UNITED EDUCATORS ASSOCIATION, INC.
EDUCATORS PROFESSIONAL LIABILITY INSURANCE SUMMARY

This insurance is available to eligible members of the United Educators Association, Inc. (UEA). The policy is underwritten by a carrier rated A+XV (Superior) by A.M. Best. The Master policy, which contains all terms, policy conditions, exclusions, and endorsements, is kept on file with UEA. The following summary of coverage is provided by UEA.

ITEM 1. **POLICYHOLDER AND MAILING ADDRESS:**

UNITED EDUCATORS ASSOCIATION, INC.
4055 International Plaza, #530
Fort Worth, TX 76109

ITEM 2. POLICY PERIOD: 8/15/2026 TO 8/15/2027

ITEM 3. LIMITS OF LIABILITY:

Limits of Liability Coverage A Schedule

1. Per Insured, per **OCCURRENCE**	$7,000,000
2. Per **OCCURRENCE**	$7,000,000
3. Annual Aggregate applicable to **CLAIM** amounts in excess of $3,000,000	$10,000,000

Coverage A – Educators Liability Insurance Additional Coverage

1. Punitive or Exemplary Damages	$5000 each claim

Coverage B – Reimbursement of Attorney Fees

1. Per **CLAIM**, per insured

Criminal Action or Proceeding	$20,000
Sexual Misconduct Action or Proceeding	$20,000
Specified Professional Rights Action or Proceeding without Regard to Final Judgement	$20,000
Other Professional Rights Action or Proceeding	
Final judgment rendered in favor of insured	$20,000
Without regard to final judgment	$1,000
Professional Rights Appeals	$20,000
Credential Action or Proceeding	$20,000
Civil Rights Violation Action or Proceeding	$20,000
Appraisal and Career Ladder Action or Proceeding	$20,000

2. Annual Aggregate Criminal or Sexual Misconduct Actions or Proceedings	$40,000
3. Annual Aggregate, All **CLAIMS**	N/A

Coverage C – Bail Bonds

1. Per bail bond, per insured	$1,000

Optional Coverages

Reimbursement of Attorney Fees for Identity Theft	$10,000
Reimbursement of Attorney Fees for Private Instruction	$10,000
Annual Aggregate, per INSURED	$10,000
Assault Related Personal Property Damage	$2,500

EDUCATORS PROFESSIONAL LIABILITY POLICY

The Company agrees with the **INSURED** and the **POLICYHOLDER,** named in the Declarations and made a part hereof, in consideration of payment of the premium and in reliance upon the representations made in the application and subject to the limits of liability, exclusions, conditions, and other terms of this policy, as follows:

SECTION I - INSURING AGREEMENTS

Coverage A - Liability Coverage

A. The Company will pay on behalf of the **INSURED** all sums which the **INSURED** shall become obligated to pay by reason of liability imposed by law for monetary damages resulting from any **CLAIM** made against the **INSURED** arising out of an **OCCURRENCE** in the course of the **ACTIVITIES OF THE INSURED IN HIS/HER PROFESSIONAL CAPACITY** and caused by any acts or omissions of the **INSURED** or any other person for whose acts the **INSURED** is legally liable. The Company shall defend any suit seeking monetary damages which are payable under the terms of the policy, even if such suit be groundless, false or fraudulent, but the Company may make such investigation, negotiation and settlement of any **CLAIM** or suit as it may deem expedient.

B. If suit is brought against an **INSURED** for a **CLAIM** seeking both compensatory and punitive or exemplary damages, and the Company affords a defense to such action, the Company will pay any costs, interest or damages attributable to punitive or exemplary damages. Coverage for punitive or exemplary damages will only be provided if such amounts are insurable by law in the jurisdiction in which the judgment is awarded.

   The Punitive and Exemplary Damages Each Claim limit shown on the Declarations is the most the Company will pay for punitive or exemplary damages.

   The Punitive and Exemplary Damages Each Claim limit shown in the Declarations is part of, and not in addition to, the limits of liability shown in the Declaration and any payment of Punitive or Exemplary Damages Each Claim limit will reduce the limits of liability shown in the Declarations.

C. This policy applies only to **OCCURRENCES** during the policy period.

Coverage B—Reimbursement of Attorney Fees

A. If an amount is shown on the Declarations for any of the following, the Company will reimburse the **INSURED** for a **CLAIM** for reasonable and necessary attorney fees which the **INSURED** is legally obligated to pay to an attorney, but without obligation to furnish such attorney, for the defense of any action brought against such **INSURED** arising out of the following:

Criminal Action or Proceeding

A criminal action or proceeding against the **INSURED**, including an investigation of the **INSURED** by a law enforcement authority or agency, arising out of **ACTIVITIES OF THE INSURED IN HIS/HER PROFESSIONAL CAPACITY**;

Sexual Misconduct Action or Proceeding

An action or proceeding alleging intentional or negligent sexual misconduct;

Specified Professional Rights Action or Proceeding

The Company will reimburse the **INSURED** for a **CLAIM** for reasonable and necessary attorney fees up to the Specified Professional Rights Action or Proceeding without Regard to Final Judgment Per Claim, Per Insured limit in the Schedule which the **INSURED** is legally obligated to pay to an attorney, but without obligation to furnish such attorney, for the defense of an action or proceeding against the **INSURED** involving dismissal, nonrenewal, termination, tenure, salary, leave of absence, assignment, resignation, or performance appraisals arising within the scope of employment;

Other Professional Rights Action or Proceeding

The Company will reimburse the **INSURED** for a **CLAIM** for reasonable and necessary attorney fees up to the Other Professional Rights Action or Proceeding Per Claim, Per **INSURED** limit in the Schedule which the **INSURED** is legally obligated to pay to an attorney, but without obligation to furnish such attorney, for the defense of an action against the **INSURED** other than dismissal, non-renewal, termination, tenure, salary, leave of absence, assignment, resignation, or performance appraisals arising within the scope of employment, provided, that the final judgment, in whole or part, is rendered in favor of the **INSURED**. However, the Company will pay a maximum of $1,000 for reimbursement of attorney fees without regard to final judgment;

Professional Rights Appeals

The Company will reimburse the **INSURED** for a **CLAIM** for reasonable and necessary attorney fees which the **INSURED** is legally obligated to pay to an attorney, but without obligation to furnish such attorney, for appeals beyond the school board level of a dismissal, non-renewal, termination, tenure, salary, leave of absence, assignment or resignation, provided that final judgment, in whole or in part, on the appeal is rendered in favor of the **INSURED**;

Credential Action or Proceeding

An action or proceeding against the **INSURED** involving the issuance, suspension, cancellation or revocation of any credential, life diploma, or certification document issued by the State Board of Education or Commission on Credentials or any other agency issuing certifications;

Civil Rights Violation Action or Proceeding

An action or proceeding based upon an alleged violation of civil rights guaranteed by the Constitution or civil rights statutes of the United States or of any state arising out of **ACTIVITIES OF THE INSURED IN HIS/HER PROFESSIONAL CAPACITY** and not otherwise covered up to the limit shown on the Declarations;

Appraisal and Career Ladder Action or Proceeding

The Company will reimburse the **INSURED** for a **CLAIM** for reasonable and necessary attorney fees which the **INSURED** is legally obligated to pay to an attorney, but without obligation to furnish such attorney, for the defense of an action or proceeding against the **INSURED** arising out of an action or proceeding against the **INSURED** as a result of such **INSURED**'s service on an appraisal or a career ladder select committee; and

B. As respects Coverage B, this policy applies only to actions resulting from activities of the

INSURED which first take place during the policy period.

Coverage C - Bail Bonds

The Company will pay the premium for bail bond(s) required of the **INSURED** up to the limit shown in the Declarations, but without obligation to apply for or furnish such bond(s). As respects Coverage C, this policy applies only to any bail bond(s) required of the **INSURED** arising out of **ACTIVITIES OF THE INSURED IN HIS/HER PROFESSIONAL CAPACITY** during the policy period.

OPTIONAL COVERAGES

Reimbursement of Attorney Fees for Identity Theft

A. The Company will reimburse the **INSURED** for a **CLAIM** for reasonable and necessary attorney fees, up to the limit shown in the Declarations, which the **INSURED** is legally obligated to pay to an attorney, but without obligation to furnish such attorney, incurred as a result of being a victim of **IDENTITY THEFT.**

B. This policy applies to Reimbursement of Attorney Fees for **IDENTITY THEFT** only if such attorney fees are incurred during the policy period.

C. The Reimbursement of Attorney Fees for Identity Theft Per **INSURED**, Per Policy Period limit shown in the Declaration is the most we will pay for each **INSURED**, per policy period. The limit is part of, will reduce, and is not in addition to the Coverage B – Reimbursement of Attorney Fees Annual Aggregate, all **CLAIMS** limit shown in the Declarations.

Reimbursement of Attorney Fees for Private Instruction Action or Proceeding

A. The Company will reimburse the **INSURED** for a **CLAIM** for reasonable and necessary attorney fees, up to the Per **CLAIM**, Per **INSURED** limit shown in the Declarations, which the **INSURED** is legally obligated to pay to an attorney but without obligation to furnish such attorney for the defense of an action or proceeding brought against the **INSURED** arising from private instruction activities of the **INSURED**.

B. This policy applies to the **INSURED'S** private instruction actions or proceedings which first take place during the policy period.

C. The Reimbursement of Attorney Fees for Private Instruction Action or Proceeding Annual Aggregate Per **INSURED** limit shown in the Declaration is the most we will pay for each **INSURED**, per policy period. The limit is part of, will reduce, and is not in addition to the Coverage B – Reimbursement of Attorney Fees Annual Aggregate, all **CLAIMS** limit shown in the Declarations.

Assault Related Personal Property Damage

A. The Company will pay for damage or destruction of the **INSURED'S** personal property or other people's personal property when being used, or in the care, custody or control of an **INSURED**, provided the damage or destruction is caused by an **ASSAULT** upon the **INSURED** on or surrounding school property or while away from school property provided the **INSURED** is attending an authorized school activity.

B. This coverage does not apply to:

   1. Damage or destruction of:

      a. any motor driven device designed for transport on or off public roads. This includes, but is not limited to, autos, buses, motorcycles, motor bicycles, dune buggies, snowmobiles and golf carts;

      b. any trailer or other device being towed by or carried on a vehicle; and

      c. any device which travels on fixed rails or crawler treads; or

2. Damage or destruction to property leased to, or owned by or rented by an **EDUCATIONAL UNIT.**

C. This policy applies only to an **ASSAULT** that takes place during the policy period.

SECTION II - DEFENSE AND SUPPLEMENTARY PAYMENTS

A. Under Coverage A, the Company shall have the right and duty to defend any suit against the **INSURED** seeking monetary damages because of **ACTIVITIES OF THE INSURED IN HIS/HER PROFESSIONAL CAPACITY** even if any of the allegations of the suit are groundless, false or fraudulent. The Company shall not be obligated to pay any **CLAIM** or judgment or to defend any suit after the applicable limit of the Company's liability has been exhausted by payment of judgments or settlements.

The **INSURED**, except at his/her own cost and for his/her own account, shall not, without written consent of the Company, make any payment, admit any liability, settle any **CLAIM,** assume any obligation or incur any expense.

The Company shall have the right, but no duty, to appeal any judgment.

B. The Company will pay in addition to the applicable limit of liability for Coverage A:

1. all expenses incurred by the Company, all costs taxed against the **INSURED** in any suit defended by the Company, and interest only on that part of any judgment which does not exceed the Company's limit of liability, which accrues after the entry of the judgment and before the Company has paid, offered to pay, or deposited in court that part of the judgment that does not exceed the Company's limit of liability;

2. premiums on appeal bonds required in any suit defended by the Company and premiums on bonds to release attachments in any such suit, but in no event for an amount in excess of the applicable limit of liability of the policy. The Company shall have no obligation to apply for or furnish any such bond(s);

3. expenses incurred by **INSURED** for first aid to others resulting from an **OCCURRENCE** to which this policy applies; and

4. reasonable expenses incurred by the **INSURED** at the Company's request in assisting the Company in the investigation or defense of any **CLAIM** or suit, including actual loss of earnings not to exceed one hundred dollars ($100) per day.

SECTION III - DEFINITIONS

A. **ASSAULT** shall be a report of such **ASSAULT** to the appropriate civil police entity as soon as practicable.

B. **CLAIM** means:

1. As respects Coverage A, an oral or written notice from any party whose intention is to hold an **INSURED** responsible for any acts or omissions of the **INSURED** arising out of an **OCCURRENCE** in the course of **ACTIVITIES OF THE INSURED IN HIS/HER PROFESSIONAL CAPACITY.**

2. As respects Coverage B, an oral or written notice from the **INSURED** or the **INSURED's** attorney requesting reimbursement for attorney fees as a result of an action or proceeding arising from **ACTIVITIES OF THE INSURED IN HIS/HER PROFESSIONAL CAPACITY**.

3. As respects Optional Coverages Reimbursement of Attorney Fees for Identity Theft, an oral or written notice from the **INSURED** requesting reimbursement for attorney fees incurred after first discovering that they are a victim of **IDENTITY THEFT** which took place during the policy period.

4. As respects Optional Coverages Reimbursement of Attorney Fees for Private Instruction, an oral or written notice from the **INSURED** requesting reimbursement for attorney fees as a result of an action or proceeding arising from private instruction activities of the **INSURED.**

C. **EDUCATIONAL UNIT** means a school district, a college or university, a state department of education, an overseas dependent school operated by the Department of Defense, and/or any other institution for which the instruction of students is its primary purpose.

D. **FIREARM** includes, but is not limited to, guns, handguns, revolvers, pistols, rifles, shotguns, semi-automatic weapons or stun guns or similar devices.

E. **IDENTITY THEFT** means the act of knowingly transferring or using, without lawful authority, **PERSONAL INFORMATION** with the intent to commit, or to aid or abet another to commit, any unlawful activity that constitutes a violation of federal law or a felony under any applicable state or local law.

F. **INSURED** means a person as shown in the **PROFESSIONAL ACTIVITIES OF THE DEFINED INSURED ENDORSEMENT** attached to this policy.

G. **OCCURRENCE** means an event which results in monetary damages to someone other than the **INSURED**.

An **OCCURRENCE** can involve a single, sudden event or the continuous or repeated exposure to the same conditions. If the latter, the exposure shall constitute a single **OCCURRENCE** and shall be deemed to have occurred as of the most recent exposure to said conditions.

H. **PERSONAL INFORMATION** means an individual's:

1. Social security number;

2. Medical or healthcare date, or other protected health information;

3. Driver's license number or state identification number;

4. Account number, credit card number, debit card number, security code, access code or password that permits access to that individual's financial account; or

5. Other nonpublic **PERSONAL INFORMATION** as defined in a **PRIVACY REGULATION.**

I. **POLICYHOLDER** means the association named in Item 1. of the Declarations.

J. **PRIVACY REGULATION** means state, federal, and foreign identify theft and privacy protection legislation, statues, and regulations (including, but not limited to, the Health Insurance Portability and Accountability Act, as amended, and the Gramm-Leach-Bliley Act, as amended) associated with the control or use of personably identifiable financial, medical or other sensitive information that requires commercial entities that collect **PERSONAL INFORMATION** to post privacy notices, adopt specific privacy controls, or notify individuals in the event that **PERSONAL INFORMATION** has potentially been compromised.

K. The term **INSURED**, wherever used, shall mean a person who:

a. is a member of the Association and is an employee of a public education district under the authority of the Texas Education Agency.

SECTION IV—POLICY PERIOD

All periods of insurance shall begin and end at 12:01 a.m. at the address of the **POLICYHOLDER,** except that the policy period for a new member (if all members are covered) or a newly participating member (if insurance is optional) shall begin at the time and date such member's application or election is received and approved by the association and shall expire on the expiration date specified in the Declarations or, if terminated earlier, such lesser period.

SECTION V—LIMITED WORLDWIDE LIABILITY COVERAGE

This policy shall apply anywhere in the world with respect to an **OCCURRENCE** arising out of the covered activities of any **INSURED** permanently domiciled in the United States of America though temporarily outside the United States of America, its territories or possessions, or Canada. The original suit or **CLAIM** for damages must be brought within the United States of America, its territories or possessions, or Canada.

SECTION VI—EXCLUSIONS

The Company shall not be obligated to make any payment or defend any lawsuit in connection with any **CLAIM** against the **INSURED** arising from:

A. activities of the **INSURED** not conducted in his/her professional capacity;

B. activities of the **INSURED** carried on in a private business or private professional endeavor;

   however, this exclusion does not apply to Reimbursement of Attorney Fees for Private Instruction Action or Proceeding;

C. the ownership, maintenance, operation, use, loading or unloading of:

   1. watercraft;

   2. aircraft; or

   3. vehicles of any kind, other than farm tractors not operated on public highways.

      This exclusion does not apply to:

      a. an **INSURED** driver training instructor while riding as a passenger in the course of duties as an employee of a school system;

      b. an **INSURED** vocational education instructor in the course of regular instruction carried on in a shop provided by the school; or

      c. an **INSURED** while supervising students entering or exiting a school bus.

   However, coverage does not apply to Items a., b. or c. above when the **INSURED** has any other insurance of any kind whatsoever which affords coverage for such **CLAIMS.**

   SECTION VIII—CONDITIONS, Item C. **Other Insurance,** does not apply to this exception to Exclusion C.;

D. liability assumed by an **INSURED** under any contract or agreement;

E. war, whether or not declared, civil war, insurrection, rebellion, revolution, or any act or condition incidental to any of the foregoing;

F. any obligation for which the **INSURED** or any carrier may be held liable under Workers' Compensation, Unemployment Compensation, Disability Benefits or similar laws;

G. the rendering, failure to render, teaching or supervising of medical, surgical, dental, nursing, or other similar services, except, however, coverage would apply to:

1. first aid and regular nursing services rendered by a school nurse employed for the purpose of rendering such services;

2. first aid and regular nursing services rendered by a certified health aide employed for the purpose of rendering such services under the supervision of a school nurse;

3. physical therapy rendered by a licensed physical or occupational therapist employed for the purpose of rendering such services;

4. the administration of oral prescription medicine to a student by an **INSURED**, provided the **INSURED** has received advance written authorization for such administration from the parent or guardian of the student;

5. emergency first aid services rendered by an **INSURED** when a school nurse or other medically trained person is not readily available; or

6. psychological therapy or treatment rendered by a counselor employed for the purpose of rendering such services;

7. psychological therapy or treatment provided during a practicum or internship required by and supervised by an **EDUCATIONAL UNIT** as part of an advanced or specialized degree program, and provided in a clinical setting administered by the **EDUCATIONAL UNIT**; or

8. health care services performed by the **INSURED** to students who are disabled with the meaning of the Individuals with Disabilities in Education Act, as amended, or within Section 504 of the Rehabilitation Act of 973, when the rendering of such health care services is required by the **INSURED**'s employer, provide the parent or guardian of the student has provided advance written approval for the rendering of such services.

H. under Coverage A, criminal acts;

I. liability as respects **CLAIMS** brought by teachers or other employees of any school system against the **INSURED**, as defined by the policy.

However, coverage would apply to:

1. reimbursement of attorney's fees as provided under Coverage B; or

2. **CLAIMS** or suits brought;

   a. By teachers or other employees of any school system directly arising out of service by the **INSURED** on professional review committees and in carrying out the directives of such committees; or

   b. By or on behalf of a minor or incompetent child of an employee of an **EDUCATIONAL UNIT**, if the **CLAIM** or suit arises out of an **OCCURRENCE** in the course of **ACTIVITIES OF THE INSURED IN HIS/HER PROFESSIONAL CAPACITY**;

J. an intentional act by, or at the direction of, the **INSURED**, whether or not any resulting damages are intended or foreseeable, except for such damages resulting from corporal punishment of any student administered by or at the direction of the **INSURED** administered as permitted by the law governing corporal punishment in the jurisdiction where the school is located;

K. any action for equitable relief, injunctive relief, declaratory judgment or any other relief or recovery that is not seeking monetary judgement, award or settlement, except as provided in Coverage B, unless the relief prayed for also seeks damages which are covered under Coverage A;

This exclusion also applies to any fees, costs or expenses including, but not limited to claimant/plaintiff attorney fees, related to such actions.

L. activities of an **INSURED** while acting as a member of any school board or similarly constituted body;

M. actual or alleged sexual misconduct, regardless of whether such misconduct is alleged to be intentional or negligent, except as provided under Coverage B – Reimbursement of Attorney Fees Sexual Misconduct Action or Proceeding;

N. any **CLAIMS,** accusations or charges brought against an **INSURED**, and to any obligation or duty of the Company to afford defense for such **CLAIMS,** accusations or charges which are made because of any damages or injury arising out of Human Immune Deficiency Virus (HIV) or Acquired Immune Deficiency Syndrome (AIDS); or

O. any **CLAIM** against an **INSURED** by the **POLICYHOLDER** or any parent, affiliate or subsidiary of the **POLICYHOLDER;**

P. the ownership, possession, maintenance, use (including the loading, reloading or use of ammunition), threatened use, operation or entrustment of others of any **FIREARM** by any **INSURED**; including the negligent hiring or supervision of others by any **INSURED** with respect to the ownership, possession, maintenance, use (including the loading, reloading or use of ammunition), threatened use, operation or entrustment of others of any **FIREARM**;

Q. or out of any circumstances due to nuclear reactions, radiation, or contamination, or any other nuclear incident regardless of cause;

R. any loss, damage, cost or expense from or in any way involving, directly or indirectly, asbestos in any form, whether airborne or not, including, but not limited to:

1. Inhaling, ingesting or prolonged physical exposure to asbestos or products containing asbestos;
2. The use of asbestos in construction or manufacturing any good, product or structure;
3. The removal or abatement of asbestos from any good, product or structure; or
4. The manufacture, sale, transportation, storage or disposal of asbestos or goods or products containing asbestos.

The Company shall have no duty to investigate, defend or indemnify any **CLAIM** or suit seeking such damages.

S. any loss, damage, cost or expense, whether preventative, remedial or otherwise, directly or indirectly arising out of or relating to:

1. any sums that the **INSURED** becomes obligated to pay as damages because of an **OCCURRENCE** arising out of, resulting from, caused by or contributed to by any mold, mildew, spores, fungus, wet or dry rot, or their scent or byproducts, or of any materials containing them, at any time. The Company shall have no duty to investigate or defend any **CLAIM** or suit seeking such damages.
2. any loss, cost or expense, arising out of any:
    a. request, demand, order, or statutory or regulatory requirement that any **INSURED** or any other person or organization test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize, or on in any way respond to, or assess the effects of any mold, mildew, spores, fungus, wet or dry rot, or any material containing them; or
    b. **CLAIM** or suit by on or behalf of a governmental authority or any other person or organization for damages because of testing for, monitory, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way

responding to, or assessing the effects of, any mold, mildew, spores, fungus, wet or dry rot, or any material containing them.

This exclusion also applies to:

a. any supervision, instructions, recommendations, warnings or advice given or which should have been given in connection with the above; or

b. any obligation to share damages with or repay someone else who must pay damages because of such injury or damage, either in equity or in tort; or

c. the duty to defend or pay sums, which may be owed under the Supplementary Payments provisions of this policy.

SECTION VII—LIMITS OF LIABILITY

Regardless of the number of **INSURED**s under the policy, persons or organizations who sustain damages payable under this policy, and/or suits brought on account of coverage afforded by the policy, the Company's liability is limited as follows:

A. The limit of liability applicable to Coverage A.1., Per insured, per **OCCURRENCE** shown in the schedule is the maximum limit of the Company's liability for any one **OCCURRENCE**:

The first $3,000,000 of the per insured, per **OCCURRENCE** limit for Limits of Liability Coverage A.1. shown in the Schedule is not subject to an annual maximum limit – all **CLAIMS** for all insureds;

The next $4,000,000 up to $7,000,000 per insured, per **OCCURRENCE** limit for Limits of Liability Coverage A.1. shown in the Schedule is subject to an annual maximum limit of $10,000,000 – all **CLAIMS** for all insureds as shown in the Schedule for Coverage A.3.

After the annual aggregate is exhausted, the limit of liability as applicable to Coverage A.1., the Per insured, per **OCCURRENCE** shown in the Schedule is reduced from $7,000,000 to $3,000,000.

B. Subject to A. above, the limit of liability applicable to Coverage A.2., the Per **OCCURRENCE** limit shown in the Schedule, is the maximum limit of the Company's liability for all insureds arising from any one **OCCURRENCE**:

The first $3,000,000 of the Per **OCCURRENCE** limit for Limits of Liability Coverage A.2. shown in the Schedule is not subject to an annual maximum limit – all **CLAIMS** for all insureds;

The next $4,000,000 up to $7,000,000 Per **OCCURRENCE** limit for Limits of Liability Coverage A.2. shown in the Schedule is subject to an annual maximum limit of $10,000,000 – all **CLAIMS** for all insureds shown in the Schedule for Coverage A.3.

After the annual aggregate is exhausted, the limit of liability as applicable to Coverage A.2., the Per **OCCURRENCE** limit shown in the schedule is reduced from $7,000,000 to $3,000,000.

C. The limit of liability stated in Item 3. of the Declarations as applicable to Coverage B, per **CLAIM,** per insured, is the maximum the Company will reimburse for attorney fees to any one insured incurred in any one **CLAIM;**

D. The limit of liability stated in Item 3. of the Declarations as applicable to Coverage B, Criminal or Sexual Misconduct Actions or Proceedings Annual Aggregate is the maximum amount the Company will reimburse any one insured in any one policy year for all CLAIMS paid under Coverage B, Criminal Actions or Proceedings and Sexual Misconduct Actions or Proceedings;

E. Subject to C. and D. above, the limit of liability stated in Item 3. of the Declarations as applicable to Coverage B, Annual Aggregate, All **CLAIMS,** is the maximum amount the Company will reimburse for all attorney fees in any one policy year; and

F. The limit of liability stated in Item 3. of the Declarations as applicable to Coverage C is the maximum the Company will pay for any one bail bond for any one insured.

SECTION VIII—CONDITIONS

A. **Insured's Duties in the Event of Loss, Claim or Suit**

1. In the event of an **OCCURRENCE,** written notice containing particulars sufficient to identify the **INSURED** and also reasonably obtainable information with respect to the time, place and circumstances thereof, and the names and addresses of the injured and of available witnesses, shall be given by or for the **INSURED** to the Company or any of its authorized agents as soon as practicable.

2. If **CLAIM** is made or suit is brought against the **INSURED**, the **INSURED** shall immediately forward to the Company every demand, notice, summons or other process received by the **INSURED** or the **INSURED'S** representative.

3. The **INSURED** shall cooperate with the Company and, at the Company's request, consent to being examined and questioned by a representative of the Company, under oath if necessary, attend hearings, depositions and trials and shall assist in effecting settlement, securing and giving evidence, obtaining the attendance of witnesses in the conduct of suits, as well as in the giving of a written statement or statements to the Company representatives and defense counsel. In the event of a **CLAIM** occurring likely to involve the Company hereunder, the **INSURED** shall not make any payment, assume any liability or incur any expense without the consent of the Company first being obtained. The Company shall have full discretion in the handling of any **CLAIM,** and the **INSURED** shall give full information and assistance as the Company shall reasonably require.

B. **Action Against Company**

No action shall lie against the Company unless, as a condition precedent, the **INSURED** shall have fully complied with all terms of this policy, or 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 Company. 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. Nothing contained in this policy shall give any person or organization any right to join the Company as codefendant in any action against the **INSURED** to determine the **INSURED'S** liability. Bankruptcy or insolvency of the **INSURED** or the **INSURED'S** estate shall not relieve the Company of any of its obligations hereunder.

C. **Other Insurance**

1. This policy is specifically excess if the **INSURED** has other insurance of any kind whatsoever, whether primary or excess, or if the **INSURED** is entitled to defense or indemnification from any other source whatsoever, including by way of example only, such sources as state statutory entitlements or provisions. Other insurance includes, but is not limited to, insurance policies, state pools, and programs of self-insurance, purchased or established by or on behalf of any **EDUCATIONAL UNIT,** to insure against **CLAIMS** arising from activities of the **EDUCATIONAL UNIT** or its employees, regardless of whether or not the policy or program provides primary, excess, umbrella or contingent coverage.

2. Coverage A is specifically excess over coverage provided by any **EDUCATIONAL UNIT'S** or school board's errors and omissions or general liability policies, purchased by the

insured's employer or former employers, or self-insurance program or state pools, whether collectible or not, and it is specifically excess over coverage provided by any policy of insurance which purports to be excess to a policy issued to the **INSURED**.

3. Assault Related Personal Property Damage is excess over any valid and collectible insurance available to the **INSURED** including Homeowners and Personal Property Floater policies.

4. This Condition C. is not applicable to **SECTION VI—EXCLUSIONS,** Exclusion C.

D. **Subrogation**

In the event of any payment under this policy, the Company shall be subrogated to all the **INSURED'S** rights of recovery therefor against any person or organization, and the **INSURED** shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. The **INSURED** shall do nothing after loss to prejudice such rights.

E. **Changes**

Notice to any agent or knowledge possessed by any agent or by any other person shall not effect a waiver or a change in any part of this policy or estop the Company from asserting any right under the terms of this policy, nor shall the terms of this policy be waived or changed, except by endorsement issued to form a part of this policy.

F. **Cancellation or Nonrenewal**

This policy may be canceled by the **POLICYHOLDER** by surrendering the policy to the Company or any of its authorized agents, or by mailing to the Company written notice stating when thereafter the cancellation shall be effective. This policy may be canceled by the Company by mailing to the **POLICYHOLDER** at the address shown in this policy, written notice stating when, not less than sixty (60) days for nonpayment of premium, or ninety (90) days for any other valid reason, such cancellation shall be effective. The mailing of notice shall be sufficient proof of notice. The time of surrender or the effective date and hour of cancellation stated in the notice shall become the end of the policy period. Delivery of such written notice either by the **POLICYHOLDER** or by the Company shall be equivalent to mailing.

If this policy shall be canceled by the **POLICYHOLDER,** the Company shall retain the customary short rate proportion of the premium hereon. Payment or tender of any unearned premium by the Company 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 to be equal to the minimum period or limitation of such law.

In the event of cancellation by either the Company or the **POLICYHOLDER,** and with the consent of the Company, the coverage for individuals for whom premium has been paid will continue until the end of the membership year of each.

If the Company elects not to renew this policy at the end of a policy term, a written notice of nonrenewal stating the reason for such nonrenewal will be mailed or delivered to the P**OLICYHOLDER** at least ninety (90) days before the expiration date of the policy. The notice will be mailed to the last known address of the **POLICYHOLDER.** If notice is mailed, proof of mailing is sufficient proof of notice.

G. **Audit**

The premium shown in the Declarations is provisional and is based on the number of insured members at inception. The **POLICYHOLDER** agrees to maintain a record of insured members and the policy will be subject to audit in a manner determined by the General Agent with the agreement of the Company.

H. **Severability Clause**

It is agreed that the application and the Declarations are the basis of this policy and are to be considered as incorporated in and constituting part of the policy. As respects the particulars and statements contained in the application, conditions and the exclusions set forth herein, this policy shall be construed as a separate agreement with each insured. Nothing in this paragraph shall be construed to increase the Company's maximum liability as set forth in Item 3. of the Declarations.

I. **Sole Agent**

By acceptance of this policy, the **POLICYHOLDER** will act on behalf of all insureds with respect to:

1. exercising the option to purchase an Extended Reporting Period;
2. the giving and receiving of notice of **CLAIM(S)** or cancellation;
3. accepting any endorsement issued to this policy;
4. paying premium when due; and
5. receiving return premium.

Each insured agrees the **POLICYHOLDER** will act on the insured's behalf.

The **POLICYHOLDER** is charged with the responsibility of notifying the Company and all insureds of any changes that might affect the insurance provided by this policy.

J. **Terms of Policy Conformed to Statutes**

Terms of this policy which are in conflict with the statutes of the state wherein this policy is issued are hereby amended to conform to such statutes.

***This detailed policy description is to provide information only to members and in no way alters or modifies the master policy on file with the Association. ALL COVERAGE IS SUBJECT TO THE EXPRESS TERMS OF THE MASTER INSURANCE POLICY ISSUED TO UNITED EDUCATORS ASSOCIATION, INC.