



SEXUAL MISCONDUCT LIABILITY

Refer to the Declarations if information is not shown on this form.
This endorsement is subject to the **terms** contained in **your** policy.

SCHEDULE

Limits Of Liability

\$ _____ Each **Occurrence**

\$ _____ Aggregate

DEFINITIONS

The following definitions apply to this policy form:

1. **Sexual harassment** means unwanted sexual advances, requests for sexual contact, or physical, verbal or visual conduct of a sexual nature that:
 - a. Results from any unlawful employment practice as set forth in any applicable federal law, state law, municipal code or ordinance;
 - b. Affects a term or condition of employment;
 - c. Interferes with a person's ability to perform their job; or
 - d. Creates a hostile work environment for any person.
2. **Sexual misconduct** means any activity of a sexual nature, whether permissible or not. **Sexual misconduct** includes but is not limited to: sexual assault, sexual abuse, sexual battery, sexual relations, sexual acts or related activities, exposure of sexual organs, lewd or lascivious behavior or indecent exposure, fornication, unauthorized touching, acts of a prurient nature or the photographic, video or other reproduction of sexual activity.
Sexual misconduct does not include **sexual harassment**.
3. **Sexual misconduct occurrence** means a single act or continuous, repeated or sporadic exposure to any substantially similar act of **sexual misconduct** by one person, or by two or more people, acting in concert to commit such an act, or any breach of duty arising out of, or related to, such an act. All acts of **sexual misconduct** by one person, or by two or more people acting in concert to commit such an act, and all breaches of duty arising out of, or related to, such an act shall be deemed to be a single **sexual misconduct occurrence**.

WHAT WE PAY FOR

The following coverage is added to Coverage L-**Bodily Injury And Property Damage**.

1. **We** pay those sums when the **insured** is legally obligated to pay damages because of **bodily injury** arising out of any actual, alleged or threatened **sexual misconduct occurrence** toward another person.
Sexual Misconduct Liability applies only if the **bodily injury** is caused by a **sexual misconduct occurrence** which takes place during the policy period and in the **coverage territory**.
However, this coverage does not apply to any claim or **suit** brought against any person who participates in, directs, knowingly allows, or consents to, **sexual misconduct**.

WHAT WE DO NOT PAY FOR

- A. The following exclusions are added to Coverage L-**Bodily Injury And Property Damage**, and when applicable to **your** policy, Coverage P-**Personal And Advertising Injury** Liability.
 1. **Sexual Misconduct** Liability coverage does not apply to:
 - a. Any person who participates in, directs, knowingly allows, or consents to, **sexual misconduct**;
 - b. The cost of investigation, defense, supplementary payments or settlement of any claim or **suit** brought against any person who participates in, directs, knowingly allows, or consents to, **sexual misconduct**;
 - c. Any claims for **property damage**, **personal and advertising injury**, professional services, contractual liability or liability arising out of **your product** whether contained in the **products/completed operations hazard** or otherwise;

- d. The cost of investigation, defense, supplementary payments or settlement of any claim or *suit* arising out of a violation of a criminal statute;
- e. The cost of investigation, defense, supplementary payments or settlement of any claim or *suit* arising out of professional liability based on ecclesiastical law, statute, canon, rule or regulation;
- f. Equitable relief, non-monetary relief, punitive or exemplary sums, multiple awards, fines or penalties imposed by law or any type of award held uninsurable as a matter of public policy, according to the law of the state in which this policy originated;
- g. Any claim or *suit* arising out of *sexual misconduct* between family members; or
- h. Any claim or *suit* arising out of *sexual misconduct* committed by an *employee, temporary worker* or *volunteer* if any *insured* had knowledge of such *employee, temporary worker* or *volunteer* having a history of committing acts of *sexual misconduct* in the past, either during or prior to the inception of the policy period.

B. The following exclusion is added to Coverage M-Medical Payments.

- 1. *We* do not pay *medical expenses* for *bodily injury* arising out of a *sexual misconduct occurrence*.

HOW MUCH WE PAY FOR LOSS OR CLAIM

This section is in addition to all applicable provisions of How Much *We* Pay For Loss Or Claim in *your* policy. Settlement of *Sexual Misconduct* Liability losses covered by this endorsement will be made in accordance with the following provisions:

- 1. The Aggregate limit of liability shown in the Schedule is the most *we* pay for damages during a policy period for *Sexual Misconduct* Liability.
- 2. The Each *Occurrence* limit of liability shown in the Schedule, subject to 1. above, is the most *we* pay for damages for *Sexual Misconduct* Liability arising out of a *sexual misconduct occurrence*.
- 3. Payments made under *Sexual Misconduct* Liability, as stated in 1. and 2. above, will reduce the Coverage L each *occurrence* and aggregate limits of liability.

All other *terms* and conditions remain unchanged.