ENDORSEMENT NO:

This endorsement, effective 12:01 am, forms part of policy number

issued to:

by:

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EMPLOYMENT PRACTICES LIABILITY ENDORSEMENT

This endorsement modifies insurance provided under the following:

THE HARTFORD ASSET MANAGEMENT CHOICE™ POLICY

I. In return for the payment of the premium, the following additional Insuring Agreement(s) are, if designated with an “X” on the DECLARATIONS, included in Section I, INSURING AGREEMENTS:

Employment Practices Liability

The Insurer shall pay Loss on behalf of the Insureds resulting from an Employment Practices Claim first made against the Insureds during the Policy Period or Extended Reporting Period, if applicable, for an Employment Practices Wrongful Act by the Insureds.

Third Party Liability (Elective)

If Third Party Liability Coverage is included in ITEM 6 of the Declarations, the Insurer shall pay Loss on behalf of the Insureds resulting from a Third Party Claim first made against the Insureds during the Policy Period or the Extended Reporting Period, if applicable, for a Third Party Wrongful Act by the Insureds.

This Insuring Agreement shall be subject to the Third Party Liability Coverage Sub-limit of Liability, Retention, and Prior or Pending Date in ITEM 6 of the Declarations. Such Sub-limit of Liability shall be the maximum aggregate amount that the Insurer shall pay under this Insuring Agreement for all Loss from all Claims covered under this Insuring Agreement. Such Sub-limit of Liability shall be subject to, part of, and not in addition to, the Limit of Liability applicable to this endorsement.

II. Solely for purposes of the extension of coverage under this endorsement, Section II. DEFINITIONS, is amended in the following manner:

A. The definition of “Claim” is deleted and replaced with the following:

“Claim” means any Employment Practices Claim or Third Party Claim.

B. The definition of “Defense Costs” is deleted and replaced with the following:

“Defense Costs” means:

(1) reasonable and necessary legal fees and expenses, including, but not limited to, e-discovery expenses, incurred in the defense or appeal of a Claim;
(2) **Extradition Costs**; or

(3) the costs of appeal, attachment or similar bonds, provided that the Insurer shall have no obligation to furnish such bonds.

**Defense Costs** shall not include:

(a) salaries, wages, remuneration, overhead or benefit expenses associated with any **Insureds**;

(b) any fees, expenses or costs which are incurred by or on behalf of a party which is not a covered **Insured**; or

(c) any fees, expenses or costs which were incurred prior to the date on which the Insurer received written notice of **Claim** from the **Insured**.

C. The definition of “**Insured Person**” is amended to include the following:

**Insured Person** also means, regarding the Employment Practices Liability Insuring Agreement, an **Independent Contractor** working for an **Insured Entity**, but only while acting in his or her capacity as such and only to extent that such **Insured Entity** agrees to indemnify the **Independent Contractor** in the same manner as to the **Insured Entity**’s employees for liability arising out of a **Claim**.

D. The definition of “**Loss**” is deleted and replaced with the following:

“**Loss**” means the amounts, other than **Defense Costs**, that the **Insureds** are legally liable to pay solely as a result of a **Claim** covered by this endorsement, including:

(1) compensatory damages, including front pay and back pay;

(2) settlement amounts;

(3) pre- and post-judgment interest;

(4) costs awarded pursuant to judgments;

(5) punitive and exemplary damages;

(6) the multiple portion of any multiplied damage award; or

(7) liquidated damages under the Age Discrimination in Employment Act and Family and Medical Leave Act.

**Loss** shall not include:

(a) taxes, fines or penalties imposed by law;

(b) non-monetary relief;

(c) **Benefits**;

(d) future compensation for any person hired, promoted, or reinstated pursuant to a judgment, settlement, order or other resolution of a **Claim**;
(e) **Stock Benefits**:  

(f) costs associated with providing any accommodations required by the Americans with Disabilities Act or any similar law; or  

(g) any other matters uninsurable pursuant to any applicable law; provided, however, that with respect to punitive and exemplary damages, or the multiple portion of any multiplied damage award, the insurability of such damages shall be governed by the internal laws of any applicable jurisdiction that most favors coverage of such damages.

E. The definition of “**Wrongful Act**” is deleted and replaced with the following:  


F. The following definitions are added:

- “**Benefits**” means perquisites, fringe benefits, deferred compensation, severance pay and any other form of compensation (other than salaries, wages, or bonuses as a component of a front or back pay award).

- “**Employee Data Privacy Wrongful Act**” means:
  
  (1) the failure to prevent any unauthorized access to or use of data containing Private Employment Information of any Employee or applicant for employment with the Insured Entity including any such failure that directly results in a violation with respect to the privacy of such Employee’s or applicant’s:
    
    (a) medical information under the Health Insurance Portability and Accountability Act (HIPAA); or
    
    (b) credit information under the Fair Credit Reporting Act (FCRA); or

  (2) the failure to notify any Employee or applicant for employment with the Insured Entity of any actual or potential unauthorized access to or use of Private Employment Information of any Employee or applicant for employment with the Insured Entity, if such notice was required by state or federal regulation or statute.

- “**Employment Practices Claim**” means any:
  
  (1) written demand for monetary damages or other civil non-monetary relief commenced by the receipt of such demand, including, without limitation, a written demand for employment reinstatement;

  (2) civil proceeding, including an arbitration or other alternative dispute resolution proceeding, commenced by the service of a complaint, filing of a demand for arbitration, or similar pleading; or

  (3) formal administrative or regulatory proceeding, including, without limitation, a proceeding before the Equal Employment Opportunity Commission or similar governmental agency, commenced by the filing of a notice of charges, formal investigative order or similar document;

by or on behalf of an Employee, an applicant for employment with an Insured Entity, or
an Independent Contractor.

**Employment Practices Claim** also means the receipt of a notice of violation, order to show cause, or a written demand for monetary or injunctive relief that is the result of an audit conducted by the U.S. Office of Federal Contract Compliance Programs.

**Employment Practices Claim** also means a written request to the Insureds to toll or waive a statute of limitations regarding a potential **Employment Practices Claim** as described above. Such **Claim** shall be commenced by the receipt of such request.

However, **Employment Practices Claim** shall not include any labor or grievance proceeding or arbitration that is subject to a collective bargaining agreement.

- **“Employment Practices Wrongful Act”** means:
  1. wrongful dismissal, discharge, or termination of employment (including constructive dismissal, discharge, or termination), wrongful failure or refusal to employ or promote, wrongful discipline or demotion, failure to grant tenure, negligent employment evaluation, or wrongful deprivation of career opportunity;
  2. sexual or other workplace harassment (including bullying in the workplace), including quid pro quo and hostile work environment;
  3. employment discrimination, including discrimination based upon age, gender, race, color, national origin, religion, creed, marital status, sexual orientation or preference, gender identity or expression, genetic makeup, or refusal to submit to genetic makeup testing, pregnancy, disability, HIV or other health status, Vietnam Era Veteran or other military status, or other protected status established under federal, state, or local law;
  4. Retaliation;
  5. breach of any oral, written, or implied employment contract, including, without limitation, any obligation arising from a personnel manual, employee handbook, or policy statement; or
  6. violation of the Family and Medical Leave Act.

**Employment Practices Wrongful Act** also means the following, but only when alleged in addition to or as part of any **Employment Practices Wrongful Act** described above:

- (a) employment-related wrongful infliction of mental anguish or emotional distress;
- (b) failure to create, provide for or enforce adequate or consistent employment-related policies and procedures;
- (c) negligent retention, supervision, hiring or training;
- (d) employment-related: invasion of privacy, defamation, or misrepresentation; or
- (e) an **Employee Data Privacy Wrongful Act**.

- **“Independent Contractor”** means any natural person working in the capacity of an independent contractor pursuant to an **Independent Contractor Agreement**.
• “Independent Contractor Agreement” means any express contract or agreement between an Independent Contractor and an Insured Entity specifying the terms of the Insured Entity’s engagement of such Independent Contractor.

• “Private Employment Information” means any information regarding an Employee or applicant for employment with the Insured Entity, which is collected or stored by an Insured for the purposes of establishing, maintaining or terminating an employment relationship.

• “Retaliation” means adverse treatment of an Employee or Independent Contractor based upon such person:

(1) exercising any rights under law, including, without limitation, rights under any workers compensation laws, the Family and Medical Leave Act, ERISA, or the Americans with Disabilities Act;

(2) refusing to violate any law;

(3) assisting, testifying, or cooperating with a proceeding or investigation regarding alleged violations of law by any Insured;

(4) disclosing or threatening to disclose alleged violations of law to a superior or to any governmental agency; or

(5) filing any “whistle blower” claim against any Insured under the federal False Claims Act, the Sarbanes-Oxley Act of 2002, or any similar law.

• “Stock Benefits” means any offering, plan or agreement between an Insured Entity and any Employee that grants stock, stock options or stock appreciation rights in the Insured Entity to such person, including, without limitation, restricted stock or any other stock grant. Stock Benefits shall not include employee stock ownership plans or employee stock purchase plans.

• “Third Party” means any natural person who is a customer, vendor, service provider or other business invitee of an Insured Entity. Third Party shall not include Employees.

• “Third Party Claim” means any:

(1) written demand for monetary damages or other civil non-monetary relief commenced by the receipt of such demand;

(2) civil proceeding, including an arbitration or other alternative dispute resolution proceeding, commenced by the service of a complaint, filing of a demand for arbitration, or similar pleading; or

(3) formal administrative or regulatory proceeding commenced by the filing of a notice of charges, formal investigative order or similar document;

by or on behalf of a Third Party.

• Third Party Claim also means a written request to the Insureds to toll or waive a statute of limitations regarding a potential Third Party Claim as described above. Such Claim shall be commenced by the receipt of such request.

• “Third Party Wrongful Act” means:
discrimination against a Third Party based upon age, gender, race, color, national origin, religion, creed, marital status, sexual orientation or preference, pregnancy, disability, HIV or other health status, Vietnam Era Veteran or other military status, or other protected status established under federal, state or local law; or

sexual harassment or other harassment of a Third Party, including unwelcome sexual advances, requests for sexual favors or other conduct of a sexual nature.

• “Wage and Hour Violation” means any actual or alleged violation of the duties and responsibilities that are imposed upon an Insured by any federal, state or local law or regulation anywhere in the world, including but not limited to the Fair Labor Standards Act or any similar law (except the Equal Pay Act), which govern wage, hour and payroll practices. Such practices include but are not limited to:

(1) the calculation and payment of wages, overtime wages, minimum wages and prevailing wage rates;

(2) the calculation and payments of benefits;

(3) the classification of any person or organization for wage and hour purposes;

(4) reimbursing business expenses;

(5) the use of child labor; or

(6) garnishments, withholdings and other deductions from wages.

III. Solely for the purposes of the extension of coverage under this endorsement, Section IV. EXCLUSIONS, (A) (1) is deleted and replaced with the following:

(1) for bodily injury, sickness, disease, death, false arrest or imprisonment, abuse of process, malicious prosecution, trespass, nuisance or wrongful entry or eviction, or for injury to or destruction of any tangible property including loss of use or diminution of value thereof; provided, however, that this exclusion shall not apply to that portion of Loss that directly results from mental anguish or emotional distress when alleged in connection with an otherwise covered Employment Practices Wrongful Act;

IV. Solely for the purposes of the extension of coverage under this endorsement, Section IV. EXCLUSIONS, (A) (6) is amended by the addition of the following:

However, this exclusion shall not apply to any Employment Practices Claim.

V. Solely for purposes of the extension of coverage under this endorsement, Section IV. EXCLUSIONS, (A), is amended by the addition of the following:

• based upon, arising from, or in any way related to any audit initiated by the Office of Federal Contract Compliance Programs before the applicable Prior or Pending Date in ITEM 6 of the Declarations, or the same or substantially similar fact, circumstance, or situation underlying or alleged in such audit;

• based upon, arising from, or in any way related to the liability of others assumed by an Insured under any contract or agreement; provided, however, this exclusion shall not apply to liability that would have been incurred in the absence of such contract or agreement;
• for breach of any Independent Contractor Agreement; or

• for a lockout, strike, picket line, hiring of replacement workers or similar action in connection with any labor dispute, labor negotiation or collective bargaining agreement.

• based upon, arising from, or in any way related to:

  (1) any claims for unpaid wages (including overtime pay), workers’ compensation benefits, unemployment compensation, disability benefits, or social security benefits;

  (2) any actual or alleged violation of the Worker Adjustment and Retraining Notification Act, the National Labor Relations Act, the Occupational Safety and Health Act, the Consolidated Omnibus Budget Reconciliation Act of 1985, the Employee Retirement Income Security Act of 1974, or any similar law; or

  (3) any Wage and Hour Violation

Provided, however, that this exclusion shall not apply to that portion of Loss that represents a specific amount the Insureds become legally obligated to pay solely for a Wrongful Act of Retaliation.

• based upon, arising from, or in any way related to liability incurred for breach of any oral, written, or implied employment contract; provided, however, that this exclusion shall not apply to liability that would have been incurred in the absence of such contract nor shall it apply to the portion of Loss representing Defense Costs incurred to defend against such liability.

• based upon, arising from or in any way related to any price discrimination or violation of any anti-trust law or any similar law designed to protect competition or prevent unfair trade practices provided, however, that this exclusion shall not apply to an Employment Practices Claim.

VI. Solely for purposes of the extension of coverage under this endorsement, Section VIII. NOTICE OF CLAIM, (A) is amended to include the following:

However, with regard to any Employment Practices Claim which is brought as a formal administrative or regulatory proceeding, including, without limitation, a proceeding before the Equal Employment Opportunity Commission or similar governmental agency, commenced by the filing of a notice of charges, formal investigative order or similar document, as a condition precedent to coverage under this Policy, the Insureds shall give the Insurer written notice of any Claim as soon as practicable after the Insured Entity’s risk manager, general counsel, chief executive officer, or functional equivalent becomes aware of such Claim, but in no event later than:

  (1) if this Policy is renewed, no more than one hundred and eighty (180) days after the Insured Entity’s risk manager, general counsel, chief executive officer, or functional equivalent becomes aware of such Claim; or

  (2) if this Policy expires or is otherwise terminated without being renewed with the Insurer, ninety (90) days after the effective date of said expiration or termination; or

  (3) the expiration of the Extended Reporting Period, if applicable;

provided, if the Policy is cancelled for nonpayment of premium, the Insured will give to the Insurer written notice of such Claim, prior to the effective date of cancellation.
VII. Solely for purposes of the extension of coverage under this endorsement, the following section is added:

- RETENTION WAIVER

Regarding a Claim that is a class action civil proceeding, no Retention shall apply to Defense Costs incurred in connection with such Claim, and the Insurer shall reimburse the Insureds for any covered Defense Costs paid by the Insureds within the Retention otherwise applicable to such Claim, if a:

(A) final adjudication with prejudice pursuant to a trial, motion to dismiss or motion for summary judgment; or

(B) complete and final settlement with prejudice;

establishes that none of the Insureds in such Claim are liable for any Loss.

All other terms and conditions remain unchanged.

Authorized Representative