SEXUAL MISCONDUCT LIABILITY ~~COVERAGE~~

Refer to the ~~Supplemental~~ Declarations if information is not shown on this form.
~~***W****e provide coverage under this*~~This endorsement is subject to the ***terms*** contained in ~~the General Liability Coverage. This endorsement forms a part of the~~***your*** policy ~~identified below:~~.

~~Policy No. _____~~

~~***Named Insured*** _____~~

~~The Limits of Liability stated in the Declarations for Coverage L do not apply to the ***Sexual Misconduct*** Liability Coverage. The ***Occurrence*** Limit and Aggregate Limit for ***Sexual Misconduct*** Liability Coverage are shown below. The ***Occurrence*** Limit and Aggregate Limit stated below do not increase the Limits of Liability for Coverage L.~~
~~***Sexual Misconduct*** Limits of Liability~~

SCHEDULE

Limits Of Liability

$ _____ Each ***Occurrence*** ~~Limit~~

$ _____ Aggregate ~~Limit~~

DEFINITIONS

The following definitions ~~are added~~apply to ~~the~~ this policy form:

1. ~~***Sexual Misconduct*** Liability Coverage:~~ ***Sexual*** ~~***Harassment***~~ ***harassment*** means unwanted sexual advances, requests for sexual contact, or physical, verbal or visual conduct of a sexual nature that:
   a. Results from any unlawful employment practice as set forth in any applicable federal law, state law, municipal code or ordinance;
   b. Affects a term or condition of employment;
   c. Interferes with a person's ability to perform their job; or
   d. Creates a hostile work environment for any person.
2. ***Sexual*** ~~***Misconduct***~~***misconduct*** means any activity~~,~~ of a sexual nature, whether permissible or not~~, of a sexual nature, including~~. ***Sexual misconduct*** includes but is not limited to~~,~~: sexual assault, sexual abuse, sexual battery, sexual relations, sexual acts or related activities, exposure of sexual organs, lewd or lascivious behavior or indecent exposure, fornication, unauthorized touching, acts of a prurient nature or the photographic, video or other reproduction of sexual activity.
   Sexual misconduct does not include ***sexual harassment***.
3. ***Sexual*** ~~***Misconduct Occurrence***~~***misconduct occurrence*** means ~~an~~a single act~~, including~~ or continuous ~~or~~, repeated or sporadic exposure to any substantially similar act of ***sexual misconduct*** by one person, or by two or more people, acting in concert to commit such an act, or any breach of duty arising out of, or related to, such an act. All acts of ***sexual misconduct*** by one person, or by two or more people acting in concert to commit such an act, and all breaches of duty arising out of, or related to, such an act shall be deemed to be a single ***sexual misconduct occurrence***.
~~4. ***Vicarious Liability*** means passive liability of the ***insured*** resulting from the type of relationship with the person who committed the ***wrongful act***, when the ***insured*** didn't know about, consent to, participate in, or cover up the commission of the ***wrongful act***.~~
~~5. ***Wrongful Act*** means any alleged or actual ***sexual misconduct*** toward another person.~~

WHAT *WE* PAY FOR

The following coverage is added to Coverage L-***Bodily Injury*** And ***Property Damage***.

1. ***We*** ~~will~~ pay ~~up to the ***sexual misconduct*** limits of liability all~~those sums ~~which~~when the ***insured*** ~~shall become~~is legally obligated to pay ~~in~~ damages ~~for settlements and judgments~~ because of ***bodily injury*** ~~that arises~~arising out

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of ~~a ***wrongful act***~~any actual, alleged or threatened ***sexual misconduct occurrence*** toward another person.

Sexual Misconduct Liability applies only if the ***bodily injury*** is caused by a ***sexual misconduct occurrence***~~, when the wrongful act is committed without the participation, direction, knowledge or consent of the ***insured*** and:~~

~~1. The ***insured*** is held responsible only for ***vicarious liability***; or~~

~~2. The liability arises out of the ***insured's*** negligent employment, investigation, supervision, retention, training or failure to report to authorities a person who committed, or is alleged to have committed, a ***wrongful act***.~~

~~The ***bodily injury*** must take~~ which takes place during the policy period and in the ***coverage territory***~~, which is the United States~~.

~~***We*** will not accept any obligations or liability to pay additional sums or to perform acts or services unless the coverage is specifically provided for in the Claims and Defense Expense Coverage contained in the Supplementary Payments section of ***your*** policy.~~

~~***We*** shall have the right and duty to defend the ***insured*** against any ***suit*** seeking covered damages, even if any of the allegations of the ***suit*** are groundless, false or fraudulent, provided the ***suit*** originates from ***bodily injury*** that is not otherwise excluded. ***We*** may make any investigation and settle any claim or ***suit*** that ***we*** decide is appropriate. ***We*** are not obligated to provide a defense, after ***we*** have paid, either by judgment or settlement, an amount equal to ***our Sexual Misconduct*** Limits of Liability.~~

However, this coverage does not apply to any claim or ***suit*** brought against any person who participates in, directs, knowingly allows, or consents to, ***sexual misconduct***.

WHAT *WE* DO NOT PAY FOR

~~All of the Exclusions in the General Liability Coverage apply to ***Sexual Misconduct*** Liability Coverage unless specifically stated in this endorsement.~~

A. The following exclusions are added to ~~the Exclusions shown in the General Liability~~ Coverage L-***Bodily Injury*** And ***Property Damage***, and ~~are~~when applicable to ~~this ***Sexual Misconduct***~~***your*** policy, Coverage P-***Personal And Advertising Injury*** Liability ~~Coverage~~.

1. ***Sexual Misconduct*** Liability ~~Coverage~~coverage does not apply to:

~~1.~~a. Any person who participates in, directs, knowingly allows, or consents to, ***sexual misconduct***;

~~2~~b. The cost of investigation, defense, supplementary payments or settlement of any claim or ***suit*** brought against any person who participates in, directs, knowingly allows, or consents to, ***sexual misconduct***;

~~3. Claims~~c. Any claims for ***property damage***, ***personal ~~injury~~*** ~~,~~***and advertising injury***, ~~medical payments to others,~~ professional services, contractual liability or ~~products~~ liability~~,~~ arising out of ***your product*** whether contained in the ***products~~-~~/completed operations hazard*** or otherwise;

~~4~~d. The cost of investigation, defense, supplementary payments or settlement of any claim or ***suit*** arising out of a violation of a criminal statute;

~~5~~e. The cost of investigation, defense, supplementary payments or settlement of any claim or ***suit*** arising out of professional liability based on ecclesiastical law, statute, canon, rule or regulation; ~~or~~

~~6~~f. Equitable relief, non-monetary relief, punitive or exemplary sums, multiple awards, fines or penalties imposed by law or any type of award held uninsurable as a matter of public policy, according to the law of the state in which this policy originated~~.~~;

g. Any claim or ***suit*** arising out of ***sexual misconduct*** between family members; or

h. Any claim or ***suit*** arising out of ***sexual misconduct*** committed by an ***employee***, ***temporary worker*** or ***volunteer*** if any ***insured*** had knowledge of such ***employee***, ***temporary worker*** or ***volunteer*** having a history of committing acts of ***sexual misconduct*** in the past, either during or prior to the inception of the policy period.

B. The following exclusion is added to Coverage M-Medical Payments.

1. ***We*** do not pay ***medical expenses*** for ***bodily injury*** arising out of a ***sexual misconduct occurrence***.

HOW MUCH *WE* PAY FOR LOSS OR CLAIM

~~The following~~ This section is ~~added~~in addition to ~~the~~ all applicable provisions of How Much ***We*** Pay For Loss Or Claim ~~Section of~~in ***your*** policy ~~as it relates to~~. Settlement of ***Sexual Misconduct*** Liability ~~Coverage:~~losses covered by this endorsement will be made in accordance with the following provisions:

1.~~—~~ The Aggregate limit of liability shown in the Schedule is the most ***we*** pay for damages during a policy period for ***Sexual Misconduct*** ~~Limits of~~ Liability ~~stated above fix the maximum amounts ***we*** will pay regardless of the number of:~~.

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~~a. Persons insured under this coverage;~~
~~b. Number of claimants;~~
~~c. Parties who sustain injury or damage;~~
~~d. Claims made or suits brought; or~~
~~e. Number of policies or policy periods involved.~~

2. The Each ***Occurrence*** ~~Limit set forth~~limit of liability shown in the Schedule, subject to 1. above, is the most ***we*** ~~will~~ pay for ~~a covered~~ damages for ***Sexual Misconduct*** Liability arising out of a ***sexual misconduct occurrence*** ~~during the policy period.~~**.**

~~3. The Aggregate Limit set forth above is the most ***we*** will pay in any one policy period for the sum of all covered ***sexual misconduct occurrences*** during the policy period.~~

3. Payments made under ***Sexual Misconduct*** Liability, as stated in 1. and 2. above, will reduce the Coverage L each ***occurrence*** and aggregate limits of liability.

All other ***terms*** and conditions remain unchanged.

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