This Insurance is effected with certain Underwriters at Lloyd's, London.

This Certificate is issued in accordance with the limited authorization granted to the Correspondent by certain Underwriters at Lloyd's, London whose syndicate numbers and the proportions underwritten by them can be ascertained from the office of the Correspondent (such Underwriters being hereinafter called "Underwriters") and in consideration of the premium specified herein, Underwriters hereby bind themselves severally and not jointly, each for his own part and not one for another, their Executors and Administrators.

The Assured is requested to read this Certificate, and if it is not correct, return it immediately to the Correspondent for appropriate alteration.

All inquiries regarding this Certificate should be addressed to the following Correspondent:

Brit Global Specialty USA
161 North Clark Street, Suite 3200
Chicago, IL 60601
USA

SLC-3 (USA) NMA2868 (4/22/13)

1. **Signature Required.** This Certificate shall not be valid unless signed by the Correspondent on the attached Declarations.

2. **Correspondent Not Insurer.** The Correspondent is not an Insurer hereunder and neither is nor shall be liable for any loss or claim whatsoever. The Insurers hereunder are those Underwriters at Lloyd's, London whose syndicate numbers can be ascertained as set forth in this Certificate. As used in this Certificate "Underwriters" shall be deemed to include incorporated as well as unincorporated persons or entities that are Underwriters at Lloyd's, London.

3. **Cancellation.** If this Certificate provides for cancellation and this Certificate is cancelled after the inception date, earned premium must be paid for the time the insurance has been in force.

4. **Service of Suit.** It is agreed that in the event of the failure of Underwriters to pay any amount claimed to be due hereunder, Underwriters, at the request of the Assured, will submit to the jurisdiction of a Court of competent jurisdiction within the United States. Nothing in this Clause constitutes or should be understood to constitute a waiver of Underwriters rights to commence an action in any Court of competent jurisdiction in the United States, to remove an action to a United States District Court, or to seek a transfer of a case to another Court as permitted by the laws of the United States or of any State in the United States. It is further agreed that service of process in such suit may be made upon the firm or person named in item 1 of the attached Declarations, and that in any suit instituted against any one of them upon this Certificate, Underwriters will abide by the final decision of such Court or of any Appellate Court in the event of an appeal.

   The Correspondent is authorized and directed to accept service of process on behalf of Underwriters in any such suit and/or upon request of the Assured to give a written undertaking to the Assured that they will enter a general appearance on behalf of Underwriters in the event such a suit shall be instituted.

   Further, pursuant to any statute of any state, territory or district of the United States which makes provision therefor, Underwriters hereby designate the Superintendent, Commissioner or Director of Insurance or other officer specified for that purpose in the statute, or his successor or successors in office, as their true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the Assured or any beneficiary hereunder arising out of this Certificate, and hereby designate the above-mentioned as the person to whom the said officer is authorized to mail such process or a true copy thereof.

   LMA5020
   14/09/2005

5. **Assignment.** This Certificate shall not be assigned either in whole or in part without the written consent of the Correspondent endorsed hereon.

6. **Attached Conditions Incorporated.** This Certificate is made and accepted subject to all the provisions, conditions and warranties set forth herein, attached or endorsed, all of which are to be considered as incorporated herein.

7. **Short Rate Cancellation.** If the attached provisions provide for cancellation, the table below will be used to calculate the short rate proportion of the premium when applicable under the terms of cancellation.
## Short Rate Cancellation Table For Term of One Year.

<table>
<thead>
<tr>
<th>Days Insurance in Force</th>
<th>Per Cent of one year Premium</th>
<th>Days Insurance in Force</th>
<th>Per Cent of one year Premium</th>
<th>Days Insurance in Force</th>
<th>Per Cent of one year Premium</th>
<th>Days Insurance in Force</th>
<th>Per Cent of one year Premium</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>5%</td>
<td>66 - 69</td>
<td>29%</td>
<td>154 - 156</td>
<td>53%</td>
<td>256 - 260</td>
<td>77%</td>
</tr>
<tr>
<td>2</td>
<td>6%</td>
<td>70 - 73</td>
<td>30%</td>
<td>157 - 160</td>
<td>54%</td>
<td>259 - 264</td>
<td>78%</td>
</tr>
<tr>
<td>3</td>
<td>7%</td>
<td>74 - 76</td>
<td>31%</td>
<td>161 - 164</td>
<td>55%</td>
<td>262 - 269</td>
<td>79%</td>
</tr>
<tr>
<td>4</td>
<td>8%</td>
<td>77 - 80</td>
<td>32%</td>
<td>165 - 167</td>
<td>56%</td>
<td>265 - 273</td>
<td>80%</td>
</tr>
<tr>
<td>5</td>
<td>9%</td>
<td>81 - 83</td>
<td>33%</td>
<td>168 - 171</td>
<td>57%</td>
<td>267 - 278</td>
<td>81%</td>
</tr>
<tr>
<td>6</td>
<td>10%</td>
<td>84 - 87</td>
<td>34%</td>
<td>172 - 175</td>
<td>58%</td>
<td>270 - 282</td>
<td>82%</td>
</tr>
<tr>
<td>7</td>
<td>11%</td>
<td>88 - 91 (3 mos)</td>
<td>35%</td>
<td>176 - 178</td>
<td>59%</td>
<td>273 - 287</td>
<td>83%</td>
</tr>
<tr>
<td>8</td>
<td>12%</td>
<td>92 - 94</td>
<td>36%</td>
<td>179 - 182 (6 mos)</td>
<td>60%</td>
<td>276 - 291</td>
<td>84%</td>
</tr>
<tr>
<td>9</td>
<td>13%</td>
<td>95 - 98</td>
<td>37%</td>
<td>183 - 187</td>
<td>61%</td>
<td>279 - 296</td>
<td>85%</td>
</tr>
<tr>
<td>10</td>
<td>14%</td>
<td>99 - 102</td>
<td>38%</td>
<td>188 - 191</td>
<td>62%</td>
<td>282 - 301</td>
<td>86%</td>
</tr>
<tr>
<td>11</td>
<td>15%</td>
<td>103 - 105</td>
<td>39%</td>
<td>192 - 196</td>
<td>63%</td>
<td>285 - 305</td>
<td>87%</td>
</tr>
<tr>
<td>12</td>
<td>16%</td>
<td>106 - 109</td>
<td>40%</td>
<td>197 - 200</td>
<td>64%</td>
<td>288 - 310</td>
<td>88%</td>
</tr>
<tr>
<td>13</td>
<td>17%</td>
<td>110 - 113</td>
<td>41%</td>
<td>201 - 205</td>
<td>65%</td>
<td>291 - 314</td>
<td>89%</td>
</tr>
<tr>
<td>14</td>
<td>18%</td>
<td>114 - 116</td>
<td>42%</td>
<td>206 - 209</td>
<td>66%</td>
<td>294 - 319</td>
<td>90%</td>
</tr>
<tr>
<td>15</td>
<td>19%</td>
<td>117 - 120</td>
<td>43%</td>
<td>210 - 214 (7 mos)</td>
<td>67%</td>
<td>297 - 323</td>
<td>91%</td>
</tr>
<tr>
<td>16</td>
<td>20%</td>
<td>121 - 124 (4 mos)</td>
<td>44%</td>
<td>215 - 218</td>
<td>68%</td>
<td>300 - 328</td>
<td>92%</td>
</tr>
<tr>
<td>17</td>
<td>21%</td>
<td>125 - 127</td>
<td>45%</td>
<td>219 - 223</td>
<td>69%</td>
<td>303 - 332</td>
<td>93%</td>
</tr>
<tr>
<td>18</td>
<td>22%</td>
<td>128 - 131</td>
<td>46%</td>
<td>224 - 228</td>
<td>70%</td>
<td>306 - 337 (11 mos)</td>
<td>94%</td>
</tr>
<tr>
<td>19</td>
<td>23%</td>
<td>132 - 135</td>
<td>47%</td>
<td>229 - 232</td>
<td>71%</td>
<td>309 - 342</td>
<td>95%</td>
</tr>
<tr>
<td>20</td>
<td>24%</td>
<td>136 - 138</td>
<td>48%</td>
<td>233 - 237</td>
<td>72%</td>
<td>312 - 346</td>
<td>96%</td>
</tr>
<tr>
<td>21</td>
<td>25%</td>
<td>139 - 142</td>
<td>49%</td>
<td>238 - 241</td>
<td>73%</td>
<td>315 - 351</td>
<td>97%</td>
</tr>
<tr>
<td>22</td>
<td>26%</td>
<td>143 - 146</td>
<td>50%</td>
<td>242 - 246 (8 mos)</td>
<td>74%</td>
<td>318 - 355</td>
<td>98%</td>
</tr>
<tr>
<td>23</td>
<td>27%</td>
<td>147 - 149</td>
<td>51%</td>
<td>247 - 250</td>
<td>75%</td>
<td>321 - 360</td>
<td>99%</td>
</tr>
<tr>
<td>24</td>
<td>28%</td>
<td>150 - 153 (5 mos)</td>
<td>52%</td>
<td>251 - 255</td>
<td>76%</td>
<td>324 - 365 (12 mos)</td>
<td>100%</td>
</tr>
</tbody>
</table>

### Rules applicable to insurance with terms less than or more than one year:

**A.** If insurance has been in force for one year or less, apply the short rate table for annual insurance to the full annual premium determined as for insurance written for a term of one year.

**B.** If insurance has been in force for more than one year:

1. **Determine full annual premium as for insurance written for a term of one year.**

2. **Deduct such premium from the full insurance premium, and on the remainder calculate the pro rata earned premium on the basis of the ratio of the length of time beyond one year the insurance has been in force to the length of time beyond one year for which the Policy was originally written.**

3. **Add premium produced in accordance with items (1) and (2) to obtain earned premium during full period insurance has been in force.**
SCHEDULE OF ENDORSEMENTS

The following Endorsements attach to and form part of the terms and conditions of this Policy:

<table>
<thead>
<tr>
<th>Endorsement No.</th>
<th>Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Statutory Requirements Imposed on the Named Insured</td>
</tr>
<tr>
<td>2</td>
<td>Excess Loss Fund Protection Coverage Endorsement</td>
</tr>
</tbody>
</table>
EDUCATORS PROFESSIONAL LIABILITY INSURANCE

POLICY DECLARATIONS

This Policy (and any documents referred to in it) contains the whole agreement between Underwriters and the NAMED INSURED relating to the insurance provided by this Policy; and supersedes all previous understandings and agreements between Underwriters and the NAMED INSURED relating to the terms and conditions of this Policy.

Please note that words or terms that appear in bold and capitalized are defined within the Policy.

Previous Policy No: NOT APPLICABLE
Authority Ref. No: B0356JA281N19
Policy No: PK1037619

ITEM 1. NAMED INSURED:

The State of Florida, and the Florida Department of Education

ITEM 2. MAILING ADDRESS:

C/O Florida Department of Education, 325 West Gaines Street,
332 Turlington Building, Tallahassee, FL 32399-0400

ITEM 3. POLICY PERIOD: From 8/17/2019 to 8/17/2020
(12:01 A.M. standard time at the address stated in Item 1. above)

ITEM 4. LIMITS OF INSURANCE:

Coverage A & B $ 2,000,000 per INSURED per WRONGFUL ACT
$ 3,000,000 Aggregate per WRONGFUL ACT

Coverage C $ 2,000 per Bail Bond per INSURED

Coverage D $ 500 per INSURED per Assault

Policy Annual Aggregate $20,000,000

ITEM 5. DEDUCTIBLES

$ 50,000 Per WRONGFUL ACT
ITEM 6. RETROACTIVE DATE 8/17/2015

ITEM 7. RATE AND PREMIUM:

PER FULL-TIME INSTRUCTIONAL PERSONNEL $3.953

Adjustment – The premium specified below is provisional and is based on the number of FULL-TIME INSTRUCTIONAL PERSONNEL estimated at inception. The NAMED INSURED agrees to maintain a record of the number of INSUREDS and report the number of INSUREDS semi-annually as of February 17, 2020 and August 17, 2020. At the end of the Policy Period a premium adjustment will be made.

Deposit Annual Premium: $791,896
Deposit Annual Premium Basis: 200,328 FULL-TIME INSTRUCTIONAL PERSONNEL

ITEM 8. POLICY FORM ATTACHED: Educators Professional Liability Insurance Policy Form

ITEM 9. Insurance is effective with certain Underwriters at Lloyd’s, London.
Percentage: 100.00%

ITEM 10. Service of Suit may be made upon:
Corporation Service Company. 1201 Hays Street, Tallahassee, FL 32301

ITEM 11. Currency Clause:
All premiums, limits, deductibles, claims and other amounts under this Policy are expressed and payable in United States Dollars.
The dollar symbol ($) used within this Policy represents United States Dollars.

Authorized Correspondent signatory: Brit Global Specialty USA

Agent / Broker:
Arthur J. Gallagher Risk Management Services, Inc.
8333 NW 53rd Street, Suite 600
Miami, FL 33166
Several Liability Notice

The subscribing insurers’ obligations under contracts of insurance to which they subscribe are several and not joint and are limited solely to the extent of their individual subscriptions. The subscribing insurers are not responsible for the subscription of any co-subscribing insurer who for any reason does not satisfy all or part of its obligations.

08/94
LSW1001 (Insurance)
No coverage is provided by this Policyholder Notice nor can it be construed to replace any provisions of your policy. You should read your policy and review your Declarations page for complete information on the coverages you are provided.

This Notice provides information concerning possible impact on your insurance coverage due to directives issued by OFAC. Please read this Notice carefully.

The Office of Foreign Assets Control (OFAC) administers and enforces sanctions policy, based on Presidential declarations of "national emergency". OFAC has identified and listed numerous:

- Foreign agents;
- Front organizations;
- Terrorists;
- Terrorist organizations; and
- Narcotics traffickers;

as "Specially Designated Nationals and Blocked Persons". This list can be located on the United States Treasury’s web site – http://www.treas.gov/ofac.

In accordance with OFAC regulations, if it is determined that you or any other insured, or any person or entity claiming the benefits of this insurance has violated U.S. sanctions law or is a Specially Designated National and Blocked Person, as identified by OFAC, this insurance will be considered a blocked or frozen contract and all provisions of this insurance are immediately subject to OFAC. When an insurance policy is considered to be such a blocked or frozen contract, no payments nor premium refunds may be made without authorization from OFAC. Other limitations on the premiums and payments also apply.
THIS INSURANCE IS ISSUED PURSUANT TO THE
FLORIDA SURPLUS LINES LAW. PERSONS INSURED BY
SURPLUS LINES CARRIERS DO NOT HAVE THE
PROTECTION OF THE FLORIDA INSURANCE
GUARANTY ACT TO THE EXTENT OF ANY RIGHT OF
RECOVERY FOR THE OBLIGATION OF AN INSOLVENT
UNLICENSED INSURER.

01/10/09
LSW1661
SURPLUS LINES INSURERS’ POLICY RATES AND FORMS ARE NOT APPROVED BY ANY FLORIDA REGULATORY AGENCY.

01/10/09
LSW1662
Complaints Procedure

We strive to provide an excellent service to all Our customers but occasionally things can go wrong. We take all concerns seriously and endeavour to resolve all customers’ problems promptly. If You have a question or concern about Your policy You should, in the first instance follow the guidance notes or instructions in the insurance documentation You have been sent. Your broker will also be able to advise You and provide assistance in this regard.

Alternatively, if You wish to contact Us directly You should either write or telephone:

The Complaints Department
Brit Syndicates Limited
122 Leadenhall Street
London
EC3V 4AB
Telephone: 020 3857 0000
Email: BGS.Complaints@britinsurance.com

In the unlikely event that You remain dissatisfied and wish to make a complaint You can do so at any time by referring the matter to Us at the above stated address or the Complaints Team at Lloyd’s at the following address:

Complaints Team
Lloyd’s
Fidentia House
Walter Burke Way
Chatham Maritime
Chatham, Kent ME4 4RN
Telephone: 020 7327 5693
Facsimile: 020 7327 5225
E-mail: complaints@lloyds.com

Details of Lloyd’s complaints procedure are set out in a leaflet “Your Complaint - How We Can Help” available at www.lloyd’s.com/complaints and are also available from the above address.

Should You remain dissatisfied after Lloyd’s has considered your complaint and You are NOT a policyholder in the UK, You should, in the first instance, seek advice from Your broker as to whom You should direct your complaint.
The COMPANY agrees with the NAMED INSUREDS, in consideration of the premium paid and subject to the Declarations, Limitations, Conditions, Definitions and other provisions of this policy, including endorsements hereto, as follows:

**INSURING AGREEMENTS**

**Coverage A - Excess Liability Coverage**

The COMPANY shall pay, on behalf of any INSURED, all sums in excess of an EMPLOYER’S:

1. Commercial General Liability Insurance,
2. Errors and Omissions Liability Insurance,
3. Employment Practices Liability Insurance, and
4. Any other valid insurance whether collectible or not;

which such INSURED is legally obligated to pay for DAMAGES and DEFENSE EXPENSES resulting from any claim first made against the INSURED during the Policy Period as stated in ITEM 3. of the Declarations arising from a WRONGFUL ACT and reported to the COMPANY in writing as provided in Condition 2. in this policy. Such WRONGFUL ACTS must arise from an INSURED’S PROFESSIONAL ACTIVITIES. The WRONGFUL ACT must have first occurred on or after the RETROACTIVE DATE stated in ITEM 6. of the Declarations, but in no event any later than the last day of the Policy Period. The claim must be reported to the COMPANY as soon as practical but in no event later than sixty consecutive days following the expiration of the Policy Period, or during the Optional Extended Reporting Period applicable to this coverage, if any.

The COMPANY has the right to investigate and settle any claim that it deems necessary.

The COMPANY shall have no obligation to pay a judgment or settlement on behalf of an INSURED, if after a full investigation by the COMPANY, it is determined by the COMPANY that the INSURED acted with criminal intent, with malicious purpose, with intent to harm, or in a manner exhibiting wanton and willful disregard of human rights, safety or property. If the COMPANY’S investigation and determination is ultimately proven to be wrong by an adjudication by a court of law within the United States of America (including its territories and possessions), the COMPANY will be required to provide full reimbursement to the INSURED(S) for DAMAGES and DEFENSE EXPENSES which would have otherwise been covered under this policy, up to the Limits of Insurance as stated in ITEM 4. of the Declarations.

DEFENSE EXPENSES are part of and subject to the Limits of Insurance. The COMPANY’S duty to pay any DEFENSE EXPENSES and DAMAGES covered under this policy shall cease after the applicable Limits of Insurance have been exhausted by the payment of such DEFENSE EXPENSES and DAMAGES.

**Coverage B - Liability Coverage**

1. DAMAGES: In the event that no other insurance policy(ies) affords or may afford valid coverage for a claim, whether collectible or not, the COMPANY shall pay, on behalf of any INSURED, all sums which such INSURED is legally obligated to pay for DAMAGES resulting from any claim first made against the INSURED during the Policy Period as stated in ITEM 3. of the Declarations arising from a
WRONGFUL ACT and reported to the COMPANY in writing as provided in Condition 2. in this policy. Such WRONGFUL ACTS must arise from an INSURED’S PROFESSIONAL ACTIVITIES. The WRONGFUL ACT must have first occurred on or after the RETROACTIVE DATE stated in ITEM 6. of the Declarations, but in no event any later than the last day of the Policy Period. The claim must be reported to the COMPANY as soon as practical but in no event later than sixty consecutive days following the expiration of the Policy Period, or during the Optional Extended Reporting Period applicable to this coverage, if any.

2. DEFENSE: The COMPANY has the right and duty to defend a suit brought against an INSURED alleging a WRONGFUL ACT, which would otherwise be covered under this policy, even if any allegations in the claim are groundless, false or fraudulent.

The COMPANY has the right to investigate and settle any suit if the COMPANY believes that it is proper to do so.

The COMPANY shall have no obligation to pay a judgment or settlement on behalf of an INSURED, if after a full investigation by the COMPANY, it is determined by the COMPANY that the INSURED acted with criminal intent, with malicious purpose, with intent to harm, or in a manner exhibiting wanton and willful disregard of human rights, safety or property. If the COMPANY’S investigation and determination is ultimately proven to be wrong by an adjudication by a court of law, within the United States of America (including its territories and possessions), the COMPANY will be required to provide full reimbursement to the INSURED(S) for DAMAGES and DEFENSE EXPENSES which would have otherwise been covered under this policy, up to the Limits of Insurance as stated in ITEM 4. of the Declarations.

DEFENSE EXPENSES are part of and subject to the Limits of Insurance. The COMPANY’S duty to pay any DEFENSE EXPENSES and DAMAGES covered under this policy shall cease after the applicable Limits of Insurance have been exhausted by the payment of such DEFENSE EXPENSES and DAMAGES.

The COMPANY’S maximum Limits of Insurance for all loss in the aggregate arising from all claims covered under Coverages A and B of this policy which allege the same or RELATED WRONGFUL ACTS, shall be an amount no greater than the Aggregate per WRONGFUL ACT Limit of Insurance as stated in ITEM 4. of the Declarations. All RELATED WRONGFUL ACT shall be considered one WRONGFUL ACT and all RELATED WRONGFUL ACTS will be deemed to have been committed at the time the first of such RELATED WRONGFUL ACTS was committed whether prior to or during the Policy Period. All claims based on or arising out of the same WRONGFUL ACT or a series of RELATED WRONGFUL ACTS by one or more INSUREDS shall be considered a single claim. Such single claim will be deemed to have been first made against the INSURED at the time:

a. Any claim arising out of such WRONGFUL ACT or RELATED WRONGFUL ACTS was first made against an INSURED, regardless of the number of claims subsequently made, when written notice of such claim is received by any INSURED, by a NAMED INSURED or its agent or representative, by the DISTRICTS’ SCHOOL BOARDS, or by the COMPANY, whichever comes first; and

b. Notice of such claim, circumstance, conduct, WRONGFUL ACT or RELATED WRONGFUL ACTS was first reported to the COMPANY as provided in CONDITION 2 in this policy.

Only one Limit of Insurance will apply to any one WRONGFUL ACT.

The COMPANY’S maximum Limits of Insurance for all WRONGFUL ACTS and RELATED WRONGFUL ACTS combined during the Policy Period, shall be no greater than the Policy Annual Aggregate limit as stated in ITEM 4. of the Declarations.
Coverage C - Bail Bonds

The COMPANY shall reimburse an INSURED for any costs for Bail Bonds required of an INSURED arising out of WRONGFUL ACTS committed during the Policy Period. Such costs shall not exceed the amounts set forth in ITEM 4. of the Declarations, per INSURED and per Policy Period. The COMPANY shall not have any obligation to apply for or furnish any such bond.

Coverage D - Excess Assault-Related Personal Property Damage

The COMPANY shall reimburse an INSURED in excess of:

1. EMPLOYER’S
   a. Commercial General Liability Insurance,
   b. Errors and Omissions Liability Insurance,
   c. Employment Practices Liability Insurance, and
   d. Any other valid insurance whether collectible or not; and

2. Such INSURED’S
   a. Homeowners,
   b. Personal Property Floaters, and
   c. Any other valid insurance whether collectible or not

for up to $500 for damage to or destruction of an INSURED’S personal property occurring during the Policy Period that is directly and proximately caused by an assault upon such INSURED while such INSURED is performing PROFESSIONAL ACTIVITIES. This coverage does not apply to damage or destruction of a vehicle of any kind, or for damage to or destruction of leased or loaned property.

DEFINITIONS

1. COMPANY means the insurance company providing this policy of insurance.

2. DAMAGES means any amount that an INSURED shall be legally obligated to pay because of judgments, arbitration awards or the like rendered against such INSURED, or for settlements negotiated by the COMPANY. However, DAMAGES shall not include any amounts for which such INSURED is not financially liable or for which there is no legal recourse against such INSURED, taxes, fines, the costs and expenses of complying with any injunctive or other form of equitable relief, or matters that may be deemed uninsurable under the law.

3. DEFENSE EXPENSES means all reasonable and necessary fees charged by an attorney appointed by the COMPANY in connection with any civil suit brought against an INSURED alleging a WRONGFUL ACT, as well as all other reasonable and necessary fees, costs and expenses incurred in the defense or investigation of a claim or suit by the COMPANY as provided herein. Defense expenses do not include salaries, administrative costs or expenses of any NAMED INSURED or any of their employees or representatives. DEFENSE EXPENSES also do not include attorneys’ fees, administrative costs, court costs, or any other fees or expenses incurred in the defense of, response to or investigation of a charging document, criminal complaint, criminal indictment or any other criminal proceeding or prosecution.

4. DISTRICTS’ SCHOOL BOARDS mean
   a. Various public school districts as shown in Exhibit 1 which is attached to this policy and incorporated by reference herein; and
   b. Charter Schools as established pursuant to Florida Statute 1002.33, as such statute reads on the policy inception date shown on the Declarations.

5. EMPLOYER means the DISTRICTS’ SCHOOL BOARDS.
6. **FULL-TIME INSTRUCTIONAL PERSONNEL** is defined by the terms:
   a. “FULL-TIME” shall be defined by the individual **DISTRICTS’ SCHOOL BOARDS**, 
   b. “INSTRUCTIONAL PERSONNEL” shall be defined in Florida Statute 1012.01(2), as such 
      statute reads on the policy inception date as shown on the **Declarations**.

7. **INSURED** means **FULL-TIME INSTRUCTIONAL PERSONNEL**.

8. **NAMED INSURED** means The State of Florida, and the Florida Department of Education.

9. **PROFESSIONAL ACTIVITIES** means duties of an **INSURED** in the course and scope of their employment 
   as **FULL-TIME INSTRUCTIONAL PERSONNEL**.

   **PROFESSIONAL ACTIVITIES** also means duties of an **INSURED** in the course and scope of their 
   employment as **FULL-TIME INSTRUCTIONAL PERSONNEL** who are appointed as school guardians, and 
   acting within the scope of their duties as such, as defined in Florida Statute 30.15. It is a condition 
   precedent to coverage under this policy that the **INSURED** must operate in complete compliance with 
   Florida Statute 30.15, and any additional requirements established by the Sheriffs in the respective 
   county(ies).

10. **RETROACTIVE DATE** shall mean the date indicated in ITEM 6. of the **Declarations** in the 
    **RETROACTIVE DATE** section.

11. **RELATED WRONGFUL ACTS** shall mean **WRONGFUL ACTS** which are logically or causally 
    connected by reason of any common fact, circumstance, situation, transaction, casualty, event, result, 
    injury or decision. Claims can include **RELATED WRONGFUL ACTS** regardless of whether such 
    claims involve multiple claimants, locations, acts, **INSURED(S)** or legal causes of actions, or 
    occurring over multiple Policy Periods. However, only **WRONGFUL ACTS** that take place after the 
    **RETROACTIVE DATE** and before the end of the Policy Period are covered.

12. **WRONGFUL ACT** means any negligent act, error, omission or breach of duty in the performance or 
    failure to perform **PROFESSIONAL ACTIVITIES**.

**AUTOMATIC COVERAGE EXTENSION**

If a **DISTRICTS’ SCHOOL BOARD** should hire new: **FULL-TIME INSTRUCTIONAL PERSONNEL** during the Policy Period, then coverage shall be 
automatically extended to such **FULL-TIME INSTRUCTIONAL PERSONNEL** as of their official date of 
hire until the policy expires, is cancelled or non-renewed, for **WRONGFUL ACTS** on or after such date, 
and per the terms and conditions of the policy. Each and every **DISTRICTS’ SCHOOL BOARD**, 
separately or on a consolidated basis through the State of Florida’s Department of Education shall report 
changes in **FULL-TIME INSTRUCTIONAL PERSONNEL** to the **COMPANY** on a semi-annual basis as of:

February 17, 2020 and August 17, 2020 to:
Brit Global Specialty USA C/O 
Arthur J. Gallagher Risk Management Services, Inc. 
8333 NW 53rd Street, Suite 600 
Miami, FL 33166
TERRITORY

This policy applies to claims made in the United States of America (including its territories and possessions).

EXCLUSIONS

This policy does not apply to any claim:

1. Alleging or arising out of punitive damages, exemplary damages or the multiplied portion of any damage award.

2. Alleging or arising out of activities of an INSURED that are not PROFESSIONAL ACTIVITIES.

3. Alleging or arising out of activities of an INSURED that are carried on in a private business, private professional endeavor or private school.

4. Alleging or arising out of the ownership, maintenance, operation, use, loading or unloading of vehicles of any kind.

5. Alleging or arising out of liability assumed by the INSURED under any contract or agreement.

6. Alleging or arising out of injury, sickness, disease, death or destruction due to war or terrorism, whether or not declared, civil war, insurrection, rebellion, or revolution, or to any act or condition incidental to any of the foregoing.

7. Alleging or arising out of any obligation for which the DISTRICTS’ SCHOOL BOARDS, as shown in Exhibit 1 which is attached to this policy and incorporated by reference herein, or any carrier may be held liable under worker’s compensation, unemployment compensation, disability benefits or similar laws.

8. Alleging or arising out of the rendering or failing to render, teach or supervise medical, surgical, dental, nursing, or other similar services.

9. Alleging or arising out of any dishonest, fraudulent, criminal or malicious acts other than corporal punishment; provided, however, that this exclusion does not apply to coverage afforded under Coverage C - Bail Bonds.

10. Alleging or arising out of claims brought by any employee or former employee of the DISTRICTS’ SCHOOL BOARDS; provided, however, that this exclusion shall not apply to:
   a. any claim made or suit brought against an INSURED by or on behalf of another employee of the DISTRICTS’ SCHOOL BOARDS if such claim or suit arises out of a WRONGFUL ACT as a member of a Board of Commission, established by the State of Florida, which has as its purposes the licensure or certification of educators, or the setting of standards for the licensure or certification of educators; and
   b. any claim made or suit brought against an INSURED by or on behalf of a minor or incompetent child of an employee of the DISTRICTS’ SCHOOL BOARDS, if such claim or suit arises out of a WRONGFUL ACT.

11. Alleging or arising out of any WRONGFUL ACT whereby an INSURED intentionally causes bodily injury or damage of any nature to another person or entity; provided, however, that this exclusion does not apply to:
   a. claims arising from corporal punishment of any student or pupil administered by or at the direction of such INSURED while performing PROFESSIONAL ACTIVITIES; or
   b. coverage afforded under Coverage C – Bail Bonds.
12. Alleging or arising out of any action seeking declaratory judgments, injunctive relief, or other similar proceeding.

13. Alleging or arising out of any activities of any INSURED while acting as a member of any school board or similarly constituted body.

14. Arising out of any sexual molestation, sexual misconduct, or harassment, established by final adjudication, admission of such INSURED or otherwise in fact or to which an INSURED pleads nolo contendere or no contest, at which time the INSURED may be required, at the COMPANY'S sole discretion, to reimburse the COMPANY for DEFENSE EXPENSES advanced.

15. Alleging or arising out of any claims, accusations or charges brought against any INSURED, and to any obligation or duty of the COMPANY to afford defense for such claims, accusations or charges, which are made because of any damages or injury arising out of Human Immune Deficiency Virus (HIV) Acquired Immune Deficiency Syndrome (AIDS), no matter how transmitted.

16. Alleging or arising out of bodily injury, property damage, personal injury or advertising injury arising out of, in connection with or relating to the existence, monitoring, removal, transport, storage, installation or use of, testing for or contamination from, asbestos, lead, mold or any hazardous, illegal or infectious substances.

17. Arising out of any pending or prior litigation as of the RETROACTIVE DATE as stated in ITEM 6. of the Declarations, or from the same or substantially related facts as alleged in such pending or prior litigation.

18. Arising out of the same WRONGFUL ACT or RELATED WRONGFUL ACTS alleged or contained in any claim which has been reported, or in any circumstances of which notice has been given, under any policy of which this policy is a renewal or replacement or which it may succeed in time.

19. Alleging or arising out of a WRONGFUL ACT occurring prior to the RETROACTIVE DATE as stated in ITEM 6. of the Declarations.

20. Alleging or arising out of:
   a. the purchase, sale, offer of or solicitation of an offer to purchase or sell securities;
   b. any violation of any securities law, including provisions of the Securities Act of 1933, or the Securities Exchange Act of 1934, as amended, or any regulation promulgated under the foregoing statutes, or any federal, state or local laws similar to the foregoing statutes (including "Blue Sky" laws), whether such law is statutory, regulatory or common law; or
   c. any violation of the Organized Crime Control Act of 1970 (commonly known as "Racketeer Influenced And Corrupt Organizations Act" or “RICO”), as amended, or any regulation promulgated thereunder or any similar federal, state or local law similar to the foregoing, whether such law is statutory, regulatory or common law.

21. Alleging, arising out of, based upon, attributable to or in any way involving, directly or indirectly:
   a. the actual, alleged or threatened discharge, dispersal, release or escape of Pollutants, or
   b. any direction or request to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize Pollutants, including but not limited to any claim alleging damages to the EMPLOYER. “Pollutants” include (but are not limited to) any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste; and waste includes (but is not limited to) materials to be recycled, reconditioned or reclaimed.

22. Alleging or arising out of any breach of fiduciary duty, responsibility, or obligation in connection with any employee benefit or pension plan, including violation of the responsibilities, obligations or duties imposed upon fiduciaries by the Employee Retirement Income Security Act of 1974 (ERISA) or...
amendments thereto, or similar statutory or common law of the United States of America or any state or jurisdiction therein.

23. Alleging or arising out of any employment practices liability or any discrimination therein, including, but not limited to: race, creed, color, religion, ethnic background, national origin, age, handicap, disability, gender, sexual orientation or pregnancy.

24. Alleging or arising out of any misappropriation of trade secret or infringement of patent, copyright, trademark, trade dress or any other intellectual property right.

25. Alleging or arising out of:
   a. false arrest, detention or imprisonment;
   b. libel, slander or defamation of character;
   c. wrongful entry or eviction; or
   d. any right of privacy.

26. Alleging or arising out of:
   a. any actual or alleged breach of duty, negligent act, error, omission, misstatement, or misleading statement committed by an INSURED while acting within the scope of their law enforcement activities for the educational institution; and
   b. Any allegations of negligence or wrongdoing in the supervision, hiring, employment, training, or monitoring of a person whose conduct is included in Paragraph a. above.

For the purposes of this exclusion, “law enforcement activities” means activities, services, advice or instruction that is within the scope of the authorized duties of the educational institution’s law enforcement and security guard personnel.

27. Expenses from any cost, civil fine, penalty or expense against any INSURED for any compliance or enforcement action from any Federal, State of Local governmental regulatory or administrative agency.

28. Directly or indirectly caused by or arising out of:
   a. Loss, theft, loss of use of, corruption, or inability to access or manipulate tangible or intangible ELECTRONIC DATA or paper data, whether owned by the INSURED or others and including but not limited to any handheld or portable device with user-generated content.
   b. Loss, theft, breach, publication, unauthorized access, disclosure or use, collection or disposal of any person’s or organization’s tangible or intangible ELECTRONIC DATA or paper data including but not limited to private, confidential or personal identifying information, medical, financial, employment, health and educational information which triggers any local, state or federal privacy regulations, as well as patents, trade secrets, processing methods or customer lists.
   c. Any claim for return or reimbursement of any sums or monetary value of any electronic fund transfers or transactions which is lost or diminished during the transfer.
   d. Any threat or series of threats to commit an intentional act against a computer network or system for purposes of demanding money or other tangible or intangible value from the INSURED;
   e. Cyberterrorism or any intrusive or disruptive activities against any computer system or network, or the explicit threat to use such activities with the intention to cause harm, by any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organization(s), committed for political, religious or ideological purposes including the intention to influence any government and/or to put the public in fear for such purposes.

In no event will this insurance provide coverage for any breach notification; credit, identity and health monitoring and restoration costs; public relations costs; compliance audits, data requests, legal fees; and any local, state, federal or industry or professional organization’s investigation, enforcement, remediation or monitoring costs and any fines, penalties, claims, proceedings or suits arising directly or indirectly from (a - e) above.

Educators Professional Liability Policy
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As used herein, ELECTRONIC DATA means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, cloud computing platforms, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

CONDITIONS

1. Limits of Insurance and Deductibles
   a. The Limits of Insurance stated in the Declarations are the limits of the COMPANY’S liability for all DAMAGES, DEFENSE EXPENSES, or other attorney fees, charges, expenses, judgments, issuance of awards, settlements, and interest accrued on awards prior to and post the entry of judgment.
   b. The COMPANY’S obligation under this insurance to pay DAMAGES and DEFENSE EXPENSES on behalf of an INSURED applies only to the amount of DAMAGES and DEFENSE EXPENSES in excess of the Per WRONGFUL ACT deductible amount stated in ITEM 5. of the Declarations.
   c. The terms of this insurance, including those with respect to the COMPANY’S right and duty to defend the INSURED against any suit seeking those DAMAGES and DEFENSE EXPENSES; and the NAMED INSURED’S and INSURED’S duties in the event of a claim or suit apply irrespective of the application of the deductible amount.
   d. The COMPANY may pay any part or all of the deductible amount to effect settlement of any claim or suit and, upon notification of the action taken, the NAMED INSURED shall promptly reimburse the COMPANY for such part of the deductible amount as has been paid by the COMPANY.

2. Notice To The COMPANY
   a. Notice of a claim shall be given in writing to the following address:

   Alternative Service Concepts,
   Two Rivers Corporate Centre,
   Suite 802, 2501 McGavock Pike,
   Nashville, TN 37214

   Florida Department of Education
   Educators Professional Liability Insurance
   325 West Gaines Street, 332 Turlington Building
   Tallahassee, FL 32399-0400
   Policy No.: PK1037619

   If mailed, the date of mailing shall constitute the date that such notice was given to the COMPANY and proof of mailing shall be sufficient proof of notice.
   b. A NAMED INSURED or any INSURED shall, as a condition precedent to any obligations owed by the COMPANY under this policy, give written notice to the COMPANY of any claim made against an INSURED as soon as practical but in no event later than sixty consecutive days following the expiration of the Policy Period, or during the Optional Extended Reporting Period applicable to this coverage, if any.
   c. If written notice of a claim has been given to the COMPANY pursuant to Condition 2.b. above, then any claim subsequently made against the INSURED(S) and reported to the COMPANY alleging, arising out of, based upon or attributable to the facts alleged in that claim for which such notice has been given shall be considered first made at the time such prior claim was first made.
   d. If during the Policy Period the COMPANY or an INSURED shall become aware of any circumstances which may reasonably be expected to give rise to a claim being made against such INSURED(S), then the INSURED shall give written notice to the COMPANY of the circumstances and the reasons for anticipating such a claim, with full particulars as to dates, persons and entities involved, and any claim which is subsequently made against an INSURED(S) and reported to the COMPANY alleging, arising out of, based upon or attributable to such circumstances, shall be considered made at the time such notice of such circumstances was first given.
3. Your Assistance and Cooperation
   a. Each and every INSURED agrees to assist and cooperate with the COMPANY:
      (1) in making settlements, subject to sub-paragraph c, herein;
      (2) in enforcing any legal rights an INSURED or the COMPANY may have against anyone who
          may be liable to an INSURED;
      (3) by attending depositions, hearings and trials; and
      (4) by securing and giving evidence, and obtaining the attendance of witnesses.
   b. Each and every INSURED shall take such actions which, in such INSURED'S judgment, are
      deemed necessary and practicable to prevent or limit DAMAGES or DEFENSE EXPENSES
      arising from such INSURED'S WRONGFUL ACTS.
   c. INSURED(S) shall not admit any liability, assume any financial obligation or pay out any money
      without the COMPANY’S prior written consent. If such INSURED does so, such INSURED shall
      have done so at such INSURED'S own expense.
      In addition, no INSURED shall take any action, or fail to take any required action, without our
      written consent, which may prejudice the COMPANY’S rights under this policy.

4. Action Against COMPANY
   No action shall be brought against the COMPANY, unless as a condition precedent thereto, the
   INSURED shall have fully complied with all terms of this policy, or until the amount of the INSURED'S
   obligation to pay shall have been finally determined either by judgment against the INSURED after
   actual trial or by written agreement of the INSURED, the claimant and the COMPANY. Nothing
   contained in this policy shall give any person or organization any right to join the COMPANY as co-
   defendant in any action against the INSURED to determine the INSURED'S liability. Bankruptcy or
   insolvency of the INSURED or of the INSURED'S estate shall not relieve the COMPANY of any of its
   obligations hereunder.

5. Other Insurance
   If other insurance is available to the INSURED covering a loss or claim also covered by this policy,
   then this policy shall apply in excess of, and shall not contribute with, such other insurance. No
   monies payable or collectible from such other insurance shall accrue to the deductible.

   Other insurance includes but is not limited to:
   a. Insurance, coverage or benefits provided by school boards, school districts or any similar entity;
   b. Insurance, coverage or benefits provided by the National Education Association or similar
      organization; and
   c. Insurance, coverage or benefits provided by self-insurance, trusts, pools, risk retention groups,
      captive insurance companies, or any other insurance plan or agreement of risk assumption.

6. Subrogation
   In the event of any payment under this policy, the COMPANY shall be subrogated to all the
   INSURED'S rights of recovery therefore against any person or organization and the INSURED shall
   execute and deliver instruments and papers and do whatever else is necessary to secure such rights.
   The INSURED shall do nothing after a loss to prejudice such rights.

7. Changes
   Notice to any agent or knowledge possessed by any agent or by any other person shall not effect a
   waiver or a change in any part of this policy or estop the COMPANY from asserting any right under
   the terms of this policy; nor shall the terms of this policy be waived or changed, except by
   endorsement issued by the COMPANY to form a part of this policy.

8. Cancellation
   This policy may be cancelled by the NAMED INSURED for any reason by surrender thereof to the
   COMPANY or any of its authorized agents or by mailing to the COMPANY written notice stating when
   thereafter the cancellation shall be effective. This policy may be canceled by the COMPANY
by mailing to the NAMED INSURED, at the address shown on the policy, written notice of cancellation at least:

a. Ten days before the effective date of cancellation, if canceled for non-payment of premium; or
b. Ninety days before the effective date of cancellation, if canceled for any other reason.

The mailing of notice as aforesaid shall be sufficient proof of notice. The time of surrender of the effective date and hour of cancellation stated in the notice shall become the end of the Policy Period. Delivery of such written notice either by the NAMED INSURED or by the COMPANY shall be equivalent to mailing.

If the NAMED INSURED or the COMPANY cancels the policy, earned premium shall be computed on a pro rata basis. Premium adjustment may be made either at the time cancellation is effected or as soon as practicable after cancellation becomes effective. Any other premium adjustment or return premium as would apply had cancellation not been effected shall be computed substituting the date of cancellation for the expiration date of this policy.

9. Nonrenewal

a. If we decide not to renew this policy we will mail or deliver to the first NAMED INSURED written notice of nonrenewal, at least 45 days prior to the expiration of this policy.

b. Any notice of nonrenewal will be mailed or delivered to the NAMED INSURED’S mailing address stated in ITEM 1. of the Declarations. If notice is mailed, proof of mailing will be sufficient proof of notice.

10. Terms of Policy Conformed to Statute

Terms of this policy, which are in conflict with the statutes of the state wherein this policy is issued, are hereby amended to conform to such statutes.

11. Basic Extended Reporting Period:

A Basic Extended Reporting Period is automatically provided without additional charge. This period starts with the end of the Policy Period, and lasts for sixty (60) consecutive days.

If, however, this policy is succeeded by similar Claims Made insurance coverage, with any insurer, on which the RETROACTIVE DATE is the same as or earlier than the RETROACTIVE DATE shown in the Declarations, the succeeding Policy shall be deemed to be a renewal of this Policy, and the NAMED INSURED shall have no right to an Extended Reporting Period from the COMPANY.

The Basic Extended Reporting Period does not apply to WRONGFUL ACTS that are covered under any subsequent insurance you purchase, or that would be covered but for the exhaustion of the Limits of Insurance applicable to such claims or suits.

12. Optional Extended Reporting Period

a. We will provide an Optional Extended Reporting Period, as described below, if:

   1. This policy is canceled or non-renewed; or
   2. We renew or replace this policy with insurance that does not apply to a WRONGFUL ACT or RELATED WRONGFUL ACTS on a Claims Made basis.

b. An Optional Extended Reporting Period Endorsement of one year duration is available but only by separate endorsement to this policy and for an additional premium not to exceed 200% of the annual premium for this policy.

c. The NAMED INSURED must give us a written request for the Optional Extended Reporting Period endorsement within thirty days after the end of the Policy Period. The Optional Extended Reporting Period will not go into effect unless the NAMED INSURED pays the additional premium and any premium or deductible you owe us for coverage provided under this policy, within thirty days after the end of the Policy Period. We shall determine the additional premium in accordance with our applicable rules, rates and underwriting practices. Once in effect, this Optional Extended Reporting Period will be in force for up to one year from the date of the request.
Reporting Period endorsement may not be cancelled and the premium will be considered fully earned.

d. The Optional Extended Reporting Period applies only to claims:
   1. First made and reported to the COMPANY within the Optional Extended Reporting Period;
   2. In which the WRONGFUL ACT or RELATED WRONGFUL ACTS occur before the end of the Policy Period; and
   3. In which the WRONGFUL ACT or RELATED WRONGFUL ACTS did not commence before the RETROACTIVE DATE, if any, as shown in the Declarations.

e. The Optional Extended Reporting Period does not:
   1. Extend the Policy Period or change the coverage provided;
   2. Reinstate or increase the Limits of Insurance. The Limits of Insurance available for the Optional Extended Reporting Period shall be the remaining amount, if any, of the Limits of Insurance available at the time this policy was cancelled or nonrenewed, or renewed or replaced with insurance that does not apply to a WRONGFUL ACT or RELATED WRONGFUL ACTS on a Claims Made basis.
   3. Apply to claims that are covered under any subsequent insurance you purchase, or that would be covered but for the exhaustion of the Limits of Insurance applicable to such claims or suits.
   4. Provide primary coverage. This Optional Extended Reporting Period is excess over any other available insurance after the Optional Extended Reporting Period begins.
DISTRICTS' SCHOOL BOARDS OF THE STATE OF FLORIDA

Alachua County Public Schools  School Board of Levy County
Baker County School District  Liberty County School District
Bay District Schools  District School Board of Madison County
Bradford County School District  Manatee County Public Schools
Brevard County Schools  Marion County Public Schools
Broward County Public Schools  Martin County School District
Calhoun County School District  Monroe County Schools
Charlotte County Public Schools  Nassau County School District
Citrus County Schools  Okaloosa County School District
Clay County Schools  Okeechobee County School District
Collier County Public Schools  Orange County Public Schools
Columbia County School District  School District of Osceola County
Miami-Dade County Public Schools  The School District of Palm Beach County
The School District of DeSoto  Pasco County School District
Dixie District Schools  Pinellas County Schools
Dozier/Okeechobee District (Wash. Special)  Polk County Public Schools
Duval County Public Schools  Putnam County School District
Escambia County School District  St. Johns County School District
Flagler County School District  St. Lucie Public Schools
Franklin County District Schools  Santa Rosa County School District
Gadsden County Schools  Sarasota County Schools
Gilchrist County School District  Seminole County Public Schools
Glades County School District  Sumter County School District
Gulf County Schools  Suwannee County School Board
School District of Hamilton County  Taylor County School District
Hardee County Schools  Union County School District
Hendry County District Schools  Volusia County Schools
Hernando County School District  Wakulla County Schools
The School Board of Highlands County  Walton County School District
Hillsborough County Public Schools  Washington County School District
Holmes District School Board  Florida School for the Deaf & Blind
School District of Indian River County  Florida Virtual School
Jackson County School Board  FAU LAB School
Jefferson County School District  FSU LAB School
Lafayette District Schools  FAMU LAB School
Lake County Schools  UF LAB School
The School District of Lee County
Leon County Schools

DISTRICTS' SCHOOLS BOARDS shall also include Charter Schools established pursuant to Florida Statute 1002.33.
This endorsement modifies insurance under the following:

**Educators Professional Liability Insurance Endorsement – Statutory Requirements Imposed On The Named Insured**

The following is added to the conditions section of the policy:

**Statutory Requirements Imposed on You**

You, as a **Named Insured** or a qualified self-insurer, may be subject to specific requirements (such as reporting certain claims data), by State or Federal law (including but not limited to the Medicare, Medicaid and State Children’s Health Insurance Program Extension Act of 2007). Even if you contract with a Service Organization (Third Party Claims Administrator) to handle the administration, investigation, or settlement of any loss or claim covered under this policy, you are still ultimately responsible for compliance with such laws.

When by law you are designated as the responsible reporting entity for compliance with such State or Federal law, we will not:

1. Advise you of such laws, unless we are legally required to do so;
2. Assume any of the obligations imposed on you by such law;
3. Pay any expenses incurred by you to comply with such law;
4. Pay any penalty or fine for which you are held liable for failing to comply with such State or Federal law.

**Damages and Defense Expenses** do not include the expenses or payments described in Paragraphs 3. and 4. above.

All other terms and conditions of the policy remain unchanged.
EXCESS LOSS FUND PROTECTION COVERAGE ENDORSEMENT

LOSS FUND: $400,000
Excess LOSS FUND Protection Annual Aggregate Limit: $1,000,000

1. This Policy contains a Deductible as listed in the ITEM 5 of the Declarations of this policy. The NAMED INSURED is responsible for the payment of the Deductible in accordance with the terms and conditions of this policy.

2. The LOSS FUND is the aggregate amount stated above to be paid by the NAMED INSURED for covered loss amounts incurred during the Policy Period within the Deductible as listed in the ITEM 5 of the Declarations of this policy.

3. Each payment made by the NAMED INSURED for covered loss amounts within the Deductible shall reduce the outstanding LOSS FUND by the amount of such payment until the LOSS FUND is exhausted. Upon exhaustion of the LOSS FUND stated above, the COMPANY’S obligation to pay covered loss amounts within the Deductible on behalf of the NAMED INSURED begins.

4. The amount of payment(s) made by the COMPANY on behalf of the NAMED INSURED under this endorsement:
   a) Shall not be for more than the applicable Deductible; and
   b) Shall not be greater than the Excess LOSS FUND Protection Annual Aggregate Limit, as stated above.

5. Each payment made reduces the COMPANY’S Excess LOSS FUND Protection Annual Aggregate Limit by the amount of such payment.

6. The COMPANY’S duty to pay on behalf of the NAMED INSURED under this endorsement ends when the Excess LOSS FUND Protection Annual Aggregate Limit has been exhausted by payments on behalf of the INSURED.

The following is added to the Definitions section under this policy:

LOSS FUND means the aggregate United States Dollar amount specified in the Declarations to be paid by the NAMED INSURED for covered loss amounts incurred during the Policy Period within the Deductible specified in the Declarations.

Except as amended in this Endorsement, this insurance is subject to all coverage terms, clauses and conditions in the policy to which this Endorsement is attached.