DIRECTORS AND OFFICERS LIABILITY
(Associations of Owners)

Refer to Supplemental Declarations if information is not shown on this form.
We provide coverage under this endorsement subject to the ***terms*** contained in the ~~General~~ Liability ~~Coverage~~coverage.

This endorsement forms a part of the policy identified below:
Policy No. _____.
Insured: _____.
Endorsement Period: Inception _____ Expiration _____.

DEFINITIONS
Those words which are bolded and italicized in this endorsement have specific meanings. Those meanings include:

1. ***Bodily Injury*** means ***bodily injury***, bodily sickness or bodily disease sustained by any person which occurs during the term of this endorsement, including death at any time resulting from such ***bodily injury***, bodily sickness or bodily disease.
2. ***First Named Insured*** shall be the first listed and primary ***insured*** authorized to act on behalf of all ***insureds***.
3. ***Insured/Named Insured*** means the individual(s), partnership(s), corporation(s) or other entities shown as ***insureds*** under this endorsement.
4. ***Property Damage*** means physical injury to or destruction of tangible property which occurs during the term of this endorsement, including loss of use at any time resulting from such physical injury or destruction. It also means the loss of use of tangible property which has not been physically injured or destroyed providing such loss of use is caused by a covered ***occurrence*** during the term of this endorsement.
5. ***Suit*** means a civil proceeding~~s~~ in which damages to which this endorsement applies are alleged. ***Suit*** also means arbitration and other quasi-judicial proceedings to which *you* are obliged to submit or submit with ***our*** consent.
6. ***Wrongful Act***~~(s)~~ means any actual or alleged error, omission, mistake, neglect or breach of duty by an ***insured*** solely within their capacity as an ***insured*** acting on behalf of the above named organization or association of owners.

HOW MUCH *WE* PAY FOR LOSS OR CLAIM
The limits of liability applicable to Directors and Officers Liability are as follows.
Limits of Liability:

$ _____ Each ***Wrongful Act***.
$ _____ Aggregate.

Uninsured Retention $ _____ per individual, per each alleged or actual ***Wrongful Act***.

WHAT *WE* PAY FOR
We pay on behalf of the ***insured*** all sums which the ***insured*** shall be legally obligated to pay as damages resulting from ***wrongful acts*** of the ***insured*** or any other person for whose acts the ***insured*** is legally responsible. The ***wrongful act*** must first occur during the term of this endorsement and it must rise solely from the ***insured's*** conduct as an officer or director of the Association of Owners shown in ***your*** policy. ***We*** pay only that amount in excess of the uninsured retention amount and ***we*** do not pay more than the limit of liability for each ***wrongful act*** and for the aggregate.

We assume no other obligations or liability to pay sums or to perform acts or services unless the coverage is specifically provided for in the Supplementary Payments. ***We*** shall have the right and duty to defend any ***suit*** seeking damages~~, even if any of the allegations of the ***suit*** are groundless, false or fraudulent,~~ provided the ***suit*** resulted from ***bodily injury*** or ***property damage*** not excluded under this coverage. ***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*** limit of liability.

SUPPLEMENTARY PAYMENTS

This endorsement provides the following Supplementary Payments. These Supplementary Payments are subject to the ***terms*** of the Principal Coverages. These Supplementary Payments do not increase the limit of liability stated for the Principal Coverages except: Claims and Defense Expense Coverage.

1. **Claims and Defense Expense Coverage**-***We*** pay the following expenses incurred in connection with a ***suit*** defended by ***us*** under the ***bodily injury*** and/or ***property damage*** liability coverage:
   a) costs taxed to the ***insured***;
   b) expenses incurred by ***us***;
   c) actual loss of earnings by an ***insured***, up to $100 per day, for time spent away from ***work*** at ***our*** request;
   d) other necessary expenses incurred at ***our*** request;
   e) pre-judgment interest awarded against the ***insured*** on that part of the judgment ***we*** pay. If ***we*** make an offer to pay the applicable limit of insurance, ***we*** will not pay any pre-judgment interest based on that period of time after the offer;
   f) interest accruing after entry of a judgment but ending when ***we*** tender or pay up to the applicable limit of liability;
   g) premiums on appeal bonds or bonds to release attachments up to ***our*** limit of liability (***we*** are not required to apply for or furnish any bonds); and
   h) premiums up to $500 per bail bond required of any ***insured*** because of an accident or traffic law violation arising out of the use of any vehicle to which this policy applies. (***We*** are not required to apply for or furnish any bonds).

EXCLUSIONS

We do not pay for any claim or ***suit***:

1. alleging fraud, dishonesty or other criminal acts or omissions, however, ***we*** will reimburse all amounts collectible under this policy if all the allegations are subsequently proven false;
2. alleging false arrest, detention or imprisonment; libel, slander or defamation of character; discrimination or other civil rights violations; or wrongful entry, wrongful eviction, invasion of privacy or any act of malicious prosecution;
3. alleging ***bodily injury***, bodily sickness, bodily disease or death, personal injury, advertising injury, mental anguish or distress or damage to or destruction of property including loss of use of such property;
4. seeking non-pecuniary relief, seeking an accounting of profits and/or losses made from the purchase or sale of securities, and for any dispute as to salary, bonuses or other remuneration awarded to officers or directors of the organization by the Board of Directors or Governors of the organization;
5. alleging a failure to effect or maintain adequate insurance or bond coverages or any claim arising out of the gaining in fact of any profit or advantage to which an ***insured*** is not legally entitled;
6. alleging a breach of fiduciary duty, responsibility or obligation in connection with any actual or alleged violation of the Employee Retirement Income Security Act or any similar promulgation under federal, state or local law or regulation;
7. brought by one ***insured*** against another covered under this same endorsement; and
8. alleging a cause of action arising out of or resulting directly or indirectly from any alleged occurrence of seepage, pollution or contamination of any sort or any real or threatened nuclear radiation, nuclear reaction or radioactive contamination.

ADDITIONAL CONDITIONS

Orderly transfer of duties when limits of liability are exhausted for each ***wrongful act*** or for the aggregate:

1. When ***we*** have paid an amount equal to the limits of liability shown, ***we*** will notify the ***first named insured*** in writing, as soon as practicable, that the applicable limit of liability has been exhausted. The notice will confirm that ***our*** duty to defend ***suits*** has terminated.
2. ***We*** will initiate and cooperate in the orderly transfer of control to any appropriate ***insured***. ***We*** will take such steps as ***we*** deem appropriate to avoid a default in or to continue the defense of such ***suits*** until the transfer to a cooperating ***insured*** is complete. ***We*** will not defend any other ***suits*** subject to those limits of liability which have been exhausted.
3. The ***insured*** must take control of the ***suit***, at their expense, within the agreed upon time or as soon as practicable in the absence of any agreement.
4. The ***first named insured*** is obliged to reimburse ***our*** expenses incurred in continuing the defense during the transition period referred to in 2. above. Reimbursement will be payable for all expenses ***we*** incur after providing the written notice referred to in 1. above.
5. The exhaustion of ***our*** limit of liability by payment of judgments or settlements, and the resulting termination of ***our*** duty to defend, will not be waived by ***our*** failure to comply with any of the provisions of 1. through 4. above.

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