

## COMMERCIAL GENERAL LIABILITY MAX

# WRONGFUL OR CONSTRUCTIVE DISMISSAL ENDORSEMENT

This Endorsement Changes the Policy. Please Read It Carefully.

Certain words and phrases in bold font have special meaning as defined below or in the form to which this Endorsement is attached.

The titles of sections or paragraphs listed below should not be considered for purposes of interpreting the intent of this Form; these titles have only been inserted for ease of reading.

This Endorsement is attached to the Commercial General Liability Max Form and is subject to all terms, conditions, limitations and exclusions of such Form.

### 1. INSURING AGREEMENT

- 1.1. We will pay those sums that the Insured becomes legally obligated to pay as **compensatory damages** because of **bodily injury, property damage or personal injury** arising out of dismissal of **employees**, except that Indemnity shall not apply to that part of such damages as represents severance allowances and/or compensation for lack of reasonable notice.
  - 1.1.1. The amount we will pay for **compensatory damages** is limited as described in paragraph 2. LIMIT OF INSURANCE section of this Endorsement.
  - 1.1.2. Our right and duty to defend end when we have used up the Aggregate Limit shown in the Declaration Page(s) as applicable to this EndorsementNo other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under the Section I - Supplementary Payments section of the Commercial General Liability Max Form to which this Endorsement is attached.
- 1.2. This insurance applies to **bodily injury, property damage and personal injury** only if:
  - 1.2.1. The **bodily injury, property damage or personal injury** is caused by an **occurrence** that takes place in the **coverage territory**; and
  - 1.2.2. The **bodily injury, property damage or personal injury** occurs during the **policy period**; and
  - 1.2.3. Prior to the **policy period**, no Insured listed under Paragraph 1. of Section II – Who Is An Insured of the Commercial General Liability Max Form and no **employee** authorized by you to give or receive notice of an **occurrence** or claim, knew that the **bodily injury or property damage** had occurred, in whole or in part. If such a listed Insured or authorized **employee** knew, prior to the **policy period**, that the **bodily injury or property damage** occurred, then any continuation, change or resumption of such **bodily injury or property damage** during or after the **policy period** will be deemed to have been known prior to the **policy period**.
- 1.3. **Bodily injury or property damage** which occurs during the **policy period** and was not, prior to the **policy period**, known to have occurred by any Insured listed under Paragraph 1. of Section II – Who Is An Insured of the Commercial General Liability Max Form or any **employee** authorized by you to give or receive notice of an **occurrence** or claim, and includes any continuation, change or resumption of that **bodily injury or property damage** after the end of the **policy period**.
- 1.4. **Bodily injury or property damage** will be deemed to have been known to have occurred at the earliest time when any Insured listed under Paragraph 1. of Section II – Who Is An Insured of the Commercial General Liability Max Form or any **employee** authorized by you to give or receive notice of an **occurrence** or claim:
  - 1.4.1. Reports all or any part, of the **bodily injury or property damage** to us or any other insurer;
  - 1.4.2. Receives a written or verbal demand or claim for **compensatory damages** because of the **bodily injury or property damage**; or
  - 1.4.3. Becomes aware by any other means that **bodily injury or property damage** has occurred or has begun to occur.
- 1.5. **Compensatory damages** because of **bodily injury** include **compensatory damages** claimed by any person or organization for care, loss of services or death resulting at any time from the **bodily injury**.

### 2. LIMITS OF INSURANCE

- 2.1. The Limit of Liability - Each Claim shown on the Declaration Page(s) for this Endorsement is the most we will pay for the sum of **compensatory damages** including adjusting and legal fees, on account of injury sustained by one person, and
- 2.2. Subject to sub-paragraph 2.1. above, the Limit of Liability - Aggregate shown on the Declaration Page(s) is the most we will pay for the sum of compensatory damages including adjusting and legal fees under this Endorsement in during the **policy period**.

### 3. DEDUCTIBLES

- 3.1. Our obligation to pay **compensatory damages** on your behalf applies only to the amount in excess of 10% of any loss to which this Endorsement applies.
- 3.2. Your percentage participation stated in sub-paragraph 3.1. above is subject to a the minimum dollar amount deductible and the maximum dollar deductible that are stated in the Declaration Page(s) for this Endorsement.
- 3.3. We may pay any part of all of the deductible amount to effect settlement of any claim or **action** and, upon notification of the action taken, you shall promptly reimburse us for such part of the deductible amount as has been paid by us.

### 4. EXCLUSIONS

This insurance does not apply to:

- 4.1. Asbestos – see Common Exclusions.
- 4.2. Fungi or Spores – see Common Exclusions.
- 4.3. Nuclear Energy Liability – see Common Exclusions.
- 4.4. Pollution – see Common Exclusions.
- 4.5. Terrorism – see Common Exclusions.
- 4.6. War Risks – see Common Exclusions.
- 4.7. Unsolicited Communication – see Common Exclusions.

All other terms and conditions of the Policy remain unchanged.