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One Tower Square, Hartford, Connecticut 06183

**PUBLIC ENTITY EMPLOYMENT-RELATED PRACTICES  
LIABILITY COVERAGE PART DECLARATIONS**

**POLICY NO.:** ZAS-11S78098-12-PA  
**ISSUE DATE:** 12/29/11

**THIS COVERAGE IS PROVIDED ON A CLAIMS-MADE BASIS  
DEFENSE EXPENSES ARE PAYABLE WITHIN, AND ARE NOT IN ADDITION TO, THE LIMITS OF INSURANCE**

**INSURING COMPANY:** THE TRAVELERS INDEMNITY COMPANY

**POLICY PERIOD:** From 01/01/12 to 01/01/13 12:01 A.M. Standard Time at your mailing address shown in the Common Policy Declarations.

The Public Entity Employment-Related Practices Liability Coverage Part consists of these Declarations and the Coverage Form shown below.

**1. COVERAGE AND LIMITS OF INSURANCE:**

<b>PUBLIC ENTITY EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE FORM</b>	<b>LIMITS OF INSURANCE</b>
Aggregate Limit	\$2,000,000
Each Wrongful Employment Practice Offense Limit	\$2,000,000

**2. RETROACTIVE DATE:** 7/10/89

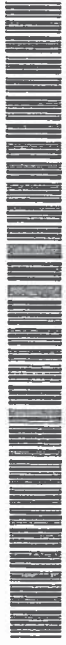
**3. DEDUCTIBLE:**

Each Wrongful Employment Practice Offense Deductible \$

**4. NUMBERS OF FORMS, SCHEDULES AND ENDORSEMENTS FORMING THIS COVERAGE PART ARE ATTACHED AS A SEPARATE LISTING.**

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any outstanding claim or "suit" previously reported to us if:

- a. We and you agree; or
- b. A court orders you to do so.

If the available limit of insurance is used up, we will notify you as soon as practicable of all outstanding claims or "suits", so you can arrange to take over control of their defense.

We agree to take whatever steps are necessary during a transfer of control of defense of an outstanding claim or "suit" to continue that defense and avoid a default judgment during such transfer. When we take such steps, you agree that we do not waive or give up any of our rights. You also agree to repay the reasonable expenses we incur for such steps taken after the available limit of insurance is used up.

**9. Transfer Of Rights Of Recovery Against Others To Us**

If the insured has rights to recover from others all or part of any payment we have made under this Coverage Part in connection with a claim or "suit", those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring suit or initiate an alternative dispute resolution proceeding to enforce those rights, or will transfer those rights to us and help us enforce them.

We will apply any amounts recovered in enforcing those rights of recovery in the following order:

- a. First, we will reimburse any person or organization (including us or the insured) any amount that person or organization has paid in excess of the limits of insurance.
- b. Then, if there is any amount remaining, we will retain an amount equal to the amount we have paid under this Coverage Part in connection with the claim or "suit".
- c. Finally, if there is any amount remaining, we will pay that amount to the insured, including any amounts within any applicable deductible or self-insured retention.

If any amounts are recovered in enforcing those rights of recovery, reasonable expenses incurred in enforcing such rights will be shared among all persons or organizations receiving amounts recovered. Each such person's or organization's share of those expenses is based on the ratio of its amount recovered to the total amounts recovered by

all such persons or organizations in enforcing such rights.

If the insured has agreed in a contract or agreement to waive that insured's right of recovery against any person or organization, we waive our right of recovery against such person or organization, but only for payments we make because of "employment loss" caused by a "wrongful employment practice offense" committed subsequent to the execution of the contract or agreement.

**10. When We Do Not Renew**

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Common Policy Declarations written notice of the nonrenewal not less than 30 days before the end of the policy period.

If such notice is mailed, proof of mailing will be sufficient proof of such notice.

**11. Endorsements Applicable To Employment-Related Practices Liability Coverage Part**

Any endorsement to this policy that states that it modifies insurance provided under the Employment-Related Practices Liability Coverage Part will be deemed to modify the insurance provided under this Coverage Part.

**SECTION VI - EXTENDED REPORTING PERIODS**

- 1. We will provide one or more Extended Reporting Periods, as described below, if this Coverage Part is canceled or not renewed, or replaced or renewed by us with insurance that applies on other than a claims-made basis.
- 2. Extended Reporting Periods do not extend the policy period or change the scope of coverage provided. They apply only to claims or "suits" for "employment loss" caused by a "wrongful employment practice offense" committed before the end of the policy period and after the Retroactive Date.

Once in effect, Extended Reporting Periods may not be canceled.

- 3. A Basic Extended Reporting Period is automatically provided without additional charge. This period starts with the end of the policy period and lasts for 90 days.

The Basic Extended Reporting Period does not apply to claims or "suits" that are covered under any future insurance you purchase, or that would be covered under such insurance but for the exhaustion of its applicable limit of insurance.

4. The Basic Extended Reporting Period does not reinstate or increase the limits of insurance.
5. A Supplemental Extended Reporting Period of 12 months is available, but only by an endorsement and for an extra charge. This supplemental period replaces the Basic Extended Reporting Period.

The Supplemental Extended Reporting Period will not go into effect unless we receive all of the following within 90 days after the end of the policy period and you have fulfilled all other duties, and complied with all other conditions and requirements, under this policy:

- a. A written request from you to purchase the Supplemental Extended Reporting Period Endorsement;
- b. Full payment of the earned premium for this policy;
- c. Payment of the additional premium for the Supplemental Extended Reporting Period Endorsement; and
- d. Repayment of any deductible you owe us under this policy.

We will determine the additional premium for that endorsement in accordance with our rules and rates. The additional premium will not exceed 75% of the annual premium for this Coverage Part.

This endorsement will set forth the terms, not inconsistent with this Section VI - Extended Reporting Periods, applicable to the Supplemental Extended Reporting Period, including a provision to the effect that the insurance afforded for claims or "suits" first made or brought against any insured during such period is excess over any valid and collectible other insurance available under insurance in force after the Supplemental Extended Reporting Period starts.

6. The Supplemental Extended Reporting Period does not reinstate or increase the limits of insurance.

#### SECTION VII - DEFINITIONS

1. "Bodily injury" means:

- a. Physical harm, including sickness or disease, sustained by a person; or
- b. Mental anguish, injury or illness, or emotional distress, resulting at any time from such physical harm, sickness or disease.

2. "Coverage territory" means:

- a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
- b. All other countries or jurisdictions in the world except the "prohibited area"; or
- c. International waters or airspace, unless the "employment loss" is caused by a "wrongful employment practice offense" committed in the course of travel or transportation to, from or within the "prohibited area";

provided that the insured's responsibility to pay damages is determined in a "suit" on the merits brought in the territory described in Paragraph a. above or in a settlement we agree to.

3. "Defense expenses":

- a. Means any of the following fees, costs or expenses which can be directly allocated to a particular claim or "suit":

- (1) Fees of attorneys, or other authorized representatives where permitted, for legal services, whether by outside or staff representatives; or

- (2) Court, alternative dispute resolution and other specific items of expense, whether incurred by an outside vendor or by one of our employees, including:

- (a) Expert testimony;
- (b) Autopsy;
- (c) Witnesses and summonses;
- (d) Copies of documents such as birth and death certificates and medical treatment records;
- (e) Arbitration fees;
- (f) Fees or costs for surveillance or other professional investigations which are conducted as part of handling of a claim or "suit"; and
- (g) Fees or costs for loss prevention and engineering personnel for services which are conducted as part of handling of a claim or "suit".

- b. Does not include:

- (1) Our expenses, including salaries, overhead and traveling expenses of our employees, except for those fees, costs or expenses described in Paragraphs a.(1) and

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