

Form #HFW ECE12 (Rev. February 16, 2012)
Extensions of Coverage Endorsement

It is hereby understood and agreed the following extensions of coverage modify insurance provided under the Commercial General Liability policy.

1 Wrongful Dismissal (Legal Expenses) Endorsement

To reimburse the Insured for your legal fees including disbursements, in the defense of that part of a civil action claiming damages for wrongful dismissal, only if a claim for such damages is first made in writing against you during the Policy period.

Insured Persons

This coverage applies only to the Named Insured, its officers and directors. It does not apply to your managers or other employees.

Limit of Liability

The limit of liability provided by this coverage for any one claim shall not exceed \$100,000, and the annual aggregate limit for more than one claim shall not exceed \$100,000.

Deductible

Each claim for reimbursement of legal fees and disbursements under this coverage shall be adjusted separately and from the amount of each such adjusted claim, the sum of \$10,000 shall be deducted.

Claim

A claim is defined as all reasonable legal fees and disbursements incurred after the insured receives written notice that an action for wrongful dismissal will or has been commenced.

Exclusions

The insurance provided by this coverage shall not apply to:

- 1) Damages including costs and interest accruing upon such damages, awarded against any insured in a civil action.
- 2) Liability for which coverage is afforded elsewhere in this Policy.
- 3) Legal fees arising out of a labor dispute, union grievance procedure, strike or lockout or because of shut down of operations or merger with another entity.

Notice of Occurrence, Claim or Suit

In the event of any occurrence likely to give rise to a claim hereunder, written notice shall be given forthwith by you or on your behalf.

Cooperation with Insurer

We reserve the right to make periodic inquiries to determine the status of any claim and you shall cooperate with the carrier in this regard. Further, under this coverage, the carrier assumes no duty to defend. However, the carrier shall have the right to effectively associate with you in the defense and negotiation of any settlement of any claim involving wrongful dismissal.

Only those legal expenses, which have been consented to by the insurer, shall be recoverable as loss under the terms of this agreement.

2 Related Independent Contractors As Insureds

It is agreed that the "who is an insured" section is amended as follows to include Personal Trainers and Instructors, but only while acting at the direction of, and within the scope of their duties for the Named Insured.

3 Blanket Additional Insured When Certificate Issued Endorsement

It is hereby understood and agreed that in respect to the operations of the insured under contracts and / or work undertaken for which certificates of insurance have been issued by or on behalf of the insurer stating the owner and / or other interested parties are additional insured under this Policy, such named persons or corporations are included as additional insured as set out on the relative certificates of insurance but only insofar as their legal liability arises out of the negligent operations of the Named Insured.

It is further hereby understood and agreed that written notice shall be given to such named persons or corporations as stated above of cancellation or material change in this Policy as set out in the related certificates of insurance.

4 Notice of Occurrence Endorsement

When the insured reports an occurrence to the workers compensation carrier insuring their compensation insurance which later develops into a liability claim, coverage for which is provided by the Policy to which this endorsement is attached, failure to report such occurrence to insurer at the time of the occurrence shall not be deemed in violation of the Policy conditions, "Duties in the Event of Occurrence, Claim or Action" upon the distinct understanding and agreement, however, that you, just as soon as you are definitely made aware of the fact that the particular accident is a liability case rather than a compensation case, shall give notification of the aforesaid occurrences to us.

5 Waiver Of Subrogation Endorsement

We agree that in the event of any payment under this Policy, we waive our right of recovery against any Principal, but only at your specific written request either before or after loss, wherein such waiver has been included before the loss as part of a your contractual undertaking.

This waiver shall apply only with respect to losses occurring due to operations undertaken as per the specific contract existing between you and such Principal and shall not be construed to be a waiver with respect to other operations of such principal in which you have no contractual interest.

No waiver of subrogation shall directly or indirectly apply to any employee or employees of either the insured or of the Principal and we reserve our right or lien to be reimbursed from any recovery funds obtained by any injured employee.

This waiver does not apply in any jurisdiction or situation where such waiver is held to be illegal or against public Policy or in any situation where in the Principal against whom subrogation is to be waived is found to be solely negligent.

6 Joint Venture Coverage Endorsement

It is hereby understood and agreed that the provisions regarding partnerships and joint ventures are deleted and replaced by the following:

Any joint venture or partnership of which the Insured is a member or partner; provided that the insurance afforded such joint venture or partnership shall be excess over any valid and collectible insurance available to such joint venture or partnership for a loss.

Nothing herein contained shall vary, alter or extend any provision or condition of the Policy other than as above stated.

SAMPLE