



TEACH-NOW
1701 K Street, NW #1050
Washington, DC 20006
1-844-2TEACH-NOW (1-844-283-2246)
clinicals@teach-now.com

October 8, 2015

Ms. Denise Larkins
Employer/Employee Relations Specialist
Mt. Diablo Unified School District
1936 Carlotta Dr.,
Concord, CA 94519

Dear Ms. Larkins:

We are delighted that you are considering to serve as a placement site (“You” or “Placement Site”) for practice teaching as part of the TEACHNOW, Inc. (“TEACH-NOW”) Teacher Preparation and Certification Program (“Program”). The Office of the State Superintendent of Education in the District of Columbia has granted TEACH-NOW state accreditation and program approval to offer programs that lead to state licensure in the District of Columbia in specific disciplines in elementary, middle, high school, and special education.

The Program includes practice teaching in a school during the 12-week practice teaching term (“Practice Teaching Term”). Throughout this period, the candidate identified in the Addendum (“Candidate”) will be working with an experienced teacher in your school who will serve as a mentor for the Candidate or with a virtual mentor selected by TEACH-NOW. As you know, the practice teaching portion of the Program is critical in preparing Candidates to teach and will assist us in knowing that the Candidate is ready to be recommended for a teaching license. Mentor teachers observe Candidates as they teach, provide feedback on their practice, and conduct informal and formal evaluations of teaching practice on a set of rubrics we provide.

TEACH-NOW works with Candidates and mentor teachers to ensure a successful clinical practice experience that will begin with a brief orientation to the process. On completion of the program, along with passing a standardized licensure exam, the Candidate will be eligible to receive a teaching certificate from the District of Columbia or the state of Arizona.

This Teacher Education Affiliation Agreement is subject to the following terms and conditions:

TEACH-NOW Responsibilities

- 1) TEACH-NOW is responsible for monitoring and evaluating the individual Candidate's progress. TEACH-NOW may approve an experienced teacher within the Placement Site to serve as a mentor for the Candidate, or TEACH-NOW will assign a virtual mentor to the Candidate. Mentors observe Candidates as they teach, provide feedback on their practice, and conduct informal and formal evaluations of teaching practice on a set of rubrics provided by TEACH-NOW.
- 2) TEACH-NOW will determine when a Candidate is eligible to participate in practice teaching as part of the Program and will complete the attached addendum for eligible

Candidates.

3) No provision of this Agreement prevents you from refusing to accept any Candidate who has previously been discharged for cause as an employee of the Placement Site, removed from or relieved of responsibilities for cause by the Placement Site or for other good cause. You agree to notify us in writing of any refusal to accept a Candidate and the basis therefore. In an emergency, you can impose temporary withdrawal of a Candidate. You agree to provide to us prompt written notice of such a withdrawal, which shall state the reason(s) for the temporary withdrawal. You may also submit a written request for the withdrawal of any Candidate from the program for reasonable cause related to the need for maintaining a safe environment for your students and staff, and we will immediately comply with such request. The written request will set forth the basis for withdrawal. In the event we do not agree with your refusal to accept a Candidate, temporary withdrawal of a Candidate, or request for withdrawal of a Candidate, we will promptly (in any event not later than five working days after receipt of the written notice or request from you) provide you with a written statement setting forth the basis for any such disagreement.

4) The Director of Clinical Practice or designee of TEACH-NOW shall serve as the point of contact for communication and coordination of the educational learning experience.

Placement Site Responsibilities

1) You will provide educational learning experiences to the Candidates over the course of the Practice Teaching Term. If specified in the Addendum, you will be responsible for assigning a mentor who is registered, licensed, or certified, as applicable. The mentor will follow TEACH-NOW's evaluation procedures, including use of an evaluation rubric prepared by TEACH-NOW.

2) You will assign and designate a point of contact who is to be responsible for planning and administering practice teaching at the Placement Site.

3) You will provide adequate space, equipment and supplies to meet the objectives of training. Consistent with any required consents, you will permit video to be taken of the Candidate's teaching so that the Candidate can be observed and evaluated.

4) You will be responsible for the submission of required reports in accordance with TEACH-NOW's procedures and for informing TEACH-NOW of significant staff or administrative changes that may impact the Candidate or Program. Mentors assigned by the Placement Site are required to complete a Verification of Hours report, a sample of which is attached.

Indemnification and Insurance

1) TEACH-NOW agrees to indemnify and hold the Placement Site and its officers, directors, agents, employees and trustees harmless from and against any and all third-party tort liabilities, claims, actions, causes of action, losses, damages or expenses, including reasonable attorneys' fees, caused or arising out of the negligent or fraudulent act(s) and/or omission(s) of TEACH-NOW incident to its participation in this Program at the Placement Site under this Agreement.

2) The Placement Site agrees to indemnify and hold TEACHNOW and its officers,

directors, agents, employees and trustees harmless from and against any and all third-party tort liability, claims, actions, causes of action, losses, damages or expenses, including reasonable attorneys' fees, caused or arising out of the negligent or fraudulent act(s) and/or omission(s) of the Placement Site incident to its/their participation in this Agreement.

3) Each party agrees to maintain commercial general liability insurance including contractual liability, and professional liability, with limits not less than \$1 million per occurrence and \$2 million annual aggregate. Each party further agrees that, with respect to insurance coverage maintained by it, it will provide evidence of such insurance upon request and notify the other as soon as possible and cooperate with the other in the investigation and/or settlement of any loss or damage or potential loss or damage arising out of this agreement.

Miscellaneous

1) Each party may enter into agreements with other institutions at any time.

2) Each party accepts Candidates without regard for race, sex, color, religion, national origin or ancestry, age, marital status, disability, veteran's status, personal appearance, gender identity or expression, sexual orientation, familial status, family responsibilities, political affiliation, source of income, or any other protected status in accordance with the laws of California and of the United States.

3) The terms and conditions of the agreement may only be amended by written instrument executed by both parties. Educational programs may be added to this agreement by way of a letter of agreement signed by both parties.

4) This agreement shall commence as of the 8th day of October, 2015, and shall continue until terminated by either party. Termination by either party requires ninety (90) days prior written notice. Should notice of termination be given, Candidates assigned to the Placement Site shall be allowed to complete any previously scheduled assignment then in progress at the Placement Site.

5) Notice under this agreement shall be as follows:

To the Placement Site: Mt. Diablo Unified School District
Concord, CA 94519

To TEACH-NOW: Dr. Donna M. Gollnick
Chief Academic Officer
TEACH-NOW
4401A Connecticut Avenue, NW, #212
Washington, DC 20008

6) This agreement shall be governed in accordance with the laws of the District of Columbia. Litigation arising pursuant to this agreement must be filed within the District of Columbia. The parties understand and expressly agree that certain claims asserted against TEACH-NOW are subject to the exclusive jurisdiction of the D.C. Superior Court. Notwithstanding any other provision in this agreement, both Placement Site and TEACH-NOW preserve all rights, defenses, privileges, and immunities as provided by law.

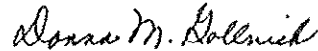
7) This agreement shall supersede any and all prior agreements between the parties

regarding the subject matter hereof. This Agreement is for the sole benefit of the Placement Site and TEACH-NOW; no Candidate or other third party shall be a beneficiary of, or have any right to enforce the terms of this Agreement.

8) This agreement and any addenda may be executed in any number of counterparts, each of which when executed and delivered shall constitute a duplicate original, but all counterparts together shall constitute a single agreement.

We are looking forward to working with you.

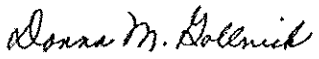
Sincerely,



Donna M. Gollnick, Ed.D.
Chief Academic Officer
TEACHNOW, Inc.

Signed and agreed to by:

TEACHNOW, INC.

BY: 

TITLE: Chief Academic Officer

DATE: 10/8/2015

**MT. DIABLO
UNIFIED SCHOOL DISTRICT**

BY: _____

TITLE: _____

DATE: _____

**ADDENDUM TO
TEACHER EDUCATION AFFILIATION AGREEMENT
BETWEEN TEACHNOW, INC. ("TEACH-NOW")
AND MT. DIABLO UNIFIED SCHOOL DISTRICT ("Placement Site")
For Candidates Not Employed by Placement Site**

NAME OF CANDIDATE: Georgianne Rowe

DATES OF ASSIGNMENT: March 7, 2015 - May 27, 2016 (can be adjusted to fit school calendar)

HOURS OF ASSIGNMENT: Full school day

ASSIGNED MENTOR AT PLACEMENT SITE: _____

TEACH-NOW confirms that the above-named Candidate is currently enrolled in the TEACH-NOW Teacher Preparation and Certification Program. Placement Site confirms acceptance of the above-named Candidate's placement for practice teaching and the assignment of the mentor at Placement Site. The mentor is responsible for observing the Candidate as he/she teaches, providing feedback on their practice, and conducting informal and formal evaluations on teaching practice on a set of rubrics provided by TEACH-NOW. The mentor is appropriately registered, licensed or certified.

Candidate is not an employee or agent of the Placement Site or TEACH-NOW. Candidate is a trainee and will not replace staff of the Placement Site.

Prior to and during periods of assignment and/or while on the premises of the Placement Site, Placement Site will provide applicable policies and procedures to the Candidate. Candidate will perform services only when under the supervision of the mentor or other registered, licensed or certified Placement Site staff.

The parties hereto have executed this Addendum and warrant that they are officially authorized to so execute for their respective parties to the contract.

TEACHNOW, INC.

Donna M. Hollnisch

BY:

TITLE: Chief Academic Officer

DATE: 10/8/2015

CANDIDATE

BY: _____

Mt. Diablo Unified School District
1936 Carlotta Dr.,
Concord, CA 94519

BY: _____

TITLE: _____

DATE: _____

DATE: _____

**VERIFICATION OF HOURS REPORT
SAMPLE**

Date: _____

To: TEACHNOW, INC.

I, _____, serve as the mentor for _____ (“Candidate”).

I have observed the Candidate conduct practice teaching in _____ (Subject and Grade Level) and confirm that Candidate has completed a minimum of 200 clock hours of practice teaching at the Placement Site.

Sincerely,

[Signature]

cc: Placement Site



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
12/10/2015

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER RWA Insurance, Inc. dba Raley, Watts & O'Neill 22934 Three Notch Road Suite B California MD 20619	CONTACT NAME: Sue Han PHONE (A/C, No, Ext): (301) 863-6625 E-MAIL ADDRESS: shan@rwoinsurance.com	FAX (A/C, No): (301) 863-6807
	INSURER(S) AFFORDING COVERAGE	
INSURED TEACH-NOW 1701 K STREET, NW, SUITE 1050 WASHINGTON DC 20006	INSURER A Massachusetts Bay Ins. Co. NAIC # 22306	
	INSURER B Hanover Insurance Co. 22292	
	INSURER C:	
	INSURER D:	
	INSURER E:	
	INSURER F:	

COVERAGES CERTIFICATE NUMBER: Master till 12/04/16 REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:			ODQA496656	12/4/2015	12/4/2016	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 300,000 MEDEXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000
A	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO ALL OWNED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS NON-OWNED AUTOS <input checked="" type="checkbox"/>			ODQA496656	12/4/2015	12/4/2016	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$			ODQA496656	12/4/2015	12/4/2016	EACH OCCURRENCE \$ 3,000,000 AGGREGATE \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		N/A	WHQA496651	12/4/2015	12/4/2016	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 500,000 E.L. DISEASE - EA EMPLOYEE \$ 500,000 E.L. DISEASE - POLICY LIMIT \$ 500,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
 Additional Insured: Mt. Diablo Unified School District
 The General Liability includes a blanket automatic additional insured (Form 391-1006 0609). For you to have the additional insured status, there must be a written contract between the named insured and certificate holder that requires such status.

CERTIFICATE HOLDER Larkinsd@mdusd.org Mt. Diablo Unified School District 1936 Carlotta Dr. Concord, CA 94519	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE Sue Han/SHAN
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BUSINESSOWNERS LIABILITY SPECIAL BROADENING ENDORSEMENT

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

SUMMARY OF COVERAGES	Limits	Page
1. Additional Insured by Contract, Agreement or Permit		1
2. Additional Insured – Broad Form Vendors		2
3. Alienated Premises		2
4. Bodily Injury Redefined		2
5. Broad Form Property Damage – Borrowed Equipment, Customers Goods and Use of Elevators		2
6. Incidental Malpractice (Employed Nurses, EMT's and Paramedics)		3
7. Personal and Advertising Injury – Broad Form		3
8. Product Recall Expense	\$25,000 Occurrence \$50,000 Aggregate	3
9. Unintentional Failure to Disclose Hazards		5
10. Unintentional Failure to Notify		5

This endorsement amends coverages provided under the Businessowners Coverage Form through new coverages and broader coverage grants. This coverage is subject to the provisions applicable to the Businessowners Coverage Form, except as provided below.

1. Additional Insured by Contract, Agreement or Permit

Under **SECTION II – LIABILITY, C. Who Is An Insured**, Paragraph 4. is added as follows:

- a. Any person or organization for whom you are performing operations when you and such person or organization have agreed in writing in a contract, agreement or permit that such person or organization be added as an additional insured on your policy. Such person or organization is an additional insured only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

- (1) Your acts or omissions; or
- (2) The acts or omissions of those acting on your behalf,

but only with respect to:

- (3) "Your work" for the additional insured(s) at the location designated in the contract, agreement or permit; or
- (4) Premises you own, rent, lease, control or occupy.

This insurance applies on a primary basis if that is required by the written contract, agreement or permit.

b. This provision does not apply:

- (1) Unless the written contract or written agreement has been executed or permit has been issued prior to the "bodily injury", "property damage" or "personal and advertising injury";
- (2) To any person or organization included as an insured by an endorsement issued by us and made part of this Policy;
- (3) To any person or organization included as an insured under Item 1.a.2. of this endorsement;
- (4) To any lessor of equipment:
 - (a) After the equipment lease expires; or
 - (b) If the "bodily injury", "property damage" or "personal and advertising injury" arises out of the sole negligence of the lessor;
- (5) To any:
 - (a) Owners or other interests from whom land has been leased which takes

place after the lease for that land expires; or

- (b) Managers or lessors of premises if:
 - (i) The occurrence takes place after you cease to be a tenant in that premises; or
 - (ii) The "bodily injury", "property damage" or "personal and advertising injury" arises out of structural alterations, new construction or demolition operations performed by or on behalf of the manager or lessor; or

(6) To "bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of or the failure to render any professional services.

- c. Additional insured coverage provided by this provision will not be broader than coverage provided to any other insured.
- d. All other insuring agreements, exclusions, and conditions of the policy apply.

2. Additional Insured - Broad Form Vendors

Under SECTION II – LIABILITY, C. Who Is An Insured, paragraph 5. is added as follows:

- 5. Any person or organization with whom you agreed, because of a written contract or written agreement to provide insurance, but only with respect to "bodily injury" or "property damage" arising out of "your products" which are distributed or sold in the regular course of the vendor's business.

The insurance afforded the vendor does not apply to:

- a. "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement;
- b. Any express warranty unauthorized by you;
- c. Any physical or chemical change in the product made intentionally by the vendor;
- d. Repackaging, unless unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instruction from the manufacturer, and then repackaged in the original container;
- e. Any failure to make such inspection, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of

business in connection with the distribution or sale of the product;

- f. Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;
- g. Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any thing or substance by or for the vendor; or
- h. "Bodily injury" or "property damage" arising out of the sole negligence of the vendor for its own acts or omissions or those of its employees or anyone else acting on its behalf. However, this exclusion does not apply to:

- (1) The exceptions contained in paragraphs 5.d. or 5.f.; or
- (2) Such inspections, adjustments, test or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products.

This insurance does not apply to any insured person or organization, from whom you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing such products.

3. Alienated Premises

Under SECTION II – LIABILITY, B. Exclusions, paragraph 1.k.(2) is replaced in its entirety with the following:

- (2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises and occurred from hazards that were known by you, or should have reasonably been known by you, at the time the property was transferred or abandoned.

4. Bodily Injury Redefined

Under SECTION II – LIABILITY, F. Liability and Medical Expenses Definitions, definition 4. is replaced in its entirety by the following:

- 4. "Bodily injury" means bodily injury, disability, sickness or disease sustained by a person, including death resulting from any of these at any time. "Bodily Injury" includes mental anguish or other mental injury resulting from "bodily injury".

5. Broad Form Property Damage – Borrowed Equipment, Customers Goods, Use of Elevators

- a. Under **SECTION II – LIABILITY, B. Exclusions**, paragraph 1.k., the following is added:

Paragraph (4) does not apply to "property damage" to borrowed equipment while at a jobsite and not being used to perform operations.

Paragraph (3), (4) and (6) do not apply to "property damage" to "customers goods" while on your premises nor to the use of elevators.

- b. Under **SECTION II – LIABILITY, F. Liability and Medical Expenses Definitions**, the following additional definition is added:

"Customers goods" means property of your customer on your premises for the purpose of being:

- a. Worked on; or
- b. Used in your manufacturing process.

- c. The insurance afforded under this provision is excess over any other valid and collectible property insurance (including deductible) available to the insured whether primary, excess, contingent or on any other basis.

6. Incidental Malpractice – Employed Nurses, EMT's and Paramedics

Under **SECTION II – LIABILITY, C. Who Is An Insured**, paragraph 2.a.(1)(d) does not apply to a nurse, emergency medical technician or paramedic employed by you if you are not engaged in the business or occupation of providing medical, paramedical, surgical, dental, x-ray or nursing services.

7. Personal and Advertising Injury – Broad Form

Under **SECTION II – LIABILITY, F. Liability and Medical Expenses Definitions**, definition 15, "Personal and Advertising Injury", paragraph h. is added as follows:

- h. Discrimination or humiliation (unless insurance thereof is prohibited by law) that results in injury to the feelings or reputation of a natural person, but only if such discrimination or humiliation is:

- (1) Not done intentionally by or at the direction of:
 - (a) The insured; or
 - (b) Any officer of the corporation, director, stockholder, partner or member of the insured; and
- (2) Not directly or indirectly related to an "employee", nor to the employment, prospective employment or termination of any person or persons by an insured.

8. Product Recall Expense

- a. Under **SECTION II – LIABILITY, B. Exclusions**, Paragraph 1. o. is replaced in its entirety by the following:

o. Recall of Products, Work or Impaired Property

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- (1) "Your product";
- (2) "Your work"; or
- (3) "Impaired property";

If such product, work or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it, but this exclusion does not apply to "product recall expenses" that you incur for the "covered recall" of "your product". The exception to the exclusion does not apply to "product recall expenses" resulting from:

- (1) Failure of any products to accomplish their intended purpose;
- (2) Breach of warranties of fitness, quality, durability or performance;
- (3) Loss of customer approval, or any cost incurred to regain customer approval;
- (4) Redistribution or replacement of "your product" which has been recalled by like products or substitutes;
- (5) Caprice or whim of the insured;
- (6) A condition likely to cause loss of which any insured knew or had reason to know at the inception of this insurance;
- (7) Asbestos, including loss, damage or clean up resulting from asbestos or asbestos containing materials; or
- (8) Recall of "your products" that have no known or suspected defect solely because a known or suspected defect in another of "your products" has been found.

- b. Under **SECTION II – LIABILITY, C. Who Is An Insured**, paragraph 4.c. is added as follows:

- c. "Bodily injury" or "property damage" do not apply to "product recall expense" arising out of any withdrawal

or recall that occurred before you acquired or formed the organization.

- c. Under **SECTION II – LIABILITY, E. Liability and Medical Expense General Conditions, 2. Duties in the Event of Occurrence, Offense, Claim or Suit**, paragraph e. is added as follows:

e. You must see to it that the following are done in the event of an actual or anticipated "covered recall" that may result in "product recall expense":

- (1) Give us prompt notice of any discovery or notification that "your product" must be withdrawn or recalled. Include a description of "your product" and the reason for the withdrawal or recall;
- (2) Cease any further release, shipment, consignment or any other method of distribution of like or similar products until it has been determined that all such products are free from defects that could be a cause of loss under this insurance.

- d. Under **SECTION II – LIABILITY, F. Liability and Medical Expenses Definitions**, the following additional definitions are added:

"Covered recall" means a recall made necessary because you or a government body has determined that a known or suspected defect, deficiency, inadequacy, or dangerous condition in "your product" has resulted or will result in "bodily injury" or "property damage".

"Product recall expense(s)" means:

- a. Necessary and reasonable expenses for:
- (1) Communications, including radio or television announcements or printed advertisements including stationary, envelopes and postage;
 - (2) Shipping the recalled products from any purchaser, distributor or user to the place or places designated by you;
 - (3) Remuneration paid to your regular "employees" for necessary overtime;
 - (4) Hiring additional persons, other than your regular "employees";

(5) Expenses incurred by "employees" including transportation and accommodations;

(6) Expenses to rent additional warehouse or storage space;

(7) Disposal of "your product", but only to the extent that specific methods of destruction other than those employed for trash discarding or disposal are required to avoid "bodily injury" or "property damage" as a result of such disposal,

you incur exclusively for the purpose of recalling "your product"; and

b. Your lost profit resulting from such "covered recall".

- e. Under **SECTION II – LIABILITY, D. Liability and Medical Expenses Limits of Insurance**, the following is added:

5. The Limits of Insurance and rules stated below fix the most that we will pay under this Product Recall Expense Coverage.

(1) The Aggregate Limit is the most that we will reimburse you for the sum of all "product recall expenses" incurred for all "product recall expenses" initiated during the policy period.

(2) The Occurrence Limit shown on the Summary of Coverages is the most we will pay in connection with any one defect or deficiency.

(a) All "product recall expenses" in connection with substantially the same general harmful condition will be deemed to arise out of the same defect or deficiency and considered one "occurrence".

(b) Any amount reimbursed for "product recall expenses" in connection with any one "occurrence" will reduce the amount of the Aggregate Limit available for reimbursement of "product recall expenses" in connection with any other defect or deficiency.

(c) If the Aggregate Limit has been reduced by

reimbursement of "product recall expenses" to an amount that is less than the Occurrence Limit, the remaining Aggregate Limit is the most that will be available for reimbursement of "product recall expenses" in connection with any other defect or deficiency.

6. A deductible of \$500 applies per each "Occurrence".

9. Unintentional Failure to Disclose Hazards

Under **SECTION II – LIABILITY, E. Liability and Medical Expenses General Conditions**, paragraph 6. is added as follows:

6. Representations

We will not disclaim coverage under this Coverage Form if you fail to disclose all hazards existing as of the inception date of the policy provided such failure is not intentional.

10. Unintentional Failure to Notify

Under **SECTION II – LIABILITY, E. Liability and Medical Expenses General Conditions, 2. Duties in the Event of Occurrence, Offense, Claim or Suit**, paragraph f. is added as follows:

- f. Your rights afforded under this Coverage Form shall not be prejudiced if you fail to give us notice of an "occurrence", offense, claim or "suit", solely due to your reasonable and documented belief that the "bodily injury" or "property damage" is not covered under this Policy.