZATION GENERAL TERMS AND CONDITIONS of the Policy is amended as follows:

1. Section II. **GENERAL DEFINITIONS** is amended as follows:

a. Subsection J. **Executive** is deleted and replaced with the following:

J. **Executive** means any lawfully elected or duly appointed officials of the **Organization**.

b. Subsection Q. **Organization** is deleted and replaced with the following:

Q. **Organization** means the municipality or governmental body, department or unit identified as the **Named Insured** in the Declarations, and any **Subsidiary** thereof.

c. Subsection T. **Subsidiary** is deleted and replaced with the following:

T. **Subsidiary** means:

1. any entity which, as of the effective date of the Policy, the **Named Insured** owns or controls, directly or indirectly, the right to elect or appoint more than fifty percent (50%) of the entity's directors, trustees or managers and which is named in the **Application**; or
2. any commission, board or other unit which is operated by the **Named Insured** and is under its jurisdiction, as well as within an apportionment of the total operating budget referenced in the **Application**.

2. Section III. **GENERAL EXCLUSIONS**, Subsection B. is deleted and replaced with the following:

B. alleging, based upon, arising out of or attributable to:

1. any actual or alleged bodily injury, mental anguish or emotional distress, disease, sickness, or death of any person, or damage to or destruction of any tangible or intangible property, including the loss of use thereof; provided, however, this exclusion shall not apply to emotional distress and mental anguish damages asserted in any **Employment Claim** if otherwise covered by the NOT-FOR-PROFIT ORGANIZATION EMPLOYMENT PRACTICES LIABILITY COVERAGE PART, if purchased;

2. false arrest, detention or imprisonment; malicious prosecution; libel, slander, defamation or publication of disparaging material; publication or utterance in violation of a person's right of privacy; or wrongful eviction or other invasion of the right of private occupancy; however, this exclusion shall not apply to a **Claim** based upon or arising out of libel, slander or defamation if otherwise covered by the NOT-FOR-PROFIT ORGANIZATION EMPLOYMENT PRACTICES LIABILITY COVERAGE PART, if purchased; or
3. any **Claim** alleging, based upon, arising out of or attributable to the foregoing stated in Paragraphs B.1. and 2., above with respect to an **Insured** employing, investigating, supervising or retaining any person, or with respect to an **Insured's** practice, custom or policy, including, but not limited to, violations of a civil right in connection with the foregoing stated in Paragraphs B.1. and 2., above.

3. Section **IV. DEFENSE AND SETTLEMENT**, Subsection C. is amended by adding the following:

Provided, however, that if the **Named Insured** can settle any **Claim** to which this insurance applies:

1. On behalf of all **Insureds** with prejudice; and
2. Without incurring any **Defense Expenses** or **Loss** in excess of the Retention;

Then the **Named Insured** may settle such **Claim** without the **Insurer's** consent.

- B. The NOT-FOR-PROFIT ORGANIZATION EMPLOYMENT PRACTICES LIABILITY COVERAGE PART, is amended as follows:

1. Section **II. DEFINITIONS** is amended by adding the following:

- a. Subsection B. **Claim** is amended by adding the following:

Notwithstanding the foregoing, all **Loss** incurred in any written demands or civil proceedings for non-monetary or injunctive relief shall be subject to a **Policy Period** Aggregate Sub-Limit of Liability of \$100,000, which will be part of, and not in addition to the applicable Limit of Liability stated in the Declarations. The foregoing Aggregate Sub-Limit of Liability will include as **Loss** any fees or expenses awarded to a claimant in a written demand or civil proceeding for non-monetary or injunctive relief.

- b. Subsection D. **Insured Person** is deleted and replaced with the following:

D. **Insured Person** means:

1. any **Executive** or **Employee** while acting solely in his or her capacity as such or on behalf of the **Organization**;
2. any person who was, now is or shall be lawfully elected or appointed members of the board of education or board of regents of the **Organization**;
3. any student teacher and volunteer acting solely in his or her capacity as such for, on behalf of, at the written request of and under the direction of the **Organization**; and
4. any member or **Employee** of a commission, board or other unit that is operated by and under the jurisdiction of the **Organization**, as well as within an apportionment of the total operating budget referenced in the **Application**.

Coverage afforded under the Policy to the above **Insured Persons** applies only to the extent such persons are acting solely in their capacities as legally authorized representatives, and solely within the scope of their employment with, or representative of, the **Organization**.

2. Section **III. EXCLUSIONS** is amended by adding the following exclusion:

The **Insurer** shall not be liable to pay any **Loss** arising from any **Claim** arising out of, based upon or in consequence of, resulting from or in any way involving the operation or activities of any schools, hospitals, clinics, nursing homes or other health care operations, jails or detention facilities, law enforcement agencies or firefighting authorities.

C. Section **II. DEFINITIONS**, Subsection B. **Claim** of the NOT-FOR-PROFIT ORGANIZATION FIDUCIARY LIABILITY COVERAGE PART is amended by adding the following:

Notwithstanding the foregoing, all **Loss** incurred in any written demands or civil proceedings for non-monetary or injunctive relief shall be subject to a **Policy Period** Aggregate Sub-Limit of Liability of \$100,000, which will be part of, and not in addition to the applicable Limit of Liability stated in the Declarations. The foregoing Aggregate Sub-Limit of Liability will include as **Loss** any fees or expenses awarded to a claimant in a written demand or civil proceeding for non-monetary or injunctive relief.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.

NAMED INSURED: Intergovernmental Cooperation Authority for Harrisburg

POLICY NUMBER: NFP1000302

THIS ENDORSEMENT MODIFIES: PUBLIC ENTITY LIABILITY COVERAGE PART

AMENDED NON-MONETARY DAMAGE SUB-LIMIT ENDORSEMENT

In consideration of the payment of premium for this Policy, it is understood and agreed that the PUBLIC ENTITY LIABILITY COVERAGE PART of the Policy is amended as follows:

Section II. **DEFINITIONS**, Subsection B. **Claim**, is deleted and replaced with the following:

B. **Claim** means:

1. under **INSURING AGREEMENTS** A. and B.:
 - a. a written demand for monetary, non-monetary, or injunctive relief made upon an **Insured Person** for a **Wrongful Act**;
 - b. a civil, proceeding for monetary or non-monetary relief against an **Insured Person** for a **Wrongful Act**, which is commenced by: service of a complaint or similar pleading; receipt of a notice of charges;
 - c. a criminal proceeding brought against an **Insured Person** for a **Wrongful Act**, which is commenced by an arrest or a return of an indictment or information;
 - d. a formal administrative or formal regulatory proceeding against an **Insured Person** for a **Wrongful Act**, which is commenced by the filing of a notice of charges, formal order or similar document;
 - e. a mediation or arbitration proceeding commenced by receipt of a demand for arbitration, demand for mediation or similar document alleging a **Wrongful Act** against an **Insured Person**;
 - f. an official request for **Extradition**, or the execution of a warrant for the arrest of any **Insured Person** where such execution is an element of **Extradition**, against an **Insured Person** for a **Wrongful Act**;
 - g. a civil, criminal, administrative, or regulatory investigation of an **Insured Person** for a **Wrongful Act** once such **Insured Person** is identified in writing by the authority undertaking the investigation as someone against whom a **Claim** as described in Paragraphs II.B.1.a. through II.B.1.f. may be commenced; or
 - h. any written request to toll or waive a statute of limitations received by an **Insured Person** relating to a potential **Claim** described in Paragraphs II.B.1.a. through II.B.1.f., above.
2. under **INSURING AGREEMENT** C.:
 - a. a written demand for monetary, non-monetary, or injunctive relief made upon the **Organization** for a **Wrongful Act** of the **Organization**;
 - b. a civil, proceeding for monetary or non-monetary relief against the **Organization** for a **Wrongful Act**, which is commenced by: service of a complaint or similar pleading; receipt of a notice of charges;

- c. a criminal proceeding brought against the **Organization** for a **Wrongful Act**, which is commenced by a return of an indictment, information, or similar document;
- d. a formal administrative or formal regulatory proceeding against the **Company** for a **Wrongful Act**, which is commenced by the filing of a notice of charges, formal order or similar document;
- e. a mediation or arbitration proceeding commenced by receipt of a demand for arbitration, demand for mediation or similar document alleging a **Wrongful Act** against the **Organization**;
or
- f. a civil, criminal, administrative, or regulatory investigation of the **Organization** for a **Wrongful Act** once the **Organization** is identified in writing by the authority undertaking the investigation as a party against which a **Claim** as described in Paragraphs **II.B.2.a.** through **II.B.2.e.** may be commenced; or
- g. any written request to toll or waive a statute of limitations relating to a potential **Claim** described in Paragraphs **II.B.2.a.** through **II.B.2.e.**, above.

Notwithstanding the foregoing, all **Loss** incurred in any written demands or civil proceedings for non-monetary or injunctive relief, including any fees or expenses awarded to a claimant in a written demand or civil proceeding for non-monetary or injunctive relief, shall be subject to a **Policy Period** Aggregate Sub-Limit of Liability of \$250,000 which will be part of, and not in addition to the applicable Limit of Liability stated in the Declarations.

The foregoing Aggregate Sub-Limit of Liability will include as **Loss** any fees or expenses awarded to a claimant in a written demand or civil proceeding for non-monetary or injunctive relief.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.

NAMED INSURED: Intergovernmental Cooperation Authority for Harrisburg

POLICY NUMBER: NFP1000302

THIS ENDORSEMENT MODIFIES: THE DECLARATIONS
PUBLIC ENTITY LIABILITY COVERAGE PART

CRISIS MANAGEMENT EXPENSE COVERAGE

In consideration of the payment of premium for this Policy, it is understood and agreed that the Policy is amended as follows:

1. Section **I. INSURING AGREEMENTS** of the PUBLIC ENTITY LIABILITY COVERAGE PART is amended by adding the following:

Crisis Management Expense Coverage

Subject to the Sub-Limit of Liability set forth in Item 2. of the Declarations, the **Insurer** shall pay, on behalf of the **Organization**, **Crisis Management Expenses** incurred as a result of a **Crisis Event** taking place prior to the end of the **Policy Period** and which is first discovered during the **Policy Period** or the **Discovery Period** (if applicable) and is reported to the **Insurer** in the time and manner required by this Policy.

Regardless of the number of **Crisis Events** occurring during the **Policy Period**, and regardless of when payment is made by the **Insurer** or when an **Insured's** legal obligation with regard thereto arises or is established, the **Insurer's** maximum limit of liability for all **Crisis Management Expenses** arising from all **Crisis Events**, combined, shall be the amount referenced in Item 2. of the Declarations, as amended by this Endorsement, which amount shall be part of and not in addition to Aggregate Limit of Liability stated in Item 2. of the Declarations for this **Coverage Part**.

As a condition precedent to coverage under this Insuring Agreement, the **Organization** must notify the **Insurer** within thirty (30) days of the date the **Organization** first incurs any **Crisis Management Expenses**. Subject to the preceding clause, the **Organization** may incur **Crisis Management Expenses** without the **Insurer's** prior consent, provided that the **Insurer** has first consented to the **Crisis Management Firm** retained by the **Organization**.

2. Item 2. of the Declarations under the PUBLIC ENTITY LIABILITY COVERAGE PART is amended by adding the following:

Sub-Limit of Liability for **Crisis Management Expense Coverage**: \$25 , 000

Retention for **Crisis Management Expense Coverage**: \$0

3. Section **II. DEFINITIONS** of the PUBLIC ENTITY LIABILITY COVERAGE PART is amended by adding the following:

Crisis Event means:

- a. The incapacity, death, or state or federal criminal indictment of an **Insured Person**;
- b. The **Organization's** disclosure of its intention to file, or actual filing of, protection under federal bankruptcy laws; or
- c. Any other material event which, in the **Organization's** good faith opinion, has caused a **Material Effect**.

Crisis Management Expenses means the following expenses incurred by the **Organization** during a period beginning ninety (90) days prior to and in reasonable anticipation of a **Crisis Event** and ending ninety (90) days after an actual or reasonably anticipated **Crisis Event**, whether or not a **Claim** is actually made with respect to the subject **Crisis Event**:

- a. The reasonable and necessary expenses directly resulting from a **Crisis Event** which the **Organization** incurs for **Crisis Management Services** provided by a **Crisis Management Firm**; and
- b. The reasonable and necessary expenses directly resulting from a **Crisis Event** incurred for:
 - (1) Advertising, printing, or the mailing of matter relevant to the **Crisis Event**; and
 - (2) Out of pocket travel expenses incurred by or on behalf of the **Organization** or the **Crisis Management Firm**;

provided, however, **Crisis Management Expenses** does not include those amounts which otherwise would constitute compensation, benefits, fees, overhead, charges or expenses of an **Insured**.

Crisis Management Firm means a marketing firm, public relations firm, law firm, or other professional services entity retained by the **Insurer** or by the **Organization** with the **Insurer's** prior written consent, to perform **Crisis Management Services** arising from a **Crisis Event**.

Crisis Management Services means the professional services provided by a **Crisis Management Firm** in counseling or assisting the **Organization** in reducing or minimizing the potential harm caused by the public disclosure of a **Crisis Event**.

Material Effect means the publication of unfavorable information regarding the **Organization** which can reasonably be considered to materially reduce public confidence in the **Organization's** competence, integrity or viability to conduct business. Such publication must occur in a report about an **Insured** appearing in a daily newspaper of general circulation; or a radio or television news program.

4. Section **III. EXCLUSIONS** of the PUBLIC ENTITY LIABILITY COVERAGE PART shall not apply to **Crisis Management Expenses**.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.

NAMED INSURED: Intergovernmental Cooperation Authority for Harrisburg

POLICY NUMBER: NFP1000302

THIS ENDORSEMENT MODIFIES: PUBLIC ENTITY LIABILITY COVERAGE PART

FIDUCIARY LIABILITY SUB-LIMITED COVERAGE ENDORSEMENT

In consideration of the payment of premium for this Policy, it is understood and agreed that the Policy is amended as follows:

Section **IV. ADDITIONAL TERMS AND CONDITIONS** of the PUBLIC ENTITY LIABILITY COVERAGE PART is amended by adding the following:

If the **Organization** does not purchase the NOT-FOR-PROFIT ORGANIZATION FIDUCIARY LIABILITY COVERAGE PART, the **Insurer** shall reimburse the **Insured** for **Defense Expenses** incurred in defense of a **Claim** made prior to the end of the **Policy Period** and reported to the **Insurer** in the time and manner required by this Policy for any actual or alleged:

- a. breach of fiduciary duty;
- b. responsibility or obligation in connection with any employee benefit or pension plan; or
- c. any amount due under any fringe benefit or retirement program.

Coverage for such **Defense Expense** shall be subject to an Aggregate Sub-Limit of Liability of \$25,000. This Aggregate Sub-Limit of Liability shall be part and not in addition to the Aggregate Limit of Liability for the PUBLIC ENTITY LIABILITY COVERAGE PART as stated in Item 2. of the Declarations.

ALL OTHER TERMS, CONDITIONS, AND EXCLUSIONS REMAIN UNCHANGED.

AlphaPack-Not-For-Profit

NOT-FOR-PROFIT ORGANIZATION EMPLOYMENT PRACTICES LIABILITY COVERAGE PART

THIS IS A "CLAIMS MADE AND REPORTED" COVERAGE PART. SUBJECT TO ITS TERMS AND PROVISIONS, THIS COVERAGE PART ONLY APPLIES TO CLAIMS FIRST MADE AGAINST THE INSURED, AND FIRST REPORTED TO THE INSURER IN THE TIME AND MANNER REQUIRED BY THIS POLICY. IN ADDITION, DEFENSE EXPENSES ARE INCLUDED IN AND WILL REDUCE THE LIMITS OF LIABILITY.

PLEASE READ THIS ENTIRE COVERAGE PART CAREFULLY. CONSULT YOUR BROKER OR OTHER REPRESENTATIVE IF YOU DO NOT UNDERSTAND ANY TERMS OR PROVISIONS OF THIS COVERAGE PART OR ANY OTHER PART OF THE POLICY.

In consideration of the payment of Premium, and subject to the agreement of the **Named Insured** to pay the retention amount stated in the Declarations and as set forth in this Policy, and in reliance upon the **Application**, which shall be deemed incorporated herein, and subject to all of the terms, conditions, limitations, exclusions, and endorsements to this Policy, the **Insurer** and the **Insured** agree as follows:

I. INSURING AGREEMENTS

A. Employment Practices Liability

The **Insurer** shall pay, on behalf of the **Insureds**, **Loss** arising from any **Employment Claim** for **Employment Practices Wrongful Acts** taking place prior to the end of the **Policy Period**, and which is first made against the **Insureds** during the **Policy Period** or the Discovery Period (if applicable) and is reported to the **Insurer** in the time and manner required by this Policy.

B. Third-Party Liability for Discrimination

Subject to the Sub-Limit of Liability set forth in Item 2. of the Declarations, the **Insurer** shall pay, on behalf of the **Insureds**, **Loss** arising from any **Third-Party Discrimination Claim** for **Third-Party Discrimination** taking place prior to the end of the **Policy Period**, and which is first made against the **Insureds** during the **Policy Period** or the Discovery Period (if applicable) and is reported to the **Insurer** in the time and manner required by this Policy.

II. DEFINITIONS

For the purposes of this **Coverage Part**:

A. **Claim** means:

1. a written demand for monetary, non-monetary, or injunctive relief made upon an **Insured** for a **Wrongful Act**;
2. a written demand for mediation, arbitration or any other alternative dispute resolution process made upon an **Insured**;
3. a civil, administrative, regulatory, arbitration or criminal proceeding for monetary or non-monetary relief against an **Insured** for a **Wrongful Act**, which is commenced by service of a complaint or similar pleading or return of an indictment or information in the case of a criminal proceeding;
4. an official request for **Extradition**, or the execution of a warrant for the arrest of any **Executive** where such execution is an element of **Extradition**, against an **Insured Person** for a **Wrongful Act**;
5. any administrative or regulatory proceeding for monetary or non-monetary relief against an **Insured** which is commenced by receipt of a notice of charges;

6. any civil, administrative, or criminal investigation of an **Insured** commenced by a written notice or subpoena from the Equal Employment Opportunity Commission ("EEOC") or any similar foreign, state, or local agency; or
 7. any written request to toll or waive a statute of limitations received by an **Insured** concerning an **Employment Practices Wrongful Act** or **Third-Party Discrimination**.
- B. **Extradition** means any formal process by which an **Insured Person** located in any country is surrendered to any other country for trial or to otherwise answer any criminal allegations.
- C. **Insured** means:
1. the **Organization**; and
 2. any **Insured Person**.
- D. **Insured Person** means any **Executive** or **Employee**, but solely in their respective capacities as such.
- E. **Loss** means **Defense Expenses** and the amounts an **Insured** is legally obligated to pay as a result of any **Employment Claim** or **Third-Party Discrimination Claim**, including:
1. settlements;
 2. compensatory damages;
 3. judgments, including awarded costs, prevailing plaintiff's attorney's fees, and pre-judgment and post-judgment interest;
 4. front pay and back-pay;
 5. liquidated damages awarded pursuant to the Age Discrimination in Employment Act or the Equal Pay Act;
 6. attorney fees awarded to the prevailing plaintiff's counsel pursuant to a covered; and
 7. punitive, exemplary and multiplied damages if insurable pursuant to the law under which this Policy is construed.

The **Insureds'** good faith determination as to the insurability of punitive, exemplary and multiplied damages shall not be contested by the **Insurer** if such good faith determination is based upon the most favorable law bearing a reasonable relationship to the **Insured**, the **Insurer** or the **Claim**.

Loss, other than **Defense Expenses**, shall not include:

1. any civil or criminal fines or penalties imposed by law, other than punitive or exemplary damages or the multiple portion of a judgment or award of multiplied damages;
2. taxes;
3. **Clean Up Costs**;
4. the cost of any non-monetary relief, including without limitation: any costs associated with complying with any injunctive relief of any kind or nature imposed by any judgment or settlement, and the costs associated with the modification of any building or property in order to provide any reasonable accommodation under the Americans With Disabilities Act or any similar foreign, federal, state, or local statute, regulation, or common law;
5. any amount for which the **Insureds** are not financially liable or which are without legal recourse to the **Insureds**;
6. payment of any benefits or other perquisites, including any payment of insurance benefits;
7. severance payments or any express written obligation to make payment in the event employment is terminated, or any damages owed under an express written employment contract, a leased employee contract, or an independent contractor service agreement; and
8. commissions, bonuses, profit sharing, return of distribution of profits, reimbursable expenses, redemption of shares or equity.

F. **Wrongful Act** means:

1. any **Employment Practices Wrongful Act**;
2. any **Third-Party Discrimination**; or
3. any **Interrelated Wrongful Act**.

III. EXCLUSIONS

The **Insurer** shall not be liable to pay any **Loss** arising from any **Claim**:

- A. for any liability arising out of a lockout, strike, picket line, hiring of replacement workers, or other similar actions in connection with labor disputes or labor negotiations; or
- B. made against a **Subsidiary** or any **Insured Person** of such subsidiary for any **Employment Practices Wrongful Act** or **Third-Party Discrimination** committed or allegedly committed during any time when such entity was not a **Subsidiary**.
- C. brought or maintained by or on behalf of any **Insured**, provided this exclusion shall not apply to:
 1. a **Claim** that is brought by an **Insured Person** for indemnity or contribution, provided the **Claim** directly results from another **Claim** that is otherwise covered under this **Coverage Part**; or
 2. that portion of any **Claim** by an **Insured Person** that alleges an **Employment Practices Wrongful Act**;
- D. based upon or attributable to liability under any oral or written contract or agreement including but not limited to any express warranties or guarantees, or liability assumed under any oral or written contract or agreement; provided, however, this exclusion shall not be applicable to: (i) an **Insured's** alleged liability that exists in the absence of such contract or agreement; or (ii) any **Claim** against an **Insured** by a client or customer of the **Insured** alleging a breach of contractual obligations in the rendering of or failure to render services that are otherwise covered under this Policy.

THIS POLICY SHALL NOT BE VALID UNLESS COMPLETED BY THE ATTACHMENT HERETO OF THE DECLARATIONS PAGE AND SIGNED BY A DULY AUTHORIZED REPRESENTATIVE OF THE **INSURER**.

NAMED INSURED: Intergovernmental Cooperation Authority for Harrisburg

POLICY NUMBER: NFP1000302

**POLICYHOLDER NOTICE
CLAIMS AND OTHER COMMUNICATIONS**

In consideration of the payment of premium for this Policy, it is understood and agreed that Notice under the Policy is to be provided as follows:

1. Notice of **Claims**, notice of circumstances, or notice of any other matter for which coverage may be sought:

Claims Notices

Western World Insurance Group

Claims Department

300 Kimball Drive

Suite 500

Parsippany, NJ 07054

Tel: (201) 847- 8600

Fax: (201) 847 - 1010

Email: reportclaim@westernworld.com

2. All other notices or communications:

All Other Policy Notices

Western World Insurance Group

300 Kimball Drive

Suite 500

Parsippany, NJ 07054

Tel: (201) 847- 8600

Fax: (201) 847 - 1010

NAMED INSURED: Intergovernmental Cooperation Authority for Harrisburg

POLICY NUMBER: NFP1000302

THIS ENDORSEMENT MODIFIES: NOT-FOR-PROFIT ORGANIZATION GENERAL TERMS AND CONDITIONS

PENNSYLVANIA CHANGES ENDORSEMENT

In consideration of the payment of premium for this Policy, it is understood and agreed that the NOT-FOR-PROFIT ORGANIZATION GENERAL TERMS AND CONDITIONS Policy is amended as follows:

1. Section **IX. DISCOVERY PERIOD** is amended as follows:

The phrase "thirty (30) days" is deleted and replaced with "sixty (60) days".

2. Section **XIII. GENERAL CONDITIONS**, Subsection A. Cancellation and Non-Renewal, Paragraph 3. is deleted and replaced with the following:

3. If the **Insurer** decides not to renew this Policy, the **Insurer** will mail or deliver written notice of non-renewal, stating the specific reasons for non-renewal, to the **Named Insured** at least 60 days before the expiration date of the Policy.

If the **Insurer** increases the **Insured's** renewal premium, the **Insurer** will mail or deliver to the **Named Insured** written notice of its intent to increase the premium at least 30 days before the effective date of the premium increase.

Any notice of nonrenewal or renewal premium increase will be mailed or delivered to the **Named Insured's** last known address. If notice is mailed, it will be by registered or first class mail. Proof of mailing will be sufficient proof of notice.

ALL OTHER TERMS, CONDITIONS, AND EXCLUSIONS REMAIN UNCHANGED.

NAMED INSURED: Intergovernmental Cooperation Authority for Harrisburg

POLICY NUMBER: NFP1000302

THIS ENDORSEMENT MODIFIES: NOT-FOR-PROFIT ORGANIZATION GENERAL TERMS AND CONDITIONS

PENNSYLVANIA NOTICE

In consideration of the payment of premium for this Policy, it is understood and agreed that the following is added to the NOT-FOR-PROFIT ORGANIZATION GENERAL TERMS AND CONDITIONS:

An Insurance Company, its agents, employees, or service contractors acting on its behalf, may provide services to reduce the likelihood of injury, death or loss. These services may include any of the following or related services incident to the application for, issuance, renewal or continuation of, a policy of insurance:

1. surveys;
2. consultation or advice; or
3. inspections.

The "Insurance Consultation Services Exemption Act" of Pennsylvania provides that the Insurance Company, its agents, employees, or service contractors acting on its behalf, are not liable for damages from injury, death or loss occurring as a result of any act or omission by any person in the furnishing of or the failure to furnish these services.

The Act does not apply:

1. If the injury, death or loss occurred during the actual performance of the services and was caused by the negligence of the Insurance Company, its agents, employees, or service contractors;
2. To consultation services required to be performed under a written service contract not related to a policy of insurance; or
3. If any acts or omissions of the Insurance Company, its agents, employees, or service contractors are judicially determined to constitute a crime, actual malice, or gross negligence.

ALL OTHER TERMS, CONDITIONS, AND EXCLUSIONS REMAIN UNCHANGED.