



NOTICE TO NEW YORK INSUREDS
EMPLOYMENT PRACTICES LIABILITY

POLICYHOLDER NOTICE – ADDENDUM TO DECLARATIONS
NEW YORK REGULATION 121
ONE (1) YEAR TAIL OPTION

This notice is an addendum to the Supplemental Declarations of the EPL Coverage which describes some of the major features of the coverage. This notice shall be attached to and shall become part of the EPL Coverage Form.

PLEASE READ THIS NOTICE AND YOUR POLICY CAREFULLY to determine your rights, duties and what is and what is not covered under your EPL Coverage Form. Only the provisions of your EPL Coverage Form determine the scope of your insurance protection. The following disclosure and notice requirements are being provided in accordance with New York Law:

1. **THIS COVERAGE IS WRITTEN ON A CLAIMS-MADE BASIS.** THE COVERAGE AFFORDED BY THIS EPL COVERAGE FORM IS LIMITED TO ONLY THOSE CLAIMS ACTUALLY MADE WHILE THE EPL COVERAGE REMAINS IN EFFECT. ALL COVERAGE CEASES UPON TERMINATION OF THE EPL COVERAGE, EXCEPT COVERAGE FOR CLAIMS MADE DURING THE AUTOMATIC EXTENDED REPORTING PERIOD OR DURING THE EXTENDED REPORTING PERIOD, IF PURCHASED.

2. **EXTENDED REPORTING PERIODS:**

Automatic Extended Reporting Period

THE AUTOMATIC EXTENDED REPORTING PERIOD SHALL APPLY TO CLAIMS FIRST MADE AGAINST THE INSURED DURING THE SIXTY (60) DAYS IMMEDIATELY FOLLOWING THE EFFECTIVE DATE OF TERMINATION OF COVERAGE.

One (1) Year Optional Extended Reporting Period

THE ONE (1) YEAR OPTIONAL EXTENDED REPORTING PERIOD SHALL APPLY TO CLAIMS FIRST MADE AGAINST THE INSURED DURING THE TWELVE (12) MONTHS IMMEDIATELY FOLLOWING THE EFFECTIVE DATE OF TERMINATION OF COVERAGE. THE CLAIMS FIRST MADE MUST RESULT FROM INCIDENTS, OCCURRENCES, ALLEGED WRONGFUL ACTS OR THIRD PARTY VIOLATIONS WHICH TOOK PLACE BEFORE TERMINATION OF COVERAGE.

POTENTIAL COVERAGE GAPS MAY ARISE UPON EXPIRATION OF THE EXTENDED REPORTING PERIODS.

3. **THE CLAIMS-MADE RELATIONSHIP** - IN GENERAL, THE NATURE OF CLAIMS-MADE COVERAGE IS SUCH THAT DURING THE FIRST SEVERAL YEARS OF CONTINUING CLAIMS-MADE COVERAGE, CLAIMS-MADE PREMIUMS ARE COMPARATIVELY LOWER THAN OCCURRENCE COVERAGE PREMIUM. AN INSURED CAN EXPECT SUBSTANTIAL ANNUAL PREMIUM INCREASES, INDEPENDENT OF OVERALL RATE LEVEL INCREASES, UNTIL THE CLAIMS-MADE RELATIONSHIP REACHES MATURITY.

4. OPTIONAL EXTENDED REPORTING PERIOD PREMIUM CHARGES

THE PREMIUM CHARGED FOR THE ONE (1) YEAR OPTIONAL EXTENDED REPORTING PERIOD WILL BE 98% OF THE CURRENT EPL COVERAGE PREMIUM IN THE EVENT THAT THE POLICY IS TERMINATED ON THE NEXT ANNIVERSARY DATE.

THERE IS NO ADDITIONAL PREMIUM FOR THE AUTOMATIC EXTENDED REPORTING PERIOD.

5. RETROACTIVE DATE

THIS EPL COVERAGE FORM PROVIDES NO COVERAGE FOR CLAIMS ARISING OUT OF INCIDENTS, OCCURRENCES, ALLEGED WRONGFUL ACTS OR THIRD PARTY VIOLATIONS WHICH TOOK PLACE PRIOR TO THE RETROACTIVE DATE STATED IN THE POLICY.

THIS DISCLOSURE SUPPLEMENT GENERALLY DISCUSSES CERTAIN IMPORTANT FEATURES OF THE EPL COVERAGE FORM. PLEASE READ THE ENTIRE EPL COVERAGE FORM CAREFULLY AND DISCUSS IT WITH YOUR INSURANCE AGENT OR BROKER OR OTHER INSURANCE ADVISOR. THE PROVISIONS OF THE EPL COVERAGE FORM AND ANY APPLICABLE ENDORSEMENTS THERETO ARE CONTROLLING.