

**ARCHITECTS AND ENGINEERS  
EMPLOYMENT PRACTICES LIABILITY COVERAGE**  
With Third Party Coverage

In consideration of the additional premium paid, the Insurer and the **Named Company Insureds** agree that the following amendments are made a part of the Policy:

A. For the purposes of the coverage provided by this endorsement, the General Terms and Conditions are amended as follows:

1. Section III., Extended Reporting Period, item 4., is deleted in its entirety and replaced with the following:

The limit of liability for the Extended Reporting Period shall be part of and not in addition to the limits of liability for the final **Policy Year**.

2. Section V., LIMIT OF LIABILITY/ RETENTIONS is amended by the addition of the following new paragraphs:

a. Defendants Reimbursement

The Insurer will pay an individual non complainant **Named Company Insured** up to \$300 a day, subject to a maximum of \$7,500 per **Claim**, because of time off from work for attendance, at the Insurer's request, at a trial, hearing or deposition involving a civil suit, **mediation** or arbitration proceeding against the non-complainant **Named Company Insured** that is covered by this **Coverage Part**. Payments made under this section are at the Insurer's costs, are not subject to the Retention and are in addition to the limit of liability shown on the Declarations.

3. Section V., Limit of Liability/ Retention items, 2., 3., 4., and 5. are deleted in their entirety and replaced with the following:

2. Where the Single Limit of Liability Option and Single Retention Option has been selected:

a. the limit of liability set forth in Item 5 of the Declarations shall be the maximum aggregate limit of liability of the Insurer per **Policy Year** for all **Loss** under this Policy, regardless of the number of **Coverage Parts** purchased or **Claims** made against or **Losses** incurred by the **Named Company Insureds**. The Insurer's obligations under this Policy per **Policy Year** shall be completely fulfilled and extinguished if the limit of liability per **Policy Year** is exhausted by payment of **Loss**;

b. the single retention set forth in Item 5. of the Declarations shall apply to each **Single Loss** per **Policy Year**.

3. Where the Single Limit of Liability Option and Scheduled Retentions Option has been selected:

a. the limit of liability set forth in Item 5 of the Declarations shall be the maximum aggregate limit of liability of the Insurer per **Policy Year** for all **Loss** under this Policy, regardless of the number of **Coverage Parts** purchased or **Claims** made against or **Losses** incurred by the **Named Company Insureds**. The Insurer's obligations under this Policy per **Policy Year**



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shall be completely fulfilled and extinguished if the limit of liability per **Policy Year** is exhausted by payment of **Loss**;

- b. Separate Retentions as set forth in Item 5 of the Declarations as the Scheduled Retentions shall apply to each **Single Loss** per **Policy Year** under each Coverage Part.
4. Where the Scheduled Limits of Liability and Scheduled Retentions Option has been selected:
- a. the scheduled Limits of Liability set forth in Item 5 of the Declarations as the Scheduled Limits of Liability for each **Coverage Part** shall be separate Limits of Liability for each such **Coverage Part** and shall be the maximum aggregate limit of liability of the Insurer per **Policy Year** for all **Loss** under the respective **Coverage Part**, regardless of the number of **Claims** made against the **Named Company Insureds** during the **Policy Year**;
  - b. Separate Retentions as set forth in Item 5 of the Declarations as the Scheduled Retentions shall apply to each **Single Loss** per **Policy Year** under each **Coverage Part**.
5. If the limit of liability per **Policy Year** for any **Coverage Part** is exhausted by payment of **Loss**, the Insurer's obligations under such **Coverage Part** shall be deemed completely fulfilled and extinguished.
4. Section V. LIMIT OF LIABILITY/ RETENTIONS is amended by the addition of the following new paragraph:
- The **Policy Year** limits of liability as set forth above may not be aggregated or transferred, in whole or in part, so as to provide any additional coverage in respect of **Claims** first made or deemed made during any other **Policy Year**. If the limits of liability as specified above for any **Policy Year** are exhausted, the Insurer's obligation for that **Policy Year** shall be completely fulfilled and extinguished.
5. Section VI., DEFENSE/ SETTLEMENT/ ALLOCATION, is amended by the addition of the following new paragraph:
- Retention Credit
- a. If the **Named Company** engages a **designated employment practices attorney**, or any outside legal counsel approved in writing by the Insurer to review the **Named Company's** or any **Subsidiary's** employment policies, procedures, or manuals related to discrimination, harassment, or hiring, firing, promoting, supervising or disciplining employees in the **Named Company's** or **Subsidiary's** workplace, not more than two years prior to the date that a **Claim** is first made but before the date the **Claim** is made, provided that such **Claim** is made against the **Named Insured** or **Subsidiary** whose employment practices were reviewed; the Retention obligation applicable to that **Claim** will be reduced, dollar for dollar, by the total amount paid by the **Named Company** for the legal review, subject to a maximum reduction of 50% of the original Retention obligation.
6. Section VI. DEFENSE/ SETTLEMENT/ ALLOCATION, paragraph 2., Settlement, item a., Consent, is deleted in its entirety and replaced with the following:



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2. Settlement

a. Consent

The Insurer shall not settle a **Claim** without the written consent of the **Named Company**.

7. Section VII. NOTICE/ DATE OF CLAIM/ INTERRELATED CLAIM CLAUSE, item 1 is deleted in its entirety and replaced with the following:

1. If, during the **Policy Year** or any Extended Reporting Period, if applicable, any **Claim** is first made against the **Named Company Insureds**, the **Named Company Insureds** shall, as a condition precedent to the obligations of the Insurer under this Policy, give written notice to the Insurer as soon as practicable but in no event later than ninety days after the **Policy Year** or Extended Reporting Period, if applicable.

8. Section VII. NOTICE/ DATE OF CLAIM/ INTERRELATED CLAIM CLAUSE, the first paragraph of item 2 is deleted in its entirety and replaced with the following:

If during the **Policy Year** or the Extended Reporting Period, if applicable, the **Named Company Insureds** first become aware of a specific **Wrongful Act** which may reasonably give rise to a future **Claim** and during such period give written notice to the Insurer of:

9. Section VII. NOTICE/ DATE OF CLAIM/ INTERRELATED CLAIM CLAUSE, paragraph 2. is amended by the addition of the following new paragraph:

Until the date a **Claim** is made, the Insurer will pay for all costs or expenses the Insurer incurs at the Insurer's sole discretion, as a result of investigating a **Wrongful Act** which may reasonably give rise to a future **Claim** that the non-complainant **Named Company Insured** reports in accordance with this Section.

B. For the purposes of the coverage provided by this endorsement, the Employment Practices Liability Coverage Part is amended as follows:

1. Section I., INSURING AGREEMENT, is deleted in its entirety and replaced with the following:

The Insurer shall pay on behalf of **Named Company**, any **Subsidiary** or any **Insured Person Loss** resulting from any **Claim** first made against the **Named Company Insureds** during the **Policy Year** or the Extended Reporting Period, if applicable by or on behalf of:

- a. a natural person who is an **Employee** or applicant for employment for a **Wrongful Employment Practice**;
- b. any other natural person but solely for a **Wrongful Employment Practice** which is one of discrimination or harassment.



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2. Section II., DEFINITIONS, of the Employment Practices Liability Coverage Part is amended by the addition of the following new definitions:

**Designated Employment Practices Attorney** means an attorney or law firm on a list maintained by the Insurer, such list being made available to the **Named Company**.

**Mediation** means the use of non-binding intervention by a neutral third party.

**Policy year** means each annual period within the **Policy Period** stated in the Declarations. If the length of the **Policy Period** is the same as the **Policy Year**, the terms **Policy Period** and **Policy Year** are used interchangeably herein.

All other terms and conditions of the Policy remain unchanged.

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ENDORSEMENT NUMBER: G139011A (01/01)  
POLICY NUMBER: EPK  
ISSUED TO:

EFFECTIVE DATE OF ENDORSEMENT:

This endorsement, which forms a part of and is for attachment to the above referenced, takes effect on the effective date of said Policy at the hour stated in said Policy, unless another effective date is shown above, and expires concurrently with said Policy.

By Authorized Representative

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(No signature is required if this endorsement is issued with the Policy or if it is effective on the Policy Effective Date)

