

**ENDORSEMENT #**

**This endorsement, effective 12:01 AM**

**Forms a part of policy no:**

**Issued to:**

**By: LEXINGTON INSURANCE COMPANY**

**RESORT HOTEL ASSOCIATION ENDORSEMENT**

**IN CONSIDERATION OF THE PREMIUM CHARGED IT IS UNDERSTOOD AND AGREE THAT THE POLICY IS AMENDED AS FOLLOWS:**

**1. Pre-Selected Defense Counsel**

The law firm of Fisher & Phillips LLP is designated as defense counsel for all claims covered by this policy.

Craig R. Annunziata, Esq.  
Kevin S. Simon, Esq.  
Fisher & Phillips, LLP  
420 Marquette Building  
140 South Dearborn Street  
Chicago, IL 60603  
Tel: (312) 346-8061  
Fax: (312) 346-3179

The law firm of Fisher & Phillips, LLP will be required to adhere to Lexington's billing and reporting guidelines.

**2. Limitations to Exclusions**

Retaliation

This policy shall provide coverage (subject to the policy's other terms, conditions and exclusions) for Loss Amount arising from a Claim for retaliation against an Employee in response to such Employee's attempt to exercise his or her rights under law including any of the following laws or benefit rights:

1. Employee Retirement Income Security Act of 1974 (ERISA), specifically including Claims against an Insured brought under section 510 of ERISA.
2. Fair Labor Standards Act (except the Equal Pay Act),
3. National Labor Relations Act (NLRA),
4. Worker Adjustment and Retraining Notification Act (WARN),
5. Consolidated Omnibus Budget Reconciliation Act (COBRA),
6. Occupational Safety and Health Act (OSHA),
7. worker's compensation,
8. disability benefits,
9. unemployment compensation,
10. unemployment insurance,
11. retirement benefits or social security benefits,
12. or any rules or regulations of the foregoing promulgated thereunder,

3. **Extended Reporting Period**

**Section IX. Limited and Extended Reporting Periods, Part C.**

**Extended Reporting Provision,** is hereby deleted and replaced by the following:

C. How to add an Extended Reporting Period. If the Limited Reporting Period applies, an Extended Reporting Period of one(1), two(2), or three(3) years, starting at the end of the Limited Reporting Period, can be added by means of an Extended Reporting Period Endorsement and the payment of an additional premium. The Extended Reporting Period Endorsement attached to this policy sets forth the terms and conditions of the Extended Reporting Period.

Any Claim which is first made during the Extended Reporting Period because of an Insured Event which happened or commenced after the inception date of the first Employment Practices Liability Policy issued by us to the Named

Insured because of an act or incident which happened or commenced prior to the end of the Policy Period shall be deemed to have been made on the last day of the Policy Period.

The Extended Reporting Period Endorsement will not be issued unless we receive a written request for it within sixty (60)

days after the end of the Policy Period, nor will it take effect unless the additional premium is paid when due. Once that additional premium is paid, the endorsement may not be cancelled and the premium will be fully earned.

The additional premium for the Extended Reporting Period Endorsement for:

- (1) one year shall be 75% of the "full annual premium;"
- (2) two years shall be 150% of the "full annual premium;"
- (3) three years shall be 200% of the "full annual premium."

As used herein, "full annual premium" means the premium level in effect immediately prior to the end of the Policy Period.

#### **4. Wrongful Business Environment**

Subject to all the terms, limitations, conditions, definitions, exclusions, and other provisions of this policy, we will pay all Loss Amounts that the Insured is legally obligated to pay because of a Claim alleging Wrongful Business Environment. The amount we will pay is included within and limited as described in item 3 of the Declarations dealing with LIMITS OF INSURANCE, DEFENSE, DEDUCTIBLE, AND OTHER INSURANCE.

A. This coverage only applies if the Claim alleging Wrongful Business Environment is first made against the Insured during the policy period as set forth in item 2 of the Declarations, and

B. The Claim alleging Wrongful Business Environment does not arise out of, is not based upon or attributable to Known Incidents which happened or commenced prior to the Inception Date of the policy period as set forth in item 2 of the Declarations.

Wrongful Business Environment is defined as allegations of direct, indirect, intentional, or unintentional Discrimination, Sexual Harassment or any other civil rights violations committed by an Insured and brought by the Insured's customer(s), client(s) or any other individual(s), class of individuals or group which results from exposure to the business environment of the Insured.

Known Incidents are defined as the lodging of an oral or written complaint or charge with your management or Supervisory Employee(s) or your Risk Management , Corporate Legal, or Human Resource Department alleging Wrongful Business Environment.

5. **Consent to Settle**

**Section II. Insuring Agreement, Part B.2.d. Defense,** is hereby deleted and replaced by the following:

We may not settle a matter without the consent of the Named Insured.

In the event that we recommend that a settlement offer be accepted but the Named Insured withholds consent to settle; and in the event the Claim results in a judgment or settlement in excess of the amount of said offer, then our liability shall be limited to the amount of the offer plus 50% of the judgment or settlement in excess of the amount of said offer including defense costs and the Named Insured shall be liable for 50% of the judgment or settlement in excess of the amount of said offer including defense costs incurred subsequent to the date the Named Insured withheld such consent to settle.

6. **Defense Costs**

It is agreed and understood that we agree to cover the defense costs of Insured's choice of counsel to sit second chair/ co-counsel with pre-approved defense counsel up to a maximum of \$5,000 per claim limit. Accordingly, any defense costs associated with this provision is now part of and not in addition to the Limit of Liability of this policy as set forth in Item 3.A. of the Declarations page. In addition, the cost associated with this provision will be included when calculating amounts paid by the Insured within the deductible.

7. **Notice of Incident**

**Section X. Conditions, Part A.1. Notice of Incident,** is hereby deleted and replaced by the following:

1. Notice of Incident - You shall give us written notice as soon as practicable after an Insured becomes aware of any Claim covered by this policy. Such notice shall include as much detail as possible and shall include, to the extent possible:

- (a) the identity of the person(s) alleging Discrimination, Wrongful Termination, Sexual Harassment or Workplace Torts;
- (b) the identities of the Insured(s) who allegedly committed the Discrimination, Wrongful Termination, Sexual Harassment or Workplace Torts and any witnesses;
- (c) the date the alleged incident took place; and
- (d) any other information or documentation pertinent to the alleged incident.

All other provisions of the policy remain the same.