

**LEXINGTON INSURANCE COMPANY**

Administrative Offices: 100 Summer Street, Boston, Massachusetts 02110-2103  
(hereinafter called the Company)

**NOT-FOR-PROFIT ORGANIZATION  
DIRECTORS, OFFICERS AND TRUSTEES LIABILITY POLICY**

**NOTICE: EXCEPT TO SUCH EXTENT AS MAY OTHERWISE BE PROVIDED HEREIN, THE COVERAGE OF THIS POLICY IS LIMITED TO LIABILITY FOR ONLY THOSE CLAIMS THAT ARE FIRST MADE AGAINST THE INSURED DURING THE POLICY PERIOD. PLEASE READ THE POLICY CAREFULLY AND DISCUSS THE COVERAGE THEREUNDER WITH YOUR INSURANCE AGENT OR BROKER.**

**NOTICE: AMOUNTS INCURRED FOR DEFENSE COSTS SHALL REDUCE THE LIMIT OF LIABILITY AVAILABLE TO PAY JUDGMENTS OR SETTLEMENTS, AND SHALL BE APPLIED AGAINST THE RETENTION AMOUNT.**

**NOTICE: THE INSURER DOES NOT ASSUME ANY DUTY TO DEFEND; HOWEVER, THE INSURER MAY, AND UPON WRITTEN REQUEST OF THE INSURED OR THE ORGANIZATION MUST, ADVANCE DEFENSE COSTS PAYMENTS PRIOR TO THE FINAL DISPOSITION OF A CLAIM.**

**DECLARATIONS**

Policy Number: 024214351

Renewal of: 024214351

**ITEM 1. NAMED ORGANIZATION:**

SCHOOL SUPPORT PURCHASING GROUP AND ALL ITS MEMBERS, AND THEIR OFFICERS, DIRECTORS&VOLUNTEERS  
MAILING ADDRESS:  
1445 RESEARCH BLVD.  
SUITE 320  
ROCKVILLE, MD 20850

STATE OF INCORPORATION OF NAMED INSURED: MARYLAND

**ITEM 2. POLICY PERIOD: FROM: 07/01/2011 To: 07/01/2012**

(A. M. Standard Time at the address stated in ITEM 1)

**ITEM 3. LIMIT OF LIABILITY:**

(A) \$ 1,000,000 for all Loss arising from Claims alleging the same Wrongful Act or Interrelated Wrongful Acts

(B) \$ 10,000,000 Aggregate for all Loss and Coverages (including Defense Costs)

**ITEM 4. RETENTION:**

Not-For-Profit Organization Reimbursement and Indemnifiable Loss: \$ 2,500

for all Loss arising from Claims alleging the same Wrongful Act or related Wrongful Acts

**ITEM 5. PREMIUM:**

Annual Minimum Premium: \$16,250

Minimum Earned Premium at Inception: \$5,688

*David Bresnahan*

Authorized Representative OR  
Countersignature (In states where applicable)

**FORMS SCHEDULE**

Named Insured: SCHOOL SUPPORT PURCHASING GROUP AND ALL ITS  
MEMBERS, AND THEIR OFFICERS, DIRECTORS&VOLUNTEERS

Policy No: 024214351

Effective Date: 07/01/2011

Form Number	Edition Date	Endorsement Number	Title
LX8099	09/06		NOT FOR PROFIT D&O LIAB DEC
LX8100	09/06		NOT FOR PROFIT D&O LIAB TXT
LX8416	09/08	001	ACCIDENT INSURANCE ENDT
LX8138	09/06	002	NUCLEAR ENERGY EXCL-NFP&NFXS
LX8102	09/06	003	TERRORISM PREM CHARGE ENDT
LX8202	10/07	004	COVERAGE TERRITORY LIMITATION
FSE072	02/91	005	RETRO PRIOR ACTS EXCLUSION

## **POLICYHOLDER NOTICE**

Thank you for purchasing insurance from the Chartis companies. Chartis insurance companies generally pay compensation to brokers and independent agents, and may have paid compensation in connection with your policy. You can review and obtain information about the nature and range of compensation paid by Chartis insurance companies to brokers and independent agents in the United States by visiting our website at [www.chartisinsurance.com/producercompensation](http://www.chartisinsurance.com/producercompensation) or by calling 1-800-706-3102.

# LEXINGTON INSURANCE COMPANY

Administrative Offices: 100 Summer Street, Boston, Massachusetts 02110-2103

## NOT-FOR-PROFIT ORGANIZATION DIRECTORS, OFFICERS AND TRUSTEES LIABILITY POLICY

In consideration of the payment of the premium, and in reliance upon the **Application** and statements made to Lexington Insurance Company (herein called the "**Insurer**"), which forms a part of this policy, the **Insurer** agrees as follows:

### 1. INSURING AGREEMENTS

#### A. NOT-FOR-PROFIT LIABILITY

This policy shall, subject to the **Limit of Liability** set forth in Item 3 of the Declarations, pay on behalf of the **Insured** all sums which the **Insured** shall become legally obligated to pay as **Loss** resulting from any **Claim** or **Claims** first made against the **Insured** and reported to the **Insurer** during the **Policy Period** or the **Extended Reporting Period** (if applicable) for any alleged **Wrongful Act** of the **Insured** or of any other person for whose **Wrongful Act** the **Organization** is legally responsible, but only if such **Wrongful Act** occurs prior to the end of the **Policy Period**.

#### B. DEFENSE COSTS (INCLUDED IN THE LIMIT OF LIABILITY)

With respect to any such **Wrongful Act** for which insurance is afforded by this policy under Insuring Agreement A above, the **Insurer** may, and upon written request of the **Insureds** or the **Named Organization** shall advance **Defense Costs** as they are incurred, as part of and subject to the **Limit of Liability** set forth in Item 3 of the Declarations and the **Retention** set forth in Item 4 of the Declarations, pay the **Insured's Defense Costs** as they are incurred. The **Insurer** shall at all times have the right, but not the duty, to assume the defense of any **Claim** against the **Insured**. The **Insured** shall give the **Insurer** such information and cooperation as it may reasonably require. In the event the **Insurer** does not assume the defense of the **Insured**, the **Insurer** shall, nevertheless, have the right to effectively associate with the **Insured** in the defense and settlement of any **Claim** that appears reasonably likely to involve the **Insurer**, including, but not limited to, the right to effectively associate in the negotiation of a settlement.

The **Insured** shall not admit liability for or settle any **Claim** or suit or incur any **Defense Costs** without the **Insurer's** prior written consent, which consent shall not be unreasonably withheld; however, if the **Insured** is able to dispose of all **Claims** which are subject to one **Retention** amount for an amount not exceeding the **Retention** amount (inclusive of **Defense Costs**), then the **Insurer's** consent shall not be required for such **Claims**.

If the **Insured** refuses to consent to any settlement recommended by the **Insurer** and acceptable to the claimant, the **Insurer** may then withdraw from the defense of the **Insured** (if it has assumed the **Insured's** defense), by tendering control of the defense to the **Insured**. The **Insured** shall thereafter at his or her or its own expense negotiate or defend such **Claim** or suit independently of the **Insurer**, and the **Insurer's** liability shall not exceed the amount for which the **Claim** or suit could have been settled if such recommendation was consented to, plus **Defense Costs** incurred by the **Insurer**, and **Defense Costs** incurred by the **Insured** with the **Insurer's** written consent, prior to the date of the **Insured's** refusal to settle.

The **Insurer** shall not be obligated to pay any **Claim** or judgment or **Defense Costs** or to defend or continue to defend any **Claim** after the **Limit of Liability** set forth in Item 3 of the Declarations has been exhausted by payment by the **Insurer** of **Loss** for any **Claims** in an amount equal to the **Limit of Liability** set forth in Item 3 of the Declarations.

### 2. DEFINITIONS

- (a) "**Application**" means each and every signed application, any attachments to such applications, other materials submitted therewith or incorporated therein and any other documents submitted

in connection with the underwriting of this policy or the underwriting of any other policy of which this policy is a renewal, replacement or which it succeeds in time.

- (b) **"Claim"** means:
- (1) a written demand for monetary, non-monetary or injunctive relief;
  - (2) a civil, criminal, administrative, regulatory or arbitration proceeding for monetary, non-monetary or injunctive relief which is commenced by: (i) service of a complaint or similar pleading; (ii) return of an indictment, information or similar document (in the case of a criminal proceeding); or (iii) receipt or filing of a notice of charges; or
  - (3) a civil, criminal, administrative or regulatory investigation of an **Individual Insured**:
    - (i) once such **Individual Insured** is identified in writing by such investigating authority as a person against whom a proceeding described in Definition (a)(2) may be commenced; or
    - (ii) in the case of an investigation by any federal or state regulatory or government authority or foreign equivalent, after the service of a subpoena upon such **Individual Insured**.
- (c) **"Defense Costs"** means reasonable and necessary fees, costs and expenses (including premiums for any appeal bond, attachment bond or similar bond, but without any obligation to apply for or furnish any such bond), incurred by the **Insurer** or by the **Insured** with the written consent of the **Insurer**, and resulting solely from the investigation, adjustment, defense and appeal of any **Claim** against the **Insured**, but excluding salaries of any **Insured** and excluding loss of earnings or charitable gifts by any **Insured**.
- (d) **"Discrimination"** means actual or alleged interference with the performance of employment duties, failure to promote or hire, and/or the termination of employment because of race, color, religion, age, sex, sexual preference, handicap, pregnancy or national origin. For the purposes of this policy, "handicap" does not include drug or alcohol dependency.
- (e) **"Employment Practices Claim"** means any **Claim** made against an **Insured Alleging "Discrimination," "Sexual Harassment"** and/or **"Wrongful Termination."** **"Alleging"** for the purpose of the definition of **"Employment Practices Claim"** and Exclusion 4(k) means lodging a complaint or charge with the **Organization's** management or with any government agency, or commencing a civil action.
- (f) **"Individual Insured(s)"** means all natural persons who were, are or become directors, trustees, officers, employees, committee members or volunteers of the **Organization**.
- (g) **"Insured"** means the **Organization** and any **Individual Insureds**.
- (h) **"Interrelated Wrongful Acts"** means any and all **Wrongful Acts** that are the same, related or continuous, or **Wrongful Acts** that arise from a common foundation of facts. **Claims** can allege **"Interrelated Wrongful Acts"** regardless of whether such **Claims** involve the same or different claimants, **Insureds** or legal causes of action.
- (i) **"Loss"** means damages, judgments, settlements and **Defense Costs**; however, **Loss** shall not include civil or criminal fines or penalties imposed by law, punitive or exemplary damages, the multiplied portion of multiplied damages, taxes, non-pecuniary relief, any amount for which the **Insured** is not financially liable or which is without legal recourse to the **Insured**, or matters which may be deemed uninsurable under the law pursuant to which this policy shall be construed.
- (j) **"Organization"** means the entity(ies) designated in Item 1 of the Declarations and its **"Subsidiaries."**
- (k) **"Personal Wrongful Act"** means any:
- (1) false arrest, wrongful detention or imprisonment, or malicious prosecution;
  - (2) libel, slander, defamation, or publication or utterance in violation of an individual's right of privacy;

- (3) wrongful entry or eviction or other invasion of the right of private occupancy;
  - (4) infringement of copyright or trademark or unauthorized use of title; or
  - (5) plagiarism or misappropriation of ideas.
- (l) "**Policy Period**" means the period of time from the inception date shown in Item 2 of the Declarations to the earlier of the expiration date shown in Item 2 of the Declarations or the effective date of cancellation of this policy; however, to the extent this policy replaces coverage in other policies terminating at noon standard time on the inception date of such coverage hereunder, then such coverage as is provided by this policy shall not become effective until such other coverage has terminated.
  - (m) "**Pollutants**" include, but are not limited to, any solid, liquid, gaseous or thermal irritant or contaminant, infectious or otherwise, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and **Waste**. "**Waste**" includes, but is not limited to, materials to be recycled, reconditioned or reclaimed.
  - (n) "**Sexual Harassment**" means any unwelcome or unconsented to sexual advance(s), request(s) for sexual favor, or other verbal or physical conduct of a sexual nature that is made a condition of employment, or that is used as a basis for employment decisions, or that creates a work environment that interferes with job performance.
  - (o) "**Subsidiary(ies)**" means any not-for-profit entity under 501(c)(3) of the Internal Revenue Code which the **Named Organization**, directly or indirectly, controls more than 50% of the votes of the board of directors/trustees.
  - (p) "**Wrongful Act**" means any breach of duty, neglect, error, misstatement, misleading statement, omission or act committed solely in the course of the activities of the **Organization**, including but not limited to any **Personal Wrongful Act(s)**.
  - (q) "**Wrongful Termination**" means a breach of an obligation in terminating the employment relationship.

### 3. EXTENSIONS

- (A) Subject otherwise to the terms hereof, this policy shall cover **Loss** arising from any **Claim** made against the estates, heirs, or legal representatives of any deceased, incompetent, insolvent, or bankrupt **Individual Insured**, provided he or she was an **Individual Insured** at the time of the **Wrongful Act** upon which such **Claim** is based, was committed.
- (B) Subject otherwise to the terms hereof, if a **Claim** against an **Individual Insured** includes a **Claim** against: (i) the lawful spouse or domestic partner (whether such status is derived by reason of statutory law, common law or any other law of any applicable jurisdiction in the world) of such **Individual Insured**, or (ii) a property interest of such spouse or domestic partner, this policy shall cover **Loss** arising from the **Claim** made against that spouse or domestic partner or property interest of that spouse or domestic partner, but only to the extent that such **Loss** does not arise from a **Claim** for any actual or alleged act, error or omission of such spouse or domestic partner.
- (C) Coverage under this policy shall extend to **Wrongful Acts** taking place anywhere in the world; provided that any **Claim** made against any **Insured** is brought in the United States of America.

### 4. EXCLUSIONS

This **Insurer** shall not be liable to make any payment for **Loss** in connection with any **Claim** or **Claims** made against any **Insured**:

- (a) arising out of, based upon or attributable to the gaining in fact of any profit, enrichment or advantage to which the **Insured** is not legally entitled or the committing in fact of any criminal, dishonest, or deliberate fraudulent act. Until a finding of fact has been made, the **Insurer** will pay **Defense Costs** on an interim basis, subject to the provisions of 1.B. In the event it is determined by a factual finding that the **Insured** is not entitled to payment of such **Defense Costs**, the **Insured** shall reimburse the **Insurer** in full.

For the purposes of determining the applicability of this exclusion: (1) the facts pertaining to and knowledge possessed by any **Insured** shall not be imputed to any other **Individual Insured**; and (2) only the facts pertaining to and knowledge possessed by any chairman of the board, president, chief executive officer (or equivalent position), chief financial officer (or equivalent position), chief operating officer (or equivalent position), or general counsel (or equivalent position) of an **Organization** shall be imputed to an **Organization**;

- (b) alleging, arising out of, based upon or attributable to any pending or prior litigation as of the inception date of this policy, or alleging or derived from the same or essentially the same facts as alleged in such pending or prior litigation;
- (c) alleging, arising out of, based upon or attributable to the facts alleged, or the same or related **Wrongful Acts** alleged or contained, in any **Claim** which has been reported, or in any circumstances of which notice has been given, under any policy of which this policy is a renewal or replacement or which it may succeed in time;
- (d) alleging, arising out of, based upon or attributable to any actual or alleged **Wrongful Act** occurring prior to the inception date of the first Not-For-Profit Organization Directors, Officers and Trustees Liability Policy issued to the **Organization** by the **Insurer** and continuously renewed and maintained in effect thereafter to the inception date of this policy, if on or before such date any **Insured** knew or could have reasonably foreseen that such **Wrongful Act** could lead to a **Claim**;
- (e) which is brought by or on behalf of any entity which is controlled by, controls, or is under common control with the **Organization**, or brought by or on behalf of any **Insured**, including but not limited to any **Claim** made against any **Insured** in any bankruptcy proceeding by or against an **Organization**, when such **Claim** is brought by the examiner, trustee, receiver, creditors' committee, trust, liquidator or rehabilitator (or any assignee thereof of such **Organization**). However, this exclusion shall not apply to any **Claim**: 1) brought on behalf of the **Organization** by an Attorney General; or (2) any **Claim** brought by an **Individual Insured** of the **Organization**, who has not served as an employee, committee member, volunteer, or duly elected or appointed director, trustee, officer of the **Organization** for at least four (4) years prior to such **Claim** being first made against any person;
- (f) alleging, arising out of, based upon, attributable to or in any way involving, directly or indirectly:
  - (1) the actual, alleged or threatened discharge, dispersal, release or escape of **Pollutants**, or;
  - (2) any direction or request to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize **Pollutants** (including but not limited to a **Claim** alleging damage to an **Organization**);
- (g) for the actual or alleged act or omission by any director, trustee, officer, employee, committee member or volunteer in their capacity as director, trustee, officer, employee, committee member or volunteer of any other entity other than the **Organization**, or by reason of their status as a director, trustee, officer, employee, committee member or volunteer of such other entity;
- (h) for the actual or alleged violation(s) of any of the responsibilities, obligations or duties imposed upon fiduciaries by the Employee Retirement Income Security Act of 1974 or amendments thereto or any similar provisions of state, local or foreign statutory law or common law;
- (i) arising out of, based upon, attributable to, or in any way involving, directly or indirectly, any actual or alleged: (1) bodily injury, sickness, disease or death of any person; (2) emotional distress of any person, except emotional distress of any person associated with any **Personal Wrongful Act**; or (3) damage to or destruction of any tangible property, including the loss of use thereof;
- (j) for the actual or alleged breach of contract or agreement, express or implied, written or oral; including but not limited to, the actual or alleged liability of others assumed by the **Insured** under any such contract or agreement;
- (k) **Alleging**, arising out of, based upon, attributable to, or in any way involving, directly or

indirectly, an **Employment Practices Claim**;

- (l) alleging, arising out of, based upon or attributable to sexual molestation, abuse or harassment, including any alleged direct sexual activity and any allegation relating thereto that an **Insured** negligently employed, investigated, supervised or retained a person, or based on an alleged practice, custom or policy and including, without limitation, any allegation that the violation of a civil right caused or contributed to such **Claim**;
- (m) alleging, arising out of, based upon or attributable to the **Organization's** performance of or failure to perform, professional services for others for a fee, or any act, error, or omission relating thereto. It is further understood that this exclusion shall not be applicable to any **Claim(s)** against a director or officer alleging failure to supervise those who perform or fail to perform such professional services.

## 5. LIMIT OF LIABILITY (INCLUDING DEFENSE COSTS)

### A. PER CLAIM LIMIT OF LIABILITY

The Limit of Liability stated in Item 3.A. of the Declarations is the limit of the **Insurer's** liability for all **Loss** payable under the policy arising out of any and all **Claims** first made against any **Insured** during the **Policy Period** and the **Extended Reporting Period** (if applicable), alleging the same **Wrongful Acts** or **Interrelated Wrongful Acts** and reported to the **Insurer** in accordance with Clause 7 of this policy (the "**Per Claim Limit of Liability**"). The **Per Claim Limit of Liability** for the **Extended Reporting Period** shall be part of, and not in addition to, the **Per Claim Limit of Liability** for the **Policy Period**. Further, any **Claim** which is made subsequent to the **Policy Period** or **Extended Reporting Period** (if applicable) that is considered made during the **Policy Period** or **Extended Reporting Period** pursuant to Clause 7(b) or 7(c) shall also be subject to the per claim **Limit of Liability** stated in Item 3.A. of the Declarations.

### B. DEFENSE COSTS

Defense costs are considered **Loss** or **Damages** and, therefore, are included within and reduce the **Aggregate Limit of Liability**.

### C. AGGREGATE LIMIT OF LIABILITY

The **Limit of Liability** stated in Item 3.B. of the Declarations is the **Aggregate Limit of Liability** and is the limit of the **Insurer's** liability for all **Loss** arising out of any and all **Claims** first made against each and every **Insured** during the **Policy Period** and the **Extended Reporting Period** if applicable, and reported to the **Insurer** in accordance with Clause 7 of this policy (the "**Aggregate Limit of Liability**"). The **Aggregate Limit of Liability** for the **Extended Reporting Period** (if applicable) shall be part of, and not in addition to, the **Aggregate Limit of Liability** for the **Policy Period**. Further, any **Claim** which is made subsequent to the **Policy Period** or **Extended Reporting Period** (if applicable) pursuant to Clause 7(b) or 7(c) shall also be subject to the one **Aggregate Limit of Liability** stated in Item 3.B. of the Declarations.

## 6. RETENTION

The **Insurer** shall only be liable for the amount of **Loss** arising from a **Claim** that is in excess of the **Retention** amount stated in Item 4 of the Declarations. Such **Retention** amount shall apply to all **Loss** arising from all **Claims** alleging the same **Wrongful Acts** or **Interrelated Wrongful Acts**. Such **Retention** shall be borne by the **Organization** and/or **Individual Insureds** and remain uninsured with regard to all **Loss**. A single **Retention** shall apply to **Loss** arising from **Claims** alleging the same **Wrongful Acts** or **Interrelated Wrongful Acts**.

## 7. NOTICE/CLAIM REPORTING PROVISIONS

Notice hereunder shall be given in writing to Lexington Insurance Company, Claims Department, 100 Summer Street, Boston, MA 02110. If mailed, the date of mailing of such notice shall constitute the date that such notice was given and proof of mailing shall be sufficient proof of notice.



- (a) The **Organization** or an **Individual Insured** shall, as a condition precedent to the obligations of the **Insurer** under this policy, give written notice to the **Insurer** as soon as practicable during the **Policy Period**, or during the **Extended Reporting Period** if applicable, of any **Claim** made against an **Insured**, but in all events no later than:
- (1) the end of the **Policy Period** or the **Extended Reporting Period** (if applicable); or
  - (2) within 30 days after the end of the **Policy Period** or the **Extended Reporting Period** (if applicable), as long as such **Claim** was first made against an **Insured** within the final 30 days of the **Policy Period** or the **Extended Reporting Period** (if applicable).
- (b) If during the **Policy Period**, or during the **Extended Reporting Period** (if applicable), written notice of a **Claim** has been given to the **Insurer** pursuant to Clause 7(a) above, then any **Claim** which is subsequently made against the **Insured** and promptly reported in writing to the **Insurer** alleging, arising out of, based upon or attributable to the facts alleged in the **Claim** of which such notice has previously been given, or alleging any **Wrongful Act** which is the same as or related to any **Wrongful Act** alleged in the **Claim** of which such notice has previously been given, shall be considered made at the time such notice was previously given.
- (c) If during the **Policy Period**, or during the **Extended Reporting Period** (if applicable), the **Insured** shall become aware of any circumstances which may reasonably be expected to give rise to a **Claim** being made against the **Insured** and shall give written notice to the **Insurer** of the circumstances and the reasons for anticipating such a **Claim** with full particulars as to dates and persons involved, then any **Claim** which is subsequently made against the **Insured** and reported in writing to the **Insurer** alleging, arising out of, based upon or attributable to such noticed circumstances or alleging any **Wrongful Act** which is the same as or related to any **Wrongful Act** alleged or contained in such noticed circumstances, shall be considered made at the time such notice of such circumstances was given.

#### 8. CHANGE OF CONTROL/RUNOFF

If, during the **Policy Period**:

- (a) the **Named Organization** shall consolidate with or merge into, or sell all or substantially all of its assets to, any person or entity or group of persons and/or entities acting in concert; or
- (b) any person or entity or group of persons and/or entities acting in concert shall acquire an amount of the outstanding securities representing more than fifty percent (50%) of the voting power for the election of directors or trustees of the **Named Organization**, or acquire the voting rights of such an amount of such securities;

(either of the above events are hereinafter referred to as the "**Transaction**") then any **Claim** made during the remaining term of the **Policy Period** shall be covered by the insurance granted by this policy, subject to its terms and conditions, but there shall be no coverage afforded by any provision of this policy for any actual or alleged **Wrongful Act(s)** occurring after the effective time of the **Transaction**.

The **Organization** named in Item 1 of the Declarations shall give the **Insurer** written notice of the **Transaction** as soon as practicable, but no later than thirty (30) days after the effective date of the **Transaction**.

#### 9. COOPERATION

The **Insured** shall cooperate with the **Insurer** and, upon the **Insurer's** request, assist in making settlements, in the conduct of suits or proceedings, and in enforcing any right of contribution or indemnity against any person or organization who may be liable to the **Insured**. The **Insured** shall attend hearings, trials and depositions, and shall assist in securing and giving evidence and obtaining the attendance of witnesses.

#### 10. EXTENDED REPORTING CLAUSE

If either the **Insurer** or the **Organization** shall cancel or decline to renew this policy, the **Organization** shall have the right, upon payment of an additional premium of seventy-five percent

(75%) of the **Full Annual Premium** (as defined below), to a period of one year following the effective date of such cancellation or non-renewal (herein referred to as the "**Extended Reporting Period**") in which to give written notice to the **Insurer** of **Claims** first made against the **Insured** during such **Extended Reporting Period** for any **Wrongful Act** occurring prior to the end of the **Policy Period** and otherwise covered by this policy. As used herein, "**Full Annual Premium**" means the premium level in effect immediately prior to the end of the **Policy Period**.

The rights contained in this clause shall terminate, however, unless written notice of such election together with the additional premium due is received by the **Insurer** within thirty (30) days of the effective date of cancellation or non-renewal. The additional premium for the **Extended Reporting Period** shall be fully earned at the inception of the **Extended Reporting Period**. The **Extended Reporting Period** is not cancelable. This clause and the rights contained herein shall not apply to any cancellation resulting from non-payment of premium.

The offer by the **Insurer** of renewal terms, conditions, Limit of Liability and/or premiums different from those of the expiring policy shall not constitute a declination to renew by the **Insurer** or cancellation.

## 11. CANCELLATION CLAUSE

This policy may be cancelled by the **Named Organization** at any time only by mailing written prior notice to the **Insurer** or by surrender of this policy to the **Insurer** or its authorized agent.

This policy may also be cancelled by the **Insurer** by delivering to the **Named Organization** or by mailing to the **Named Organization** by registered, certified, or other first class mail at the **Named Organization's** address as shown in Item 1 of the Declarations, written notice stating when, not less than thirty (30) days thereafter, the cancellation shall be effective. The mailing of such notice as aforesaid shall be sufficient proof of notice.

In instances of nonpayment of premium, the policy may be cancelled by or on behalf of the **Insurer** by mailing to the **Named Organization** by registered, certified or other first class mail, at the **Named Organization's** address shown in Item 1 of the Declarations, written notice stating when not less than ten (10) days thereafter, the cancellation shall be effective. The mailing of such notice as aforesaid shall be sufficient proof of notice.

The **Policy Period** terminates at the date and hour specified in such notice, or at the date and time of surrender.

If this policy shall be cancelled by the **Named Organization**, the **Insurer** shall retain the customary short rate proportion of the premium hereon, subject to the **Minimum Earned Premium** as indicated in Item 5 of the Declarations page.

If the policy shall be cancelled by the **Insurer**, the **Insurer** shall retain the pro rata proportion of the premium hereon.

Payment or tender of any unearned premium by the **Insurer** shall not be a condition precedent to the effectiveness of cancellation but such payment shall be made as soon as practicable. If the period of limitation relating to the giving of notice is prohibited or made void by any law controlling the construction thereof, such period shall be deemed to be amended so as to be equal to the minimum period of limitation permitted by such law.

## 12. SUBROGATION

In the event of any payment under this policy, the **Insurer** shall be subrogated to the extent of such payment to all the **Insured's** rights of recovery thereof, and the **Insured** shall execute all papers required and shall do everything that may be necessary to secure such rights, including the execution of such documents as are necessary to enable the **Insurer** effectively to bring suit in the name of the **Insured**.

## 13. OTHER INSURANCE

Such insurance as is provided by this policy shall apply only as excess over any other valid and collectible insurance.

#### 14. NOTICE AND AUTHORITY

It is agreed that the **Named Organization** first named in Item 1 of the Declarations shall act on behalf of all **Insureds** with respect to the giving of notice of **Claim**; giving and receiving notice of cancellation; the payment of premiums; the receiving of any return premiums that may become due under this policy; the receipt and acceptance of any endorsements issued to form a part of this policy; and the exercising or declining to exercise any right to an **Extended Reporting Period** or run-off period.

#### 15. REPRESENTATIONS IN APPLICATION

In granting coverage under this policy, it is agreed that the **Insurer** has relied upon the statements and representations contained in the **Application** for this policy (including materials submitted therewith and, if this is a renewal application, all such previous policy applications for which this policy is a renewal) as being accurate and complete. All such statements and representations shall be deemed to be material to the risk assumed by the **Insurer**, are the basis of this policy and are to be considered as incorporated into this policy.

#### 16. ASSIGNMENT

This policy and any and all rights hereunder are not assignable without the written consent of the **Insurer**.

#### 17. ALTERNATIVE DISPUTE RESOLUTION PROCESS

It is hereby understood and agreed that all disputes or differences which may arise under or in connection with this policy, whether arising before or after the termination of this policy, including any determination of the amount of **Loss**, shall be submitted to the alternative dispute resolution ("**ADR**") process set forth in this clause.

Either the **Insurer** or an **Insured** may elect the type of **ADR** process discussed below. The **Insurer** and each and every **Insured** agrees that there shall be two choices of **ADR** process: (1) non-binding mediation, in which the **Insurer** and any such **Insured** shall try in good faith to settle the dispute by mediation; or (2) arbitration submitted to the American Arbitration Association in accordance with its then-prevailing Commercial Arbitration Rules, in which the arbitration panel shall consist of three disinterested individuals. In either mediation or arbitration, the mediator or arbitrators shall have knowledge of the legal, corporate management, or insurance issues relevant to the matters in dispute. The mediator or arbitrators shall also give due consideration to the general principles of the law of the state where the **Organization** is incorporated in the construction or interpretation of the provisions of this policy. In the event of arbitration, the decision of the arbitrators shall be final and binding and provided to both parties, and the arbitrators' award shall not include attorneys fees or other costs. In the event of mediation, either party shall have the right to commence a judicial proceeding; provided, however, that no such judicial proceeding shall be commenced until the mediation shall have been terminated and at least 120 days shall have elapsed from the date of the termination of the mediation. In all events, each party shall share equally the expenses of the **ADR** process.

The **Named Organization** shall act on behalf of each and every **Insured** in deciding to proceed with an **ADR** process under this clause.

#### 18. ACTION AGAINST INSURER

Subject to Clause 17, ALTERNATIVE DISPUTE RESOLUTION PROCESS, of the policy, no action shall lie against the **Insurer** unless, as a condition precedent thereto, there shall have been full compliance with all of the terms of this policy, nor until the amount of the **Insured's** obligation to pay shall have been finally determined either by judgment against the **Insured** after actual trial or by written agreement of the **Insured**, the claimant and the **Insurer**.

Any person or organization or the legal representative thereof who has secured such judgment or written agreement shall thereafter be entitled to recover under this policy to the extent of the insurance afforded by this policy. No person or organization shall have any right under this policy to join the **Insurer** as a party to any action against the **Insured** to determine the **Insured's** liability,


nor shall the **Insurer** be impleaded by the **Insured** or his legal representative. Bankruptcy or insolvency of the **Organization** or any **Individual Insured** or of their estates shall not relieve the **Insurer** of any of its obligations hereunder.

**19. SERVICE OF SUIT**

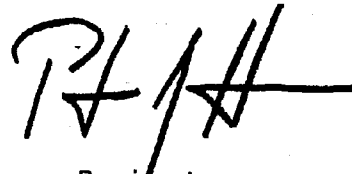
Upon compliance with Clause 17, ALTERNATIVE DISPUTE RESOLUTION PROCESS, it is agreed that in the event of failure of **ADR** and of the **Insurer** to pay any amount claimed to be due hereunder, the **Insurer**, at the request of the **Insured**, will submit to the jurisdiction of a court of competent jurisdiction within the United States. Nothing in this Clause constitutes or should be understood to constitute a waiver of the **Insurer's** rights to commence an action in any court of competent jurisdiction in the United States; to remove an action to a United States District Court; or to seek a transfer of a case to another court as permitted by the laws of the United States or of any state in the United States. It is further agreed that service of process in such suit may be made upon Counsel, Legal Department, Lexington Insurance Company, 100 Summer Street, Boston, Massachusetts 02110, or his or her representative, and that in any suit instituted against the **Insurer** upon this policy, the **Insurer** will abide by the final decision of such court or of any appellate court in the event of an appeal.

Further, pursuant to any statute of any state, territory or district of the United States which makes provision therefor, the **Insurer** hereby designates the Superintendent, Commissioner, or Director of Insurance, or other officer specified for that purpose in the statute, or his or her successor or successors in office as its true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the **Insured** or any beneficiary hereunder arising out of this contract of insurance, and hereby designates the above named Counsel as the person to whom the said officer is authorized to mail such process or a true copy thereof.

**IN WITNESS WHEREOF**, the **Insurer** has caused this policy to be executed and attested by its President and Secretary, but this policy shall not be valid unless countersigned in the Declarations by a duly authorized representative of the **Insurer**.



Secretary



President

ENDORSEMENT # 001

This endorsement, effective 12:01 AM 07/01/2011

Forms a part of policy no.: 024214351

Issued to: SCHOOL SUPPORT PURCHASING GROUP AND ALL ITS  
MEMBERS, AND THEIR OFFICERS, DIRECTORS&VOLUNTEERS

By: LEXINGTON INSURANCE COMPANY

THIS ENDORSEMENT ADDS ACCIDENT INSURANCE TO THE POLICY UNDER THE TERMS AND  
CONDITIONS STATED HEREIN, PLEASE READ IT CAREFULLY.

ACCIDENT INSURANCE ENDORSEMENT

NOTICE: THIS ENDORSEMENT PROVIDES ACCIDENT ONLY COVERAGE. IT DOES NOT COVER  
SICKNESS OR DISEASE.

NOTICE: COVERAGE IS NOT PROVIDED TO ANY OTHERWISE ELIGIBLE PERSON IF THE NAMED  
INSURED IS DOMICILED IN INDIANA, IOWA, MASSACHUSETTS, MISSOURI, NORTH CAROLINA,  
PENNSYLVANIA, OR RHODE ISLAND.

The words we, us and our refer to the company providing this insurance as stated above. Other  
words and phrases that appear in bold face print in this endorsement have special meaning within  
this endorsement. Refer to the Accident Insurance Declarations and Accident Insurance Definitions  
below.

The Policy is amended as follows:

I. **ACCIDENT INSURANCE DECLARATIONS** - The following declarations are added to the Policy  
and apply only with respect to the coverage provided by this endorsement:

(a) **Accident Insurance Effective Date:** "Same as Policy Effective Date"

(b) **Classification of Eligible Persons:**

**Class 1:** All third parties, excluding Class 2. Class 1 does not include firefighters, police  
officers, emergency medical technicians or any other emergency services personnel  
who may be called to the venue or location(s) in the event of an emergency.  
Additionally, Class 1 does not include prisoners, inmates or detainees of any kind  
when the Covered Premises is a prison, jail, detention center, lock down facility or  
any other correctional institution of any kind.

**Class 2:** All employees of the Named Insured working at least 20 hours per week and who  
are permanently employed inside the U.S., its territories and possessions, Puerto  
Rico and Canada.

(c) **Covered Activity (ies):** Coverage is provided for Injury sustained by a Covered Person while:

**Covered Activity 1: (Class 1)** Lawfully in or on the Covered Premises of the Named Insured.

**Covered Activity 2: (Class 2)** Actively performing the duties of his or her occupation for the  
Named Insured.

(d) **Principal Sum Amount (per Covered Person):** \$50,000

(e) **Accident Insurance Aggregate Limit:** \$5,000,000 per occurrence

**II. ACCIDENT INSURANCE** - The following Accident Insurance Coverage is added to the Policy. The provisions hereunder apply only with respect to the Accident Insurance provided by this endorsement:

**A. ACCIDENT INSURANCE INSURING AGREEMENT**

We will pay a benefit to the **Covered Person** (or, in the event of death, to the **Covered Person's** beneficiary) if that **Covered Person** suffers a loss covered under this endorsement arising from an **Injury** that results from an accident that occurs on or after the **Accident Insurance Effective Date** and during a **Covered Activity**. The **Principal Sum Amount** and the **Covered Activity(ies)** applicable to each **Covered Person** are set out in the **Schedule**. The benefit amount payable is subject to the Accident Insurance Reduction Schedule found below.

**Accidental Death & Dismemberment and Paralysis Benefit.** If **Injury** to a **Covered Person** results, within 365 days of the date of the accident that caused the **Injury**, in that **Covered Person** suffering any one of the losses or any type of paralysis specified below, the benefit we will pay will be based upon the indicated percentage of the **Principal Sum Amount** shown below for that loss or paralysis:

<u>For Loss of:</u>	<u>Percentage of Principal Sum Amount Payable</u>
Life	100%
Both Hands or Both Feet	100%
Sight of Both Eyes	100%
One Hand and One Foot	100%
One Hand and the Sight of One Eye	100%
One Foot and the Sight of One Eye	100%
Speech and Hearing in Both Ears	100%
One Hand or One Foot	50%
Sight of One Eye	50%
Speech or Hearing in Both Ears	50%
Hearing in One Ear	25%
Thumb and Index Finger of Same Hand	25%
<b>Quadriplegia</b>	<b>100%</b>
<b>Paraplegia</b>	<b>50%</b>
<b>Hemiplegia</b>	<b>25%</b>

Loss of a hand or foot means complete severance through or above the wrist or ankle joint. Loss of sight of an eye means total and irrecoverable loss of the entire sight in that eye. Loss of hearing in an ear means total and irrecoverable loss of the entire ability to hear in that ear. Loss of speech means total and irrecoverable loss of the entire ability to speak. Loss of thumb and index finger means complete severance through or above the metacarpophalangeal joint of both digits.

If more than one loss or paralysis is sustained by a **Covered Person** as a result of the same accident, only one amount, the largest, will be paid.

**B. ACCIDENT INSURANCE EXCLUSIONS**

No coverage shall be provided under this endorsement and no payment shall be made for any loss resulting in whole or in part from, or contributed to by, or as a natural and probable consequence of any of the following excluded risks even if the proximate or precipitating cause of the loss is an accidental bodily injury:

1. suicide or any attempt at suicide or intentionally self-inflicted Injury or any attempt at intentionally self-inflicted Injury or any act of autoeroticism.
2. sickness or disease, or mental incapacity or bodily infirmity whether the loss results directly or indirectly from any of these.
3. the **Covered Person's** commission of or attempt to commit a crime.
4. declared or undeclared war, or any act of declared or undeclared war regardless of whether the Policy to which this endorsement is attached provides such coverage.

5. infections of any kind regardless of how contracted, except bacterial infections that are directly caused by botulism, ptomaine poisoning or an accidental cut or wound independent and in the absence of any underlying sickness, disease or condition including but not limited to diabetes.
6. participation in any team sport or any other athletic activity.
7. full-time active duty in the armed forces, National Guard or organized reserve corps of any country or international authority. (Loss caused while on short-term National Guard or reserve duty for regularly scheduled training purposes is not excluded).
8. travel or flight in or on (including getting in or out of, or on or off of) any vehicle used for aerial navigation, if the **Covered Person** is:
  - a) riding as a passenger in any aircraft not intended or licensed for the transportation of passengers; or
  - b) performing, learning to perform or instructing others to perform as a pilot or crew member of any aircraft; or
  - c) riding as a passenger in an aircraft owned, leased or operated by the **Named Insured** or the **Covered Person's** employer.
9. the **Covered Person** being under the influence of intoxicants.
10. the **Covered Person** being under the influence of drugs unless taken under the advice of and as specified by a **Physician**.
11. the medical or surgical treatment of sickness, disease, mental incapacity or bodily infirmity whether the loss results directly or indirectly from the treatment.
12. stroke or cerebrovascular accident or event; cardiovascular accident or event; myocardial infarction or heart attack; coronary thrombosis; aneurysm.
13. the **Covered Person** riding in or driving any type of motor vehicle as part of a speed contest or scheduled race, including testing such vehicle on a track, speedway or proving ground.

### C. ACCIDENT INSURANCE LIMITATIONS

**Accident Insurance Aggregate Limit** - The maximum amount payable under the Accidental Death & Dismemberment and Paralysis Benefit may be reduced if more than one **Covered Person** suffers a loss or paralysis as a result of the same occurrence. The maximum amount payable for all such losses and types of paralysis for all **Covered Persons** will not exceed the amount shown as the **Accident Insurance Aggregate Limit** in the **Schedule**. If the combined maximum amount otherwise payable for all **Covered Persons** must be reduced to comply with this provision, the reduction will be taken by applying the same percentage of reduction to the individual maximum amount otherwise payable for each **Covered Person** for all such losses and types of paralysis. The **Accident Insurance Aggregate Limit** is in addition to the Policy's General Aggregate Limit.

**Accident Insurance Reduction Schedule** - The amount payable for a loss will be reduced if a **Covered Person** is age 70 or older on the date of the accident causing the loss. The amount payable for that **Covered Person's** loss is a percentage of the amount that would otherwise be payable, according to the following schedule:

AGE ON DATE OF ACCIDENT	PERCENTAGE OF AMOUNT OTHERWISE PAYABLE
70-74	65%
75-79	45%
80-84	30%
85 and older	15%

Premium for a **Covered Person** age 70 or older is based on 100% of the coverage that would be in effect if the **Covered Person** were under age 70.

"Age" as used above refers to the age of the **Covered Person** on the **Covered Person's** most recent birthday, regardless of the actual time of birth.

#### D. ACCIDENT INSURANCE DEFINITIONS

**Covered Activity (ies)** - means those activities set out as **Covered Activity (ies)** in the **Schedule** with respect to which **Covered Persons** are provided coverage under this endorsement.

**Covered Person** - means a person: (1) who is a member of an eligible class of persons as described in the **Classification of Eligible Persons** section of the **Schedule**; and (2) while such person's coverage under this endorsement is in force.

**Covered Premises** - means the physical location of all premises owned by, rented to, leased by the **Named Insured** located inside the U.S., its territories and possessions, Puerto Rico and Canada (including parking lots next to buildings that are maintained by the **Named Insured**). **Covered Premises** does not include any public road or highway, beach, reservoir or lake. In addition, **Covered Premises** does not include any vehicle or mode of transportation once it has left the premises of the **Named Insured**. For construction "wrap-up" business, **Covered Premises** is deemed to be the physical project worksite location(s) covered in the Policy to which this endorsement is attached, during the project term.

**Named Insured** - means the **Named Insured** shown in the **Declarations** of the Policy to which this endorsement is attached.

**Hemiplegia** - means the complete and irreversible paralysis of the upper and lower **Limbs** of the same side of the body.

**Immediate Family Member** - means a person who is related to the **Covered Person** in any of the following ways: spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, father-in-law, parent (includes stepparent), brother or sister (includes stepbrother or stepsister), or child (includes legally adopted or stepchild).

**Injury** - means an injury to the body: (1) which is sustained as a direct result of an unintended, unanticipated accident that is external to the body and that occurs while the injured person's accident coverage is in force; (2) which occurs under the circumstances described in a **Covered Activity** applicable to that person; and (3) which directly (independent of sickness, disease, mental incapacity, bodily infirmity or any other cause) causes a covered loss under this endorsement.

**Limb** - means entire arm or entire leg.

**Paraplegia** - means the complete and irreversible paralysis of both lower **Limbs**.

**Physician** - means a licensed practitioner of the healing arts acting within the scope of his or her license who is not: (1) the **Covered Person**; (2) an **Immediate Family Member**; or (3) retained by the **Named Insured**.

**Quadriplegia** - means the complete and irreversible paralysis of both upper and both lower **Limbs**.

**Schedule** - means the **Accident Insurance Declarations** section of this endorsement.

#### E. ACCIDENT INSURANCE CLAIMS PROVISIONS

**Notice of Claim.** Written notice of a claim for benefits must be given to us within 20 days after a **Covered Person's** loss, or as soon thereafter as reasonably possible. Such written notice given by or on behalf of the claimant to us in care of Chartis Claims Department, P.O. Box 25987, Shawnee Mission, KS 66225, or by fax to 1-866-831-3636 or by calling 1-800-551-0824 or by e-mail to [A&HAD&DClaims@chartisinsurance.com](mailto:A&HAD&DClaims@chartisinsurance.com) with information sufficient to identify the **Covered Person**, is deemed notice to us.

**Claim Forms.** We will send claim forms to the claimant upon receipt of a written notice of claim. If such forms are not sent within 15 days after the giving of notice of a claim, the claimant will be deemed to have met the proof of loss requirements upon submitting, within the time fixed herein for filing proof of loss, written proof covering the occurrence, the character and the extent of the loss for which claim is made. The notice should include the **Covered Person's** name, the **Named Insured's** name and the Policy number .



**Proof of Loss.** Written proof of loss must be furnished to us within 90 days after the date of the loss. Failure to furnish proof within the time required neither invalidates nor reduces any claim if it was not reasonably possible to give proof within such time, provided such proof is furnished as soon as reasonably possible and in no event, except in the absence of legal capacity of the claimant, later than one year from the time proof is otherwise required.

**Payment of Claims.** Upon receipt of due written proof of death, payment for loss of life of a **Covered Person** will be made, in equal shares, to the survivors in the first surviving class of those that follow: the **Covered Person's** (1) spouse; (2) children; (3) parents; or (4) brothers and sisters. If no class has a survivor, the beneficiary is the **Covered Person's** estate.

Upon receipt of due written proof of loss, payments for all losses, except loss of life, will be made to (or on behalf of, if applicable) the **Covered Person** suffering the loss. If a **Covered Person** dies before all payments due have been made, the amount still payable will be paid as described above for loss of life.

If any payee is a minor or is not competent to give a valid release for the payment, the payment will be made to the legal guardian of the payee's property. If the payee has no legal guardian for his or her property, a payment not exceeding \$1,000 may be made, at our option, to any relative by blood or connection by marriage of the payee, who, in our opinion, has assumed the custody and support of the minor or responsibility for the incompetent person's affairs.

Any payment we make in good faith fully discharges our liability to the extent of the payment made.

**Time of Payment of Claims.** Benefits payable for any loss will be paid immediately upon our receipt of due written proof of the loss.

**Physical Examination and Autopsy.** We at our own expense have the right and opportunity to examine the person of any individual whose loss is the basis of claim hereunder when and as often as we may reasonably require during the pendency of the claim and to make an autopsy in case of death where it is not forbidden by law.

#### F. ACCIDENT INSURANCE ADDITIONAL PROVISIONS

**Accident Insurance Termination Date.** This coverage terminates automatically on the date the Policy terminates. Termination takes effect at 12:01 AM Standard Time at the address of the **Named Insured** on the date of termination.

**Covered Person's Effective Date.** A **Covered Person's** coverage under this endorsement begins on the latest of: (1) the **Accident Insurance Effective Date**; (2) the date the person becomes a member of an eligible class of persons as described in the **Classification of Eligible Persons** section of the **Schedule**; or (3) the date the appropriate premium is paid for the **Covered Person**.

**Covered Person Termination Date.** A **Covered Person's** coverage under this endorsement ends on the earliest of: (1) the date the Policy is terminated; (2) the date this endorsement is terminated; or (3) the date the **Covered Person** ceases to be a member of any eligible class of persons as described in the **Classification of Eligible Persons** section of the **Schedule**.

Termination of coverage will not affect a claim for a covered loss that occurred while the **Covered Person's** coverage under this endorsement was in force.

All other terms, conditions, and exclusions of the Policy shall remain unchanged.



Authorized Representative OR  
Countersignature (In states where applicable)

ENDORSEMENT # 002

This endorsement, effective 12:01 AM 07/01/2011

Forms a part of policy no.: 024214351

Issued to: SCHOOL SUPPORT PURCHASING GROUP AND ALL ITS  
MEMBERS, AND THEIR OFFICERS, DIRECTORS&VOLUNTEERS

By: LEXINGTON INSURANCE COMPANY

**NUCLEAR ENERGY LIABILITY EXCLUSIONS ENDORSEMENT FOR USE WITH  
NOT FOR PROFIT PRIMARY AND NON FOLLOW EXCESS POLICY**

In consideration of the premium charged, it is hereby understood and agreed that the **Insurer** shall not be liable to make any payment for **Loss** in connection with any **Claim** made against any **Insured**:

- A. alleging, arising out of, based upon, attributable to, or in any way involving, directly or indirectly, the **Hazardous Properties of Nuclear Material**, including but not limited to:
- (1) **Nuclear Material** located at any **Nuclear Facility** owned by, or operated by or on behalf of, the **Named Organization**, or discharged or dispersed therefrom;
  - (2) **Nuclear Material** contained in **Spent Fuel** or **Waste** which was or is at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of the **Named Organization**;
  - (3) the furnishing by an **Insured** or the **Named Organization** of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any **Nuclear Facility**; or
  - (4) **Claims** for damage or other injury to the **Named Organization** or its shareholders which allege, arise from, are based upon, are attributed to or in any way involve, directly or indirectly, the **Hazardous Properties of Nuclear Material** .
- B. (1) which is insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability underwriters, or Nuclear Insurance Association of Canada, or would be insured under any such policy but for its termination or exhaustion of its limit of liability; or,
- (2) with respect to which: (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the **Insured** is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

As used in this endorsement:

**"Hazardous Properties"** include radioactive, toxic or explosive properties.

**"Nuclear Facility"** means:

- (a) any **Nuclear Reactor**;
- (b) any equipment or device designed or used for
  - (1) separating the isotopes of uranium or plutonium,
  - (2) processing or utilizing **Spent Fuel**, or
  - (3) handling, processing or packaging **Wastes**;

- (c) any equipment or device used for the processing, fabricating or alloying of **Special Nuclear Material** if at any time the total amount of such material in the custody of the **Insured** at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235; and
- (d) any structure, basin, excavation, premises or place prepared or used for the storage or disposal of **Waste**, and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

**"Nuclear Material"** means **Source Material, Special Nuclear Material or Byproduct Material.**

**"Nuclear Reactor"** means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.

**"Source Material," "Special Nuclear Material," and "Byproduct Material"** have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.

**"Spent Fuel"** means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a **Nuclear Reactor.**

**"Waste"** means any waste material (1) containing **Byproduct Material** and (2) resulting from the operations by any person or organization of any **Nuclear Facility** included within the definition of **Nuclear Facility** under paragraph (a) or (b) thereof.

All other terms, conditions and exclusions of the policy remain unchanged.



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Authorized Representative OR  
Countersignature (In states where applicable)

ENDORSEMENT # 003

This endorsement, effective 12:01 AM 07/01/2011

Forms a part of policy no.: 024214351

Issued to: SCHOOL SUPPORT PURCHASING GROUP AND ALL ITS  
MEMBERS, AND THEIR OFFICERS, DIRECTORS&VOLUNTEERS

By: LEXINGTON INSURANCE COMPANY

**TERRORISM PREMIUM CHARGE ENDORSEMENT**

The "Terrorism" charge is included in the Policy Premium shown on the Declarations Page of this policy.

DEFINITION - The following definition of terrorism shall apply:

"Terrorism" means the use or threatened use of force or violence against person or property, or commission of an act dangerous to human life or property, or commission of an act that interferes with or disrupts an electronic or communication system, undertaken by any person or group, whether or not acting on behalf of or in any connection with any organization, government, power, authority or military force, when the effect is to intimidate, coerce or harm:

- (1) A government;
- (2) The civilian population of a country, state or community; or
- (3) To disrupt the economy of a country, state or community.

So long as the Terrorism Risk Insurance Act of 2002 (the "Act") is in effect, "Terrorism" includes a certified act of terrorism defined by Section 102. Definitions of the Act and any revisions or amendments thereto.

All other terms and conditions of the policy are the same.



Authorized Representative OR  
Countersignature (In states where applicable)

**ENDORSEMENT # 004**

**This endorsement, effective 12:01 AM 07/01/2011**

**Forms a part of policy no.: 024214351**

**Issued to: SCHOOL SUPPORT PURCHASING GROUP AND ALL ITS  
MEMBERS, AND THEIR OFFICERS, DIRECTORS&VOLUNTEERS**

**By: LEXINGTON INSURANCE COMPANY**

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**COVERAGE TERRITORY ENDORSEMENT**

This endorsement modifies insurance provided under the following:

Payment of loss under this policy shall only be made in full compliance with all United States of America economic or trade sanction laws or regulations, including, but not limited to, sanctions, laws and regulations administered and enforced by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC").

*David Bresnahan*

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**Authorized Representative OR  
Countersignature (In states where applicable)**

**ENDORSEMENT # 005**

**This endorsement, effective 12:01 AM 07/01/2011**

**Forms a part of policy no.: 024214351**

**Issued to: SCHOOL SUPPORT PURCHASING GROUP AND ALL ITS  
MEMBERS, AND THEIR OFFICERS, DIRECTORS&VOLUNTEERS**

**By: LEXINGTON INSURANCE COMPANY**

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**RETRO PRIOR ACTS EXCLUSION**

In consideration of the premium charged, it is hereby understood and agreed that this policy provides coverage for Loss arising from claims by reason of Wrongful Acts occurring on or after 07/01/2007 and before the cancellation date or expiration date of this policy. Loss(es) arising out of the same or related Wrongful Act(s) shall be deemed to arise from the first such same or related Wrongful Acts.