

**CAREERGUARD®**  
**FEDERAL EMPLOYEES PROFESSIONAL LIABILITY INSURANCE COVERAGE FORM**

**CLAIMS-MADE AND REPORTED COVERAGE**

**Notice: This is a claims-made and reported POLICY. Subject to its terms, this POLICY requires that a CIVIL CLAIM or ADMINISTRATIVE CLAIM be first made against the INSURED and reported to the COMPANY in accordance with Section V of the POLICY.**

Various provisions in this POLICY restrict coverage. Please read the entire POLICY carefully to determine rights, duties and what is and is not covered.

When used in this POLICY, words and phrases in capital letters, whether in the singular or plural, have special meaning and are defined in Section VI of this POLICY.

In consideration of the payment of the premium, in reliance upon the statements made in the application and the material incorporated therein, and subject to the limits of insurance set forth in the Declarations and all of the provisions, terms, conditions and exclusions of this POLICY, the COMPANY and the INSURED agree as follows:

Section I. Insuring Agreements

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A. Coverage A - CIVIL CLAIM Coverage

The COMPANY will pay on the INSURED'S behalf DAMAGES that the INSURED becomes legally obligated to pay and related DEFENSE COSTS as a result of a CIVIL CLAIM that is not defended by the Department of Justice or other source, provided the CIVIL CLAIM arises out of a WRONGFUL ACT or LEOSA H.R. 218 OCCURRENCE committed or alleged to have been committed by the INSURED. However, the amount the COMPANY will pay is limited as described in Sections II and IV of this POLICY.

B. Coverage B – ADMINISTRATIVE CLAIM Coverage

The COMPANY will pay on the INSURED'S behalf DEFENSE COSTS incurred as a result of an ADMINISTRATIVE CLAIM that is not defended by the Department of Justice or other source, provided the ADMINISTRATIVE CLAIM arises out of a WRONGFUL ACT or LEOSA H.R. 218 OCCURRENCE committed or alleged to have been committed by the INSURED. However, the amount the COMPANY will pay is limited as described in Sections II and IV of this POLICY.

C. Coverage C – Monitoring Claim Coverage

At the written request of the INSURED, the COMPANY will provide MONITORING COUNSEL on the INSURED'S behalf and pay the reasonable and necessary costs incurred by such MONITORING COUNSEL, provided that the Department of Justice or other source is providing such INSURED with a defense for a CIVIL CLAIM and the CIVIL CLAIM arises out of a WRONGFUL ACT or LEOSA H.R. 218 OCCURRENCE committed or alleged to have been committed by the INSURED. However, the COMPANY'S duty to provide MONITORING COUNSEL under Coverage C ends when the COMPANY has used up the applicable limit as described in Section IV of this POLICY.

D. Coverage D – DEATH BENEFIT CLAIM Coverage

The COMPANY will pay a covered DEATH BENEFIT CLAIM to the BENEFICIARY of the INSURED in the event that the INSURED dies during the INSURED'S POLICY PERIOD as the result of a sudden accident that happens while the INSURED is engaged in activities that are within the course and scope of the INSURED'S employment and while the INSURED is acting on behalf of the federal government, provided:

1. The sudden accident that results in death of the INSURED occurs on or after the Retroactive Date shown in the MEMBER CERTIFICATE or within one year prior to the date of the INSURED'S death, whichever is later.
2. The death is reported to the COMPANY in accordance with Section V G of this POLICY.

However, the amount the COMPANY will pay for a DEATH BENEFIT CLAIM is limited as described in Section IV of this POLICY.

E. With respect to Coverage A, Coverage B and Coverage C, this insurance applies only if:

1. The actual or alleged WRONGFUL ACT or LEOSA H.R. 218 OCCURRENCE takes place on or after the Retroactive Date shown in the MEMBER CERTIFICATE and before the end of the INSURED'S POLICY PERIOD, and is reported to the COMPANY in accordance with Section V G of this POLICY, provided that, prior to the INSURED'S POLICY PERIOD, the INSURED: (a) did not have knowledge of the WRONGFUL ACT or LEOSA H.R. 218 OCCURRENCE, or (b) could not have reasonably foreseen that the WRONGFUL ACT or LEOSA H.R. 218 OCCURRENCE was likely to lead to a CIVIL CLAIM or ADMINISTRATIVE CLAIM;
2. The CIVIL CLAIM or ADMINISTRATIVE CLAIM that results from the actual or alleged WRONGFUL ACT or LEOSA H.R. 218 OCCURRENCE is first made against the INSURED during the INSURED'S POLICY PERIOD or Discovery Period and reported to the COMPANY in accordance with Section V G of this POLICY: (a) during the INSURED'S POLICY PERIOD or Discovery Period, if applicable, or (b) within 60 days after the end of the INSURED'S POLICY PERIOD if the CIVIL CLAIM or ADMINISTRATIVE CLAIM is first made against the INSURED during the INSURED'S POLICY PERIOD; and
3. The INSURED did not give notice of the CIVIL CLAIM or ADMINISTRATIVE CLAIM to any prior carrier or to the COMPANY under any prior insurance issued by the COMPANY to the INSURED.

All CIVIL CLAIMS or ADMINISTRATIVE CLAIMS arising out of, based upon, or attributable to the same or essentially the same facts or actual or alleged WRONGFUL ACTS or LEOSA H.R. 218 OCCURRENCE will be considered a single CIVIL CLAIM or ADMINISTRATIVE CLAIM and will be deemed to have occurred at the time the first CIVIL CLAIM or ADMINISTRATIVE CLAIM is reported to the COMPANY or any other insurer.

**Section II. Defense, Settlement and Supplementary Payments – Coverage A and Coverage B**

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A. The COMPANY has the right to select counsel and the right and duty to defend any CIVIL CLAIM or ADMINISTRATIVE CLAIM to which this insurance applies, even if any of the allegations in such CIVIL CLAIM or ADMINISTRATIVE CLAIM are groundless, false, or fraudulent. However, the COMPANY will have no duty to defend the INSURED against any CIVIL CLAIM or ADMINISTRATIVE CLAIM to which this insurance does not apply. The COMPANY may, at its discretion, investigate any actual or alleged WRONGFUL ACT or LEOSA H.R. 218 OCCURRENCE and settle any CIVIL CLAIM that may result; provided, however:

1. The amount the COMPANY will pay is limited as described in Paragraphs 3 and 4 below and in Section IV of this POLICY;
2. The COMPANY'S duty to defend is subject to the Other Insurance Condition in Section V I of this POLICY;
3. The COMPANY'S right and duty to defend ends under Coverage A when the COMPANY has used up the applicable limit of insurance in the payments of DAMAGES and DEFENSE COSTS; and
4. The COMPANY'S right and duty to defend ends under Coverage B when the COMPANY has used up the applicable limit of insurance in payments of DEFENSE COSTS.

B. With respect to any CIVIL CLAIM or ADMINISTRATIVE CLAIM the COMPANY investigates, defends or settles, the COMPANY will pay:

1. The cost of an attachment or a supersedeas bond, but only for bond amounts within the applicable limit of insurance; provided, however, the COMPANY does not have to furnish these bonds;
2. All court costs taxed against the INSURED in a CIVIL CLAIM or ADMINISTRATIVE CLAIM;
3. All actual loss of wages (but not loss of other income) incurred by the INSURED up to a maximum of \$500 a day to attend a hearing or trial, but only if such attendance is requested by the COMPANY and such wages are not otherwise indemnified by the Department of Justice or other source; and
4. FIRST AID expense.

None of these payments will reduce the applicable limits of insurance.

C. The INSURED must:

1. Request that the Department of Justice or other source exercise its legal authority to represent and defend the INSURED in an action against him or her; and
2. Demand that the United States Federal Government indemnify the INSURED as a federal employee acting within the course and scope of his or her federal employment.

Coverage A and Coverage B are available only when the INSURED submits to the COMPANY a copy of the written request and demand described in Paragraphs 1 and 2 above and the INSURED otherwise qualifies for coverage under this POLICY.

**Section III. Exclusions**

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This POLICY does not apply to:

A. Aircraft, Auto, or Watercraft

Any CLAIM for BODILY INJURY or PROPERTY DAMAGE arising out of, based upon, or attributable to the ownership, maintenance, use or entrustment to others of any aircraft, AUTO or watercraft. Use includes operation and LOADING OR UNLOADING. This exclusion applies even if the CIVIL CLAIM or ADMINISTRATIVE CLAIM against any INSURED alleges negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that INSURED, if the WRONGFUL ACT which caused the DAMAGES involved the ownership, maintenance, use or entrustment to others of any aircraft, AUTO, or watercraft.

B. Asbestos

DAMAGES or DEFENSE COSTS arising out of, based upon or attributable to ASBESTOS.

C. Collective Bargaining / ERISA

DAMAGES or DEFENSE COSTS arising out of, based upon or attributable to any responsibilities, obligations or duties imposed against any INSURED by the Employee Retirement Income Security Act of 1974, the Fair Labor Standards Act (except the Equal Pay Act), the National Labor Relations Act, the Worker Adjustment and Retraining Notification Act, the Consolidated Omnibus Budget Reconciliation Act, or the Occupational Safety and Health Act, or any rules or regulations of the foregoing promulgated there under, and amendments thereto or any similar provisions of any federal, state, local or foreign statutory law or common law.

D. Contractual Liability

DAMAGES arising out of, based upon or attributable to any actual or alleged contractual liability of the INSURED under any express contract or agreement; provided, however, that this exclusion shall not apply to any liability the INSURED would have in the absence of such express contract or agreement.

E. Damage to Property

PROPERTY DAMAGE to: (1) property owned or occupied by, or rented to, the United States Federal Government or the INSURED; (2) property used by the INSURED; or (3) property in the care, custody or control of the INSURED or as to which the INSURED is exercising physical control for any purpose.

F. Fraudulent Act

DAMAGES arising out of, based upon or attributable to: (1) any willful violation of a penal statute or ordinance; (2) any criminal or fraudulent act; or (3) gaining of any profit, remuneration or advantage to which such INSURED was not legally entitled. However, the COMPANY will defend any CIVIL CLAIM or ADMINISTRATIVE CLAIM alleging any of the foregoing conduct until there is a final adjudication, adverse admission or finding of fact against such INSURED as to such conduct.

The COMPANY shall not cover any CIVIL CLAIM if such INSURED pleads nolo contendere or no contest to a CRIMINAL PROCEEDING against such INSURED arising out of the same or essentially the same material facts as such CIVIL CLAIM.

No fact pertaining to or knowledge possessed by any INSURED shall be imputed to any other INSURED for the purpose of applying this exclusion.

**G. Intentional Acts**

DAMAGES arising out of, based upon or attributable to any intentional act of the INSURED. However, the COMPANY will defend any CIVIL CLAIM or ADMINISTRATIVE CLAIM alleging that the act was intentionally committed until there is a final adjudication, adverse admission or finding of fact against such INSURED as to such conduct.

The COMPANY shall not cover any CIVIL CLAIM if such INSURED pleads nolo contendere or no contest to a CRIMINAL PROCEEDING against such INSURED arising out of the same or essentially the same material facts as such CIVIL CLAIM.

No fact pertaining to or knowledge possessed by any INSURED shall be imputed to any other INSURED for the purpose of applying this exclusion.

**H. Medical Services**

Any CLAIM for BODILY INJURY or PROPERTY DAMAGE arising out of, based upon or attributable to the actual or alleged providing of or failure to provide healthcare, medical care or treatment to any individual, including but not limited to any of the following: (1) medical, surgical, psychiatric, mental health, chiropractic, osteopathic, nursing or other professional healthcare, including the furnishing or dispensing of medications, drugs, blood or blood products; (2) medical, surgical, dental or psychiatric supplies or equipment; or (3) the administration or management of healthcare or any healthcare plan.

**I. Off Duty Actions**

DAMAGES arising out of, based upon or attributable to any actions of the INSURED while the INSURED is not in the course of employment. However, this exclusion does not apply to a LEOSA H.R. 218 OCCURRENCE.

**J. Pending or Prior Litigation**

DAMAGES or DEFENSE COSTS arising out of, based upon or attributable to any pending or prior:

1. Litigation of which an INSURED had notice, prior to the INSURED'S POLICY PERIOD, or alleging or derived from the same or essentially the same facts as alleged in such pending or prior litigation of any state, local or federal proceeding or formal investigation; or
2. State, local or federal proceeding or formal investigation of an INSURED'S actual or alleged WRONGFUL ACT or LEOSA H.R. 218 OCCURRENCE of which an INSURED had notice, prior to the INSURED'S POLICY PERIOD, or alleging or derived from the same or essentially the same facts as alleged in such pending or prior litigation of any state, local or federal proceeding or formal investigation.

**K. Performance Proceedings**

DAMAGES arising out of, based upon or attributable to any PERFORMANCE PROCEEDING. However, this exclusion does not apply to ADMINISTRATIVE CLAIMS brought against a judge employed by the United States Federal Government, provided the ADMINISTRATIVE CLAIM arises out of the judge's actual or alleged failure to properly manage the judge's or court's case load, docket or case production.

**L. Personal Gain**

DAMAGES arising out of, based upon or attributable to the use of the INSURED'S position as a federal employee for personal gain or advantage.

**M. Pollution**

DAMAGES or DEFENSE COSTS arising out of, based upon or attributable to POLLUTANTS.

**N. Unlawful or Prohibited Acts**

Any CLAIM whereby the INSURED:

1. Committed an unlawful act as defined by any federal or state law;
2. Committed an unjustified act as defined by LEOSA H.R. 218;

3. Is the subject of any disciplinary action by the agency which could result in the suspension or loss of police powers;
4. Is under the influence of alcohol or another intoxicating or hallucinatory drug or substance, as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802);
5. Is prohibited by federal law from receiving a FIREARM because of a conviction of misdemeanor domestic violence;
6. Is a convicted felon, unlawful alien or fugitive from justice;
7. Is a former U.S. citizen who renounced citizenship;
8. Is pending indictment for a crime with a maximum penalty of imprisonment for a term exceeding 1 year;
9. Is within a government facility or land in violation of state law or the Gun Control Act of 1968 (GCA) § 930;
10. Uses a machine gun as defined by the National Firearms Act (NFA), § 5845;
11. Uses a FIREARM equipped with a muffler or silencer or any destructive device defined under the GCA, § 921;
12. Is not a QUALIFIED LAW ENFORCEMENT OFFICER; or
13. Is in possession of or uses ammunition excluded by LEOSA H.R. 218.

However, with respect to the conduct described in Paragraphs 1 through 4 above, the COMPANY will defend any CIVIL CLAIM or ADMINISTRATIVE CLAIM alleging such conduct until there is a final adjudication, adverse admission or finding of fact against such INSURED as to such conduct.

The COMPANY shall not cover any CIVIL CLAIM if such INSURED pleads nolo contendere or no contest to a CRIMINAL PROCEEDING against such INSURED arising out of the same or essentially the same material facts as such CIVIL CLAIM.

No fact pertaining to or knowledge possessed by any INSURED shall be imputed to any other INSURED for the purpose of applying this exclusion.

O. Workers' Compensation

DAMAGES or DEFENSE COSTS arising out of, based upon or attributable to any responsibilities, obligations or duties imposed against any party by any workers' compensation, unemployment compensation, disability benefits law or other similar statutory law or common law.

Section IV. Limits of Insurance

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The Limits of Insurance shown in the MEMBER CERTIFICATE apply separately to each MEMBER CERTIFICATE purchased under the master policy.

A. Coverage A

1. The Civil Claims (Coverage A) Damages Limit of Insurance shown in the MEMBER CERTIFICATE is the most the COMPANY will pay under Coverage A for all DAMAGES arising out of all CIVIL CLAIMS first made against the INSURED during the INSURED'S POLICY PERIOD or the Discovery Period, if applicable. This limit does not include payments for DEFENSE COSTS.
2. The Civil Claims (Coverage A) Defense Costs Limit of Insurance shown in the MEMBER CERTIFICATE is the most the COMPANY will pay under Coverage A for all DEFENSE COSTS arising out of all CIVIL CLAIMS first made against the INSURED during the INSURED'S POLICY PERIOD or the Discovery Period, if applicable. This limit is separate from, and not part of, the Civil Claims (Coverage A) Damages Limit of Insurance.

B. Coverage B

The Administrative Claims (Coverage B) Limit of Insurance shown in the MEMBER CERTIFICATE is the most the COMPANY will pay under Coverage B for all DEFENSE COSTS arising out of all ADMINISTRATIVE

CLAIMS first made against the INSURED during the INSURED'S POLICY PERIOD or the Discovery Period, if applicable.

C. Coverage C

The Monitoring Claims (Coverage C) Limit of Insurance shown in the MEMBER CERTIFICATE is the most the COMPANY will pay under Coverage C for all costs incurred by the MONITORING COUNSEL provided by the COMPANY on behalf of the INSURED to monitor the defense of a CIVIL CLAIM first made against the INSURED during the INSURED'S POLICY PERIOD or the Discovery Period, if applicable.

D. Coverage D

The Death Benefit Claims (Coverage D) Limit of Insurance shown in the MEMBER CERTIFICATE is the most the COMPANY will pay under Coverage D to the BENEFICIARY of the INSURED during the INSURED'S POLICY PERIOD or the Discovery Period, if applicable.

E. With regard to Coverages A, B, C and D, the Limit of Insurance for any CLAIM reported to the COMPANY in accordance with Section V G of this POLICY during the Discovery Period shall be part of, and not in addition to, the limit of insurance for the INSURED'S POLICY PERIOD.

**Section V. Conditions**

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A. Action Against the COMPANY

No action will lie against the COMPANY with respect to any CLAIM unless, as a condition precedent thereto, the INSURED has fully complied with all the terms of this POLICY, nor until the amount of the INSURED'S obligation to pay an amount of DAMAGES has been finally determined either by judgment against the INSURED after an actual adversarial trial on the merits or by written agreement between the INSURED, the claimant and the COMPANY. Any person or organization or the legal representative thereof who has secured such judgment or written agreement will thereafter be entitled to recover under this POLICY to the extent of insurance afforded by this POLICY. Nothing contained in this POLICY will give any person or organization any right to join the COMPANY as co-defendant in any action against the INSURED to determine the INSURED'S liability.

B. Bankruptcy and Insolvency

Bankruptcy or insolvency of the INSURED will not relieve the COMPANY of its obligations under this POLICY, nor will it increase or change the COMPANY'S obligations under this POLICY.

C. Cancellation

1. The MASTER POLICY HOLDER may cancel this POLICY by mailing or delivering to the COMPANY written notice of cancellation stating when thereafter the cancellation will be effective.
2. The MASTER POLICY HOLDER or INSURED may cancel the INSURED'S MEMBER CERTIFICATE by mailing or delivering to the COMPANY written notice of cancellation.
3. The COMPANY may cancel the POLICY by mailing or delivering to the MASTER POLICY HOLDER at the address shown in the Declarations written notice at least:
  - a. 10 days before the effective date of cancellation if the COMPANY cancels for nonpayment of premium; or
  - b. 60 days before the effective date of cancellation if the COMPANY cancels for any other reason, unless a longer notice period is required by law.

The effective date of cancellation will become the end of the policy period.

4. The COMPANY may cancel an INSURED'S MEMBER CERTIFICATE by mailing or delivering to the INSURED at the address shown in the MEMBER CERTIFICATE written notice at least 60 days before the effective date of cancellation, unless a longer notice period is required by law. The effective date of cancellation will become the end of the INSURED'S POLICY PERIOD.
5. Cancellation of the POLICY by the COMPANY or by the MASTER POLICY HOLDER will not cut short the INSURED'S POLICY PERIOD as to which premium was paid and accepted by the COMPANY before the

effective date of the POLICY cancellation. Each MEMBER CERTIFICATE will remain in effect, subject to all of the terms and conditions of this POLICY, until the end of the INSURED'S POLICY PERIOD, but in no case for a period longer than 12 months.

6. If the MASTER POLICY HOLDER cancels the POLICY, the earned premium will be a pro-rata portion of the premium paid.
7. If the INSURED cancels a MEMBER CERTIFICATE, the earned premium will be: (a) a pro-rated portion of the premium paid if the INSURED retires or leaves federal service, or in case of the INSURED'S death; or (b) 100% of the premium paid if the INSURED cancels for any other reason.
8. If the COMPANY cancels for:
  - a. Non-payment of premium, the earned premium will be 100% of the premium paid; or
  - b. Any reason other than non-payment of premium, the earned premium will be computed prorated.
9. The mailing of notice will be sufficient proof of notice. Cancellation will be effective even if the COMPANY has not made or offered a refund.

D. Changes

This POLICY, including the Declarations and any schedules and endorsements attached thereto, contains all agreements between the COMPANY and the INSURED concerning this insurance. This POLICY'S terms, conditions and exclusions can be amended or waived only by an endorsement issued by the COMPANY and made a part of this POLICY.

E. Coverage Territory

This insurance applies to any WRONGFUL ACT or LEOSA H.R. 218 OCCURRENCE that takes place or was alleged to take place anywhere in the world. However, this POLICY only applies to any CIVIL CLAIM that is made in the United States of America, including Washington DC.

F. Discovery Period

If an INSURED retires or leaves federal service, the INSURED will have the right to a period of 3 years following the effective date of such retirement or departure from federal service (herein referred to as the Discovery Period) in which to give the COMPANY written notice of CLAIMS first made against an INSURED during such applicable Discovery Period for any actual or alleged WRONGFUL ACT or LEOSA H.R. 218 OCCURRENCE that takes place on or after the Retroactive Date shown in the MEMBER CERTIFICATE but before the end of the INSURED'S POLICY PERIOD and is otherwise covered by this POLICY.

However, under no circumstances will the Discovery Period apply if the COMPANY cancels this POLICY for any reason.

An INSURED'S retirement or departure from federal service must be reported to the COMPANY by the INSURED in writing within 90 days of the end of the INSURED'S POLICY PERIOD for this Discovery Period to apply.

G. Duties in the Event of a WRONGFUL ACT, LEOSA H.R. 218 OCCURRENCE, or CLAIM

1. The INSURED must notify the COMPANY as soon as practicable of a WRONGFUL ACT or LEOSA H.R. 218 OCCURRENCE which may result in a CIVIL CLAIM or ADMINISTRATIVE CLAIM. To the extent possible, notice should include:
  - a. How, when and where the WRONGFUL ACT or LEOSA H.R. 218 OCCURRENCE took place; and
  - b. The names and addresses of all involved persons and witnesses.
2. If, during the INSURED'S POLICY PERIOD, an INSURED becomes aware of any circumstances which may reasonably be expected to give rise to a CIVIL CLAIM or ADMINISTRATIVE CLAIM, then written notice shall be given to the COMPANY describing the circumstances and the reasons for anticipating such a CIVIL CLAIM or ADMINISTRATIVE CLAIM, with full particulars as to dates and persons and entities involved.

Any CIVIL CLAIM or ADMINISTRATIVE CLAIM which is subsequently made against an INSURED and reported to the COMPANY in writing that alleges, arises out of, is based upon or is attributable to such circumstances, will be considered made at the time such notice of such circumstances was given.

This Paragraph 2 includes, but is not limited to, receipt by the INSURED of a written or oral notice from any party that it is the intention of that party to hold the INSURED liable for any actual or alleged WRONGFUL ACT or LEOSA H.R. 218 OCCURRENCE.

3. With respect to Paragraphs 1 and 2 above, failure to give notice to the COMPANY of a WRONGFUL ACT, LEOSA H.R. 218 OCCURRENCE or circumstance which may reasonably be likely to give rise to a CIVIL CLAIM or ADMINISTRATIVE CLAIM will not invalidate any CIVIL CLAIM or ADMINISTRATIVE CLAIM unless the failure to provide such timely notice has prejudiced the COMPANY.
4. The INSURED must give the COMPANY or its authorized representative written notice of any actual CIVIL CLAIM or ADMINISTRATIVE CLAIM made against an INSURED as soon as practicable, but in no event later than 60 days after the expiration of the INSURED'S POLICY PERIOD or the end of the Discovery Period, if applicable.
5. If written notice of an actual CIVIL CLAIM or ADMINISTRATIVE CLAIM has been given to the COMPANY pursuant to Paragraph 4 above, then any CIVIL CLAIM or ADMINISTRATIVE CLAIM subsequently made against an INSURED and reported to the COMPANY alleging, arising out of, based upon or attributable to the facts alleged in the CIVIL CLAIM or ADMINISTRATIVE CLAIM for which such notice has been given, or alleging any WRONGFUL ACT or LEOSA H.R. 218 OCCURRENCE alleged in the CIVIL CLAIM or ADMINISTRATIVE CLAIM of which such notice has been given, shall be considered made at the time such notice was first given.
6. With respect to Coverage D, written notice of the death of the INSURED must be provided to the COMPANY or its authorized representative as soon as practicable, but in no event more than one year from the date of the INSURED'S death. Such notice must include a certified copy of the death certificate.
7. No INSURED will, except at that INSURED'S own cost, voluntarily make any payment, assume any obligation or incur any expense other than for FIRST AID, without the COMPANY'S consent.

**H. Economic or Trade Sanctions**

This insurance does not provide any coverage, and the COMPANY shall not make payment of any CLAIM or provide any benefit hereunder, to the extent that the provision of such coverage, payment of such CLAIM or provision of such benefit would expose the COMPANY to a violation of any applicable economic or trade sanctions, laws or regulations, including but not limited to, sanctions administered and enforced by the United States Treasury Department's Office of Foreign Assets Control (OFAC).

**I. Other Insurance**

1. With regard to Coverage A and Coverage B, this insurance is excess over:
  - a. Any other valid and collectible insurance, whether such other insurance is stated to be primary, contributory, excess, contingent or otherwise, unless such other insurance is written only as specific excess insurance over the limits of insurance provided by this POLICY; or
  - b. A CLAIM that is defended or indemnified by the Department of Justice or other source.
2. With regard to Coverage C and Coverage D, the insurance provided by this POLICY shall be primary.

**J. Premium**

The MASTER POLICY HOLDER is responsible for the payment of all premiums. All other INSUREDS are contingently liable for the payment of premium if the MASTER POLICY HOLDER fails to do so. The premium for this POLICY is a flat premium, 100% fully earned and not subject to adjustment unless the COMPANY cancels for reasons other than non-payment of premium, as stated in Section V C of this POLICY.

**K. Transfer of Rights and Duties**

No rights or duties of any INSURED under this POLICY may be transferred without the COMPANY'S written consent, except in the case of death of an individual INSURED. If an individual INSURED dies, such

INSURED'S rights and duties will be transferred to his or her legal representative, but only while acting within the scope of the INSURED'S legal representative. Until such INSURED'S legal representative is appointed, anyone having proper temporary custody of such INSURED'S property will have such INSURED'S rights, but only with respect to that property.

**L. Transfer of Rights of Recovery Against Others to the COMPANY**

If the INSURED has rights to recover all or part of any payment the COMPANY has made under this POLICY, including but not limited to rights of recovery for indemnification by the Department of Justice, those rights are transferred to the COMPANY. The INSURED will execute all papers required and will do everything necessary to secure and preserve such rights, including the execution of such documents necessary to enable the COMPANY effectively to bring suit or otherwise pursue subrogation rights in the name of the INSURED. Such rights include but are not limited to any action against the Department of Justice for failure to pay any indemnity due and owing to any INSURED by the Department of Justice. The COMPANY will be accorded priority over the INSURED as to any funds recovered.

**Section VI. Definitions**

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**A. ADMINISTRATIVE CLAIM** means a DISCIPLINARY PROCEEDING, a JUDICIAL SANCTION or a CRIMINAL PROCEEDING against the INSURED, including a DISCIPLINARY PROCEEDING or formal investigation regarding the INSURED'S actual or alleged WRONGFUL ACT or LEOSA H.R. 218 OCCURRENCE, and which is commenced by:

1. Service of a complaint or similar pleading;
2. Return of an indictment (in the case of a CRIMINAL PROCEEDING);
3. Receipt or filing of an oral or written notice of charges or allegations of misconduct; or
4. Similar document of which notice has been given to the INSURED.

However, under no circumstances shall the term ADMINISTRATIVE CLAIM include any labor or grievance proceeding brought by a union.

**B. ASBESTOS** means asbestos products, asbestos fibers, asbestos dust, asbestiform talc and any material or substance containing asbestos, asbestos fibers, asbestos dust or asbestiform talc in any form.

**C. AUTO** means:

1. A land motor vehicle, trailer or semi-trailer designed for travel on public roads, including any attached machinery or equipment;
2. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged; or
3. Self-propelled vehicles with the following types of permanently attached equipment: (a) snow removal, (b) road maintenance (other than construction or resurfacing equipment), (c) street cleaning and (d) cherry picker and other similar devices mounted on an automobile or truck chassis and used to raise or lower workers.

**D. BENEFICIARY** means the person named as the death benefits recipient on each INSURED'S application for coverage for this POLICY.

**E. BODILY INJURY** means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.

**F. CIVIL CLAIM** means:

1. A written demand against the INSURED for monetary or non-monetary relief resulting from an actual or alleged violation of a claimant's constitutional rights; or
2. A civil or arbitration proceeding against the INSURED for monetary or non-monetary relief which is commenced by service of a complaint or similar pleading resulting from an actual or alleged violation of a claimant's constitutional rights.

However, under no circumstances shall the term CIVIL CLAIM include any labor or grievance proceeding brought by a union.

- G. CLAIM means an ADMINISTRATIVE CLAIM, a CIVIL CLAIM or a DEATH BENEFIT CLAIM.
- H. COMPANY means the insurance company issuing this POLICY as named on the Declarations Page.
- I. CRIME OF VIOLENCE means: (1) any offense or violation that has an element of use, attempted use or threatened use of physical force against any person or property of another; or (2) any other felony offense and that, by its nature, involves a substantial risk that physical force against any person or property of another may be used in the course of committing the offense.
- J. CRIMINAL PROCEEDING means any federal or state proceedings, including investigations, before any entity or entities established by constitutional provision, statute, regulation or court rules, to investigate, review or prosecute charges of criminal misconduct.
- K. DAMAGES means judgments, including pre-judgment and post-judgment interest on a covered judgment. However, DAMAGES shall not include:
  - 1. DEFENSE COSTS;
  - 2. Fines, statutory or other penalties imposed by law;
  - 3. Punitive or exemplary damages;
  - 4. The multiplied portion of multiplied damages;
  - 5. Taxes; or
  - 6. Loss of salary, wages or other employment benefits.
- L. DEATH BENEFIT CLAIM means a written demand for monetary relief made by the INSURED'S BENEFICIARY.
- M. DEFENSE COSTS means reasonable and necessary fees, costs and expenses consented to by the COMPANY (other than the cost of an attachment or supersedeas bond) resulting solely from the investigation, adjustment and defense of a CIVIL CLAIM or ADMINISTRATIVE CLAIM against an INSURED, but excluding salaries and benefits of any INSURED.

DEFENSE COSTS also include an appeal of a CIVIL CLAIM or ADMINISTRATIVE CLAIM, but only until the final decision of the Merit Systems Protection Board (MSPB) is made.
- N. DISCIPLINARY PROCEEDING means any proceedings, including formal investigations and SECURITY CLEARANCE PROCEEDINGS, before any entity or entities established by constitutional provision, statute, regulation or court rules, to investigate, review or impose sanctions for charges of WRONGFUL ACTS or LEOSA H.R. 218 OCCURRENCE. However, DISCIPLINARY PROCEEDINGS does not include:
  - 1. PERFORMANCE PROCEEDINGS;
  - 2. A PHYSICAL OR MEDICAL QUALIFICATION DETERMINATION;
  - 3. A SUITABILITY PROCEEDING;
  - 4. Any action taken at the discretion of management, including but not limited to, reassignments or reductions in force that result in the downgrade, demotion, loss of pay or loss of employment due to budgetary or other non-disciplinary reasons;
  - 5. Any court, Office of Special Counsel or United States Equal Employment Opportunity Commission (EEOC) proceeding commenced by or on behalf of an INSURED; or
  - 6. Any appeal after a final decision by the Merit Systems Protection Board (MSPB).
- O. FIREARM means a rifle, pistol or other portable gun or weapon and includes lawful ammunition for such FIREARM. However, FIREARM does not include any machinegun (as defined in section 5845 of the National Firearms Act), FIREARM silencer (as defined under the GCA, § 921) or destructive device (as defined under the GCA, § 921).

- P. **FIRST AID** means immediate and temporary treatment of a sudden injury or illness rendered before **PROFESSIONAL MEDICAL CARE** is available.
- Q. **INSURED** means:
1. With regard to Coverage A, Coverage B and Coverage C, an individual who, on the date that the **CIVIL CLAIM** or **ADMINISTRATIVE CLAIM** to which this insurance applies occurs: (a) was a permanent full-time or part-time non-military employee of the United States Federal Government; and (b) has been issued a **MEMBER CERTIFICATE** by the **COMPANY** confirming that he or she has been added as an **INSURED** onto this **POLICY**.
  2. With regard to Coverage D, an individual who, on the date that the sudden accident which gives rise to **DEATH BENEFIT CLAIM** to which this insurance applies occurs: (a) was a permanent full-time or part-time employee of the United States Federal Government; and (b) has been issued a **MEMBER CERTIFICATE** by the **COMPANY** confirming that he or she has been added as an **INSURED** onto this **POLICY**.
- INSURED** does not include an independent contractor.
- R. **INSURED'S POLICY PERIOD** means the period of time from the effective date shown in the **INSURED'S MEMBER CERTIFICATE** to the earlier of the expiration date shown in the **INSURED'S MEMBER CERTIFICATE** or the effective date of cancellation of the **INSURED'S MEMBER CERTIFICATE**.
- S. **JUDICIAL SANCTION** means any monetary or non-monetary penalty imposed by any adjudicatory body as a result of any act, error or omission in rendering professional services.
- T. **LEGAL AND JUSTIFIED ACT** means reasonable action with respect to **LEOSA H.R. 218**, including the use of force, while:
1. Acting in accordance with applicable Good Samaritan and similar laws;
  2. Voluntarily attempting to assist local, state or federal law enforcement agents, officers or agencies;
  3. Protecting himself or herself or his or her spouse or dependents from a **CRIME OF VIOLENCE**;
  4. Protecting an individual in his or her presence from a **CRIME OF VIOLENCE**;
  5. Providing immediate assistance to any individual who has suffered or is threatened with bodily harm; or
  6. Preventing the escape of any individual who the **INSURED** reasonably believed to have committed a **CRIME OF VIOLENCE** in the **INSURED'S** presence.
- U. **LEOSA H.R. 218** means the Law Enforcement Officers Safety Act of 2004 and all of its amendments, codified as Title 18 U.S.C. § 926B, including the National Defense Authorization Act (NDAA) For Fiscal Year 2013.
- V. **LEOSA H.R. 218 OCCURRENCE** means any **LEGAL AND JUSTIFIED ACT** directly related to the carrying of a concealed **FIREARM** that is committed by an **INSURED** who, at the time of the **LEOSA H.R. 218 OCCURRENCE**, is: (1) a **QUALIFIED LAW ENFORCEMENT OFFICER** and was acting in his or her capacity as such as a private person; and (2) entitled to the protections within **LEOSA H.R. 218**.
- W. **LOADING OR UNLOADING** means the handling of property: (1) after it is moved from the place where it is accepted for movement into or onto an aircraft, **AUTO** or watercraft; (2) while it is in or on an aircraft, **AUTO** or watercraft; or (3) while it is being moved from an aircraft, **AUTO** or watercraft to the place where it is finally delivered. However, **LOADING OR UNLOADING** does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to an **AUTO**.
- X. **MASTER POLICY HOLDER** means the entity designated as such in the Declarations.
- Y. **MEMBER CERTIFICATE** means a certificate of insurance issued to an **INSURED** by the **COMPANY** or the **COMPANY'S** agent granting coverage under this **POLICY**.
- Z. **MONITORING COUNSEL** means an attorney selected by the **COMPANY** to monitor the defense being provided to the **INSURED** by the Department of Justice or other source.
- AA. **PERFORMANCE PROCEEDING** means a process by which an **INSURED** is evaluated, measured, rated, demoted or dismissed, either individually or as part of a group, as part of the organizational effectiveness in the

accomplishment of agency missions and goals as specified under any provision of federal law, rule or regulation.

BB. PHYSICAL OR MEDICAL QUALIFICATION DETERMINATION means an investigation or determination based, wholly or in part, on the review of medical documentation and the results of medical examinations and evaluations conducted to determine physical or mental fitness for a federal position, as specified under any provision of federal law, rule or regulation.

CC. POLICY means, collectively, the Declarations, this coverage form and any schedules and endorsements attached thereto.

DD. POLLUTANTS means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

EE. PROFESSIONAL MEDICAL CARE means services rendered by persons engaged in the livelihood of exercising skill, judgment or providing a service related to the: (1) preservation or improvement of the health of an individual, or (2) treatment or care of individuals who are injured, sick, disabled or infirm.

FF. PROPERTY DAMAGE means physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it.

GG. QUALIFIED LAW ENFORCEMENT OFFICER means an active law enforcement officer employed by an agency of the United States Federal Government as defined by LEOSA H.R. 218 who:

1. Is carrying photographic identification, as required by LEOSA H.R. 218, issued by the governmental agency for which the individual is employed that identifies the employee as a police officer or law enforcement officer of the agency;
2. Is authorized by law to engage in or supervise the prevention, detection, investigation or prosecution of, or the incarceration of any person for, any violation of law, and has statutory powers of arrest or apprehension. This includes a law enforcement officer of the Amtrak Police Department, a law enforcement officer of the United States Federal Reserve or a law enforcement or police officer of the executive branch of the United States Federal Government;
3. Is authorized by the agency to carry a FIREARM;
4. Is not the subject of any disciplinary action by the agency which could result in suspension or loss of police powers;
5. Meets standards, if any, established by the agency which requires the employee to regularly qualify in the use of a FIREARM;
6. Is not under the influence of alcohol or another intoxicating or hallucinatory drug or substance; and
7. Is not prohibited by Federal law from receiving a FIREARM.

QUALIFIED LAW ENFORCEMENT OFFICER does not include an independent contractor.

HH. SECURITY CLEARANCE PROCEEDING means an investigation, determination, appraisal or process involving an INSURED'S ability to achieve required governmental approval or access to classified information, including but not limited to Executive Order 12968 of August 2, 1995 and its successors.

II. SUITABILITY PROCEEDING means an investigation, determination, appraisal or process involving a determination of suitability for employment, as specified under any provision of federal law, rule or regulation.

JJ. WRONGFUL ACT means any act, error or omission committed by an INSURED while the INSURED is:

1. In the course of the INSURED'S employment; or
2. Acting on behalf of the federal government.