



# SEXUAL ABUSE LIABILITY COVERAGE FORM

## THIS COVERAGE FORM PROVIDES CLAIMS-MADE COVERAGE PLEASE READ THE ENTIRE FORM CAREFULLY

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this Coverage Part:

1. The words "you", "your" and "Named Insured" refer to the Social Service Contractor shown in the Declarations;
2. The words "we", "us", "our" and "Pool" refer to the Social Service Contractors Indemnity Pool;
3. The word "insured" means any person or organization qualifying as such under Section II – Who Is An Insured; and
4. "Policy period" refers to the Rating Period shown in the Declarations.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section VI – Definitions.

### SECTION I - COVERAGE

#### A. Insuring Agreement

1. We will pay those sums that the insured becomes legally obligated to pay as damages because of "sexual injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "sexual injury" to which this insurance does not apply. We may, at our discretion, investigate any "sexual offense" and settle any "claim" or "suit" that may result. But:
  - a. The amount we will pay for damages and "Limited Supplementary Payments" is limited as described in Section III – Limits of Insurance; and
  - b. Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment under this

coverage of judgments, settlements or Limited Supplementary Payments.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Limited Supplementary Payments.

2. This insurance applies to "sexual injury" only if:
  - a. The "sexual injury" is caused by a "sexual offense" that is committed in the "coverage territory";
  - b. The "sexual offense" did not occur or commence before the Retroactive Date, if any, shown in the Declarations or after the end of the policy period; and
  - c. A "claim" for damages because of the "sexual injury" is first made against any insured, in accordance with Paragraph 3-5. below, during the policy period or any Extended Reporting Period we provide under Section V – Extended Reporting Periods.
3. A "claim" by a person or organization seeking damages will be deemed to have been made at the earlier of the following times:
  - a. When notice of such "claim" is received and recorded by any insured or by us, whichever comes first; or
  - b. When we make settlement in accordance with Paragraph 1. above.
4. All "claims" for damages because of "sexual injury" to the same person, including damages claimed by any person or organization for care, loss of services, or death resulting at any time from the "sexual injury", will be deemed to have been made at the time the first of those "claims" is made against any insured.



5. All "Claims" based upon, arising out of, directly or indirectly resulting from, in consequence of, or in any way involving the same "Sexual Offense" or "Interrelated Sexual Offenses" shall be deemed to have been made at the time the first of those "claims" is made against any insured. This is true regardless of the number of "Sexual Offenses," the period of time over which such offenses take place, or the number of "persons" against whom such "Sexual Offenses" are committed.

## B. Exclusions

This insurance does not apply to:

### 1. Contractual Liability

"Sexual injury" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement.

### 2. Workers' Compensation and Similar Laws

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

### 3. Employer's Liability

"Sexual injury" to:

- a. An "employee" of the insured arising out of and in the course of:
  - (1) Employment by the insured; or
  - (2) Performing duties related to the conduct of the insured's business; or
- b. The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph a. above.

This exclusion applies:

- a. Whether the insured may be liable as an employer or in any other capacity; and
- b. To any obligation to share damages with or repay someone else who must pay damages because of the injury.

### 4. War or Terrorism

"Sexual injury", however caused, arising, directly or indirectly, out of:

- a. War, including undeclared or civil war; or
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these; or
- d. "Terrorism", including any action taken in hindering or defending against an actual or expected incident of "terrorism"

regardless of any other cause or event that contributes concurrently or in any sequence to the injury or damage.

However, with respect to "terrorism", this exclusion only applies if one or more of the following are attributable to an incident of "terrorism":

- a. The total of insured damage to all types of property exceeds \$25,000,000. In determining whether the \$25,000,000 threshold is exceeded, we will include all insured damage sustained by property of all persons and entities affected by the "terrorism" and business interruption losses sustained by owners or occupants of the damaged property.

For the purpose of this provision, insured damage means damage that is covered by any insurance plus damage that would be covered by any insurance but for the application of any terrorism exclusions; or

- b. Fifty or more persons sustain death or serious physical injury. For the purposes of this provision, serious physical injury means:
  - (1) Physical injury that involves a substantial risk of death; or
  - (2) Protracted and obvious physical disfigurement; or



- (3) Protracted loss of or impairment of the function of a bodily member or organ; or
- c. The "terrorism" involves the use, release or escape of nuclear materials, or directly or indirectly results in nuclear reaction or radiation or radioactive contamination; or
- d. The "terrorism" is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
- e. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the "terrorism" was to release such materials.

Paragraphs **a.** and **b.**, immediately preceding, describe the thresholds used to measure the magnitude of an incident of "terrorism" and the circumstances in which the threshold will apply for the purpose of determining whether the Terrorism Exclusion will apply to that incident. When the Terrorism Exclusion applies to an incident of "terrorism", there is no coverage under this Coverage Part.

In the event of any incident of "terrorism" that is not subject to the Terrorism Exclusion, coverage does not apply to any loss or damage that is otherwise excluded under this Coverage Part.

Multiple incidents of "terrorism" which occur within a seventy-two hour period and appear to be carried out in concert or to have a related purpose or common leadership shall be considered to be one incident.

**5. Employment-Related Practices**

Any "claim" based upon an employment-related practice, policy, act or omission, even if "sexual abuse" is involved (for example, a "claim" for constructive termination due to "sexual abuse" of the claimant by another).

**6. Professional Liability**

"Sexual injury" arising out of:

- a. The rendering or failure to render:
  - (1) Medical, surgical, dental, x-ray or nursing service, treatment, advice or

instruction, or the related furnishing of food or beverages;

- (2) Any health, therapeutic, psychological, psychiatric, or counseling service, treatment, advice or instruction; or

- (3) Any service, treatment, advice or instruction for the purpose of appearance or skin enhancement, hair removal or replacement or personal grooming; or

- b. The furnishing or dispensing of drugs or medical, dental or surgical supplies or appliances.

- 7. Any claim involving, arising out of, resulting from, or in any way related to

- a. Any "Sexual Offense" or "Interrelated Sexual Offenses" of which claim has been made by any insured under any policy in effect prior to or at the inception of this policy;

- b. Any Sexual Offense committed by any "perpetrator" whose acts have given rise to any other claim for Sexual Offense in any policy issued to you by us, and in effect prior to or at the inception of this policy;

This exclusion precludes coverage for any and all claims arising out of a "Sexual Offense" or "Interrelated Sexual Offenses," including, but not limited to, claims based upon derivative or vicarious liability; claims for negligent supervision, training, or hiring; and claims against any person who is alleged to be liable, for any reason, for Sexual Injury inflicted by any insured.

**8. Criminal Acts**

Injury arising out of a criminal act, including but not limited to sexual abuse or molestation or fraud, committed or participated in by the insured or any person for whom the insured is legally responsible. We will defend an insured for covered civil action subject to the terms of this coverage form until either a judgment or final adjudication establishes such a "criminal act" or the insured confirms such act.



### C. Limited Supplementary Payments

We will pay, with respect to any "claim" we investigate or settle or any "suit" against an insured we defend:

1. Expenses we incur, including but not limited to "defense expenses".
2. The cost of appeals bonds and bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
3. All reasonable expenses, other than loss of earnings, incurred by the insured at our request to assist us in the investigation or defense of the "claim" or "suit", excluding salaries or other forms of compensation paid to "employees" of the insured.
4. All costs taxed against the insured in the "suit".
5. Prejudgment 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 prejudgment interest based on that period of time after the offer.
6. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will reduce the Limits of Insurance.

### SECTION II – WHO IS AN INSURED

1. If you are designated in the Declarations as:

- a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
- b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
- c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.

- d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
  - e. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.
2. Each of the following is also an insured:
- a. Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" or "volunteer workers" are insureds for "sexual injury":
    - (1) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;
    - (2) To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph (1) above; or
    - (3) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs (1) or (2) above.
  - b. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.
  - c. Any other person or organization with whom you have a written contract that requires you



to add such person or organization as an insured under this policy, but only with respect to that person's or organization's vicarious liability for actual damages solely caused by you and arising out of:

- (1) Your ongoing operations, other than the manufacture or assembly of goods or products, performed for that person or organization;
- (2) That person's or organization's financial control of you; or
- (3) A permit issued to you by a state or political subdivision.

For the purposes of this provision, "actual damages" is to have its usual and customary legal meaning and excludes punitive damages, restitution, penalties, and formula damages added to "actual damages", and any other enhanced damages.

The Limits of Insurance applicable to Paragraph c. above are the lesser of those specified in the contract or in the Declarations.

3. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:
  - a. Coverage under this provision is afforded only until the 120th day after you acquire or form the organization or the end of the policy period, whichever is earlier; and
  - b. Coverage does not apply to "sexual injury" that occurred before you acquired or formed the organization.
4. No person or organization is an insured with respect to:
  - a. The conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations;
  - b. Any "claim" or "suit" against that person or organization by any other insured; or
  - c. That person's actions as a "perpetrator".

### SECTION III – LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
  - a. Insureds;
  - b. "Perpetrators";
  - c. "Claims" made or "suits" brought; or
  - d. Persons or organizations making "claims" or bringing "suits".
2. The Aggregate Limit is the most we will pay for the sum of damages and Limited Supplementary Payments under this coverage.
3. Subject to 2. above, the Each Sexual Offense Limit is the most we will pay for the sum of damages and Limited Supplementary Payments under this coverage because of all "sexual injury" arising out of any one "sexual offense".
4. No one will be entitled to receive duplicate payments for the same elements of loss under this coverage and any other Coverage Part included in this policy.
5. The Aggregate Limit set forth in the declarations page attached to the policy in effect at the time a "claim" first is made against any insured, as determined pursuant to Section I, subsection A, paragraphs 3-5 of this policy, is the most we will pay for any and all claims for "Sexual Offense" or "Interrelated Sexual Offenses". This is true regardless of the number of acts of "sexual abuse", the period of time over which such acts take place, or the number of "persons" upon whom such acts of "sexual abuse" are inflicted.

If this policy, and any previously-issued policy issued to you by us, are ever deemed both to apply to "Sexual Offense" or "Interrelated Sexual Offenses" committed by the same "perpetrator" or by the same group of two or more "perpetrators" acting together or in concert, the most we will pay under this policy is \$5,000. This \$5,000 limit under this policy includes defense expenses and supplementary payments.
6. Our obligation to pay damages and Limited Supplementary Payments on an insured's behalf applies only to the amount of damages and Limited Supplementary Payments in excess of any Deductible amount stated in the Declarations.

The Deductible amount applies to all damages and Limited Supplementary Payments as the



result of any one "sexual offense", regardless of the number of persons who sustain damages because of that "sexual offense".

We 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 first Named Insured shall promptly reimburse us for such part of the Deductible amount as we have paid.

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

#### **SECTION IV – SEXUAL ABUSE LIABILITY CONDITIONS**

##### **1. Bankruptcy**

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

##### **2. Duties In The Event of Sexual Offense, Claim or Suit**

a. You must see to it that we are notified as soon as practicable of a "sexual offense" which may result in a "claim". To the extent possible, notice should include:

- (1) How, when and where the "sexual offense" took place;
- (2) The names and addresses of any injured persons and witnesses; and
- (3) The nature and location of any injury or damage arising out of the "sexual offense".

Notice of a "sexual offense" is not notice of a "claim".

b. If a "claim" is received by any insured, you must:

- (1) Immediately record the specifics of the "claim" and the date received; and
- (2) Notify us as soon as practicable.

You must see to it that we receive written notice of the "claim" as soon as practicable.

c. You and any other involved insured must:

- (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "claim" or a "suit";
- (2) Authorize us to obtain records and other information;
- (3) Cooperate with us in the investigation or settlement of the "claim" or defense against the "suit"; and
- (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.

d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

##### **3. Legal Action Against Us**

No person or organization has a right under this Coverage Part:

- a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or
- b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

##### **4. Other Insurance**

If other valid and collectible insurance is available to the insured for a loss we cover under this Coverage Part, our obligations are limited as follows:

###### **a. Primary Insurance**



This insurance is primary except when **b.** below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in **c.** below.

**b. Excess Insurance**

This insurance is excess over:

- (1) Any of the other insurance, whether primary, excess, contingent or on any other basis:
  - (a) That is effective prior to the beginning of the policy period shown in the Declarations of this insurance and applies to "sexual injury" on other than a claims-made basis, if:
    - (i) No Retroactive Date is shown in the Declarations of this insurance; or
    - (ii) The other insurance has a policy period which continues after the Retroactive Date shown in the Declarations of this insurance; or
  - (b) That is liability insurance purchased by any person or organization qualifying as an insured under Paragraph **2.c.** of Section II – Who Is An Insured, unless a written contractual arrangement specifically requires this insurance to be primary; or
  - (c) If the loss arises out of the maintenance or use of aircraft, autos or watercraft.
- (2) Any other primary insurance available to you covering liability for damages arising out of premises or operations for which you have been added as an additional insured by attachment of an endorsement.

When this insurance is excess, we will have no duty under this coverage to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

- (1) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- (2) The total of all deductible and self-insured amounts under all that other insurance.

We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

**c. Method of Sharing**

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

**5. Representations**

By accepting this policy, you agree:

- a. The statements in the Declarations are accurate and complete;
- b. Those statements are based upon representations you made to us; and
- c. We have issued this policy in reliance upon your representations.

**6. Separation of Insureds**

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom "claim" is made or "suit" is brought.



**7. Transfer of Rights of Recovery Against Others To Us**

If the insured has rights to recover all or part of any payment we have made under this Coverage Part, 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 transfer those rights to us and help us enforce them.

**8. 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 Declarations written notice of the nonrenewal not less than 90 days before the expiration date.

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

**9. Your Right To "Claim" And "Sexual Offense" Information**

We will provide the first Named Insured shown in the Declarations the following information relating to this and any preceding general liability claims-made Coverage Part we have issued to you during the previous three years:

- a. A list or other record of each "sexual offense", not previously reported to any other insurer, of which we were notified in accordance with Paragraph 2.a. of the Section IV – Duties In The Event Of Sexual Offense, Claim Or Suit Condition. We will include the date and brief description of the "sexual offense" if that information was in the notice we received.
- b. A summary by policy year, of payments made and amounts reserved, stated separately, under any applicable Aggregate Limit.

Amounts reserved are based on our judgment. They are subject to change and should not be regarded as ultimate settlement values.

You must not disclose this information to any claimant or any claimant's representative without our consent.

We will provide this information if we receive a written request from the first Named Insured within 60 days after the end of the policy period. In this case, we will provide this information within 45 days of receipt of the request.

We compile "claim" and "sexual offense" information for our own business purposes and exercise reasonable care in doing so. In providing this information to the first Named Insured, we make no representations or warranties to insureds, insurers, or others to whom this information is furnished by or on behalf of any insured. Cancellation or nonrenewal will be effective even if we inadvertently provide inaccurate information.

**SECTION V – EXTENDED REPORTING PERIODS**

- 1. We will provide one or more Extended Reporting Periods, as described below, if:
  - a. This Coverage Part is canceled or not renewed; or
  - b. We renew or replace this Coverage Part with insurance that:
    - (1) Has a Retroactive Date later than the date shown in the Declarations of this Coverage Part; or
    - (2) Does not apply to "sexual injury" on 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" for "sexual injury" that occurs before the end of the policy period but not before the Retroactive Date, if any, shown in the Declarations.

Once in effect, Extended Reporting Periods may not be canceled.
- 3. A Supplemental Extended Reporting Period of 12 month duration is available, but only by an endorsement and for an extra charge. This supplemental period starts when the policy period ends.

You must give us a written request for the endorsement within 30 days after the end of the policy period. The Supplemental Extended Reporting Period will not go into effect unless you pay the additional premium promptly when due.

We will determine the additional premium in accordance with our rules and rates. In doing so, we may take into account the following:

- a. The exposures insured;
- b. Previous types and amounts of insurance;



- c. Limits of Insurance available under this Coverage Part for future payment of damages; and
- d. Other related factors.

The additional premium will not exceed 200% of the annual premium for this Coverage Part.

This endorsement shall set forth the terms, not inconsistent with this Section, applicable to the Supplemental Extended Reporting Period, including a provision to the effect that the insurance afforded for "claims" first received during such period is excess over any other valid and collectible insurance available under policies in force after the Supplemental Extended Reporting Period starts.

#### SECTION VI – DEFINITIONS

1. "Claim" means a demand for damages arising from alleged "sexual injury".
  2. "Coverage territory" means:
    - a. The United States of America (including its territories and possessions), Puerto Rico and Canada; or
    - b. All other parts of the world; provided the insured's responsibility to pay damages is determined in a "suit" on the merits, in the territory described in a. above or in a settlement we agree to.
  3. "Defense expenses" means payments allocated to a specific "claim" we investigate, settle or defend, for its investigation, settlement or defense, including:
    - a. Fees and salaries of attorneys and paralegals we retain, including attorneys and paralegals who are our "employees".
    - b. Reasonable and customary fees of attorneys the insured retains when, by our mutual agreement or court order (or when required by administrative hearing or proceeding), the insured is given the right to retain defense counsel to defend against a "claim" or "suit".
    - c. All other litigation or administrative hearing expenses, including fees or expenses of expert witnesses hired either by us or by the defense attorney retained by an insured.
  4. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
  5. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.
  6. "Interrelated Sexual Offenses" means any and all "Sexual Offenses" committed by, or alleged to have been committed by, the same "perpetrator" or by the same group of two or more "perpetrators" acting together or in concert.
  7. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".
  8. "Perpetrator" means a person who commits, conspires to commit, participates in, or assists in any act of "sexual abuse".
  9. "Sexual abuse" means any actual, attempted or alleged sexual conduct by a "perpetrator," or "perpetrators" acting in concert, which causes physical and/or mental injuries of or upon a person. "Sexual abuse" includes sexual molestation, sexual assault, sexual exploitation or sexual injury.
  10. "Sexual injury" means physical, emotional or psychological injury sustained by a person as a result of "sexual abuse".
  11. "Sexual offense" means:
    - a. An act; or
    - b. A series of related acts; of "sexual abuse".
  12. "Suit" means a civil proceeding in which damages because of "sexual injury" to which this insurance applies are alleged. "Suit" includes:
    - a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
- "Defense expenses" does not include salaries and expenses of our "employees", our Administrator's "employees" or the insured's "employees" (other than those described in Paragraph a. above).



- b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.
13. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.
14. "Terrorism" means activities against persons, organizations or property of any nature:
- a. That involve the following or preparation for the following:
    - (1) Use or threat of force or violence; or
    - (2) Commission or threat of a dangerous act; or
    - (3) Commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and
- b. When one or both of the following applies:
- (1) The effect is to intimidate or coerce a government or the civilian population or any segment thereof, or to disrupt any segment of the economy; or
  - (2) It appears that the intent is to intimidate or coerce a government, or to further political, ideological, religious, social or economic objectives or to express (or express opposition to) a philosophy or ideology.
15. "Volunteer worker" means a person who is not your "employee", and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.