

Effective date of this Endorsement: <Effective Date>
This Endorsement is attached to and forms a part of Policy Number: <Policy Number>
<Insurer> Referred to in this endorsement as either the "Insurer" or the "Underwriters"

WAGE AND HOUR ENHANCEMENT ENDORSEMENT

<Sublimit>

This endorsement modifies insurance provided under the following:

EMPLOYMENT PRACTICES LIABILITY CLAUSE

In consideration of the premium charged for the Policy, it is hereby understood and agreed that:

1. Notwithstanding Clause **III. EXCLUSIONS H.** of the **EMPLOYMENT PRACTICES LIABILITY CLAUSE** the Underwriters agree to provide **Defense Costs** coverage for **Wage and Hour Claims**.

For purposes of this endorsement, **Wage and Hour Claim** shall mean any **Claim** solely alleging violations of any **Wage and Hour Law**.

The Underwriters maximum aggregate limit of liability pursuant to this endorsement shall be **<Sublimit>** and shall only apply to **Defense Costs** ("the Wage and Hour Limit"). The Wage and Hour Limit shall be part of, and not in addition to, the Limit of Liability applicable to the **Employment Practices Liability Clause** identified in Item 4. of the Declarations. In no event shall the Wage and Hour Limit apply to **Loss** other than **Defense Costs** incurred in connection with **Wage and Hour Claims** and in no event shall the Insurer be obligated to pay more than the Limits of Liability identified in Items 4. of the Declarations.

As respects coverage for **Claims** that allege violations of any **Wage and Hour Law** and also contain allegations of otherwise covered **Wrongful Acts**, the **<Sublimit>** Wage and Hour Limit shall apply to those **Defense Costs** attributable solely to that portion of the **Claim** alleging violations of any **Wage and Hour Law**. Notwithstanding the provision of Clause **VI. SETTLEMENT AND DEFENSE**, of the **GENERAL TERMS AND CONDITIONS** the Limits of Liability stated in Item 4. shall apply to **Loss**, including **Defense Costs**, attributable solely to that portion of such **Claim** alleging the covered **Wrongful Acts**.

2. Clause **II. DEFINITIONS R.** "**Wrongful Act**" of the **EMPLOYMENT PRACTICES LIABILITY CLAUSE** is amended with the addition of the following:

Wrongful Act shall not include violations of any **Wage and Hour Law**.

3. The Underwriters shall not be liable to make any payment for **Loss** in connection with or resulting from any **Wage and Hour Claim**, or for that portion of any **Claim** that alleges violations of any **Wage and Hour Law**, if any **Executive Officer** was made aware of such violations of the **Wage and Hour Law** prior to the inception date of the Policy.
4. In excess of the applicable **Retention** and subject to the Wage and Hour Limit, the **Insureds** shall bear uninsured and at their own risk **<Percentage>** of **Defense Costs** resulting from any **Wage and Hour Claim** brought as a class action (whether certified or not) or by multiple claimants or in multiple plaintiff suits arising out of related **Wrongful Acts**, and the Insurer's liability shall apply only to the remaining percentage of such **Defense Costs**.
5. Clause **IV. ALLOCATION** of the **Employment Practices Liability Clause** is deleted and replaced with the following:

IV. Allocation

Upon exhaustion of the Wage and Hour Limit, the **Insureds** and Underwriters agree to use their best efforts to determine a fair and proper allocation of all covered **Defense Costs** and non-covered defense costs associated with the defense of **Claims** alleging a violation of the responsibilities, duties, or obligations imposed under any **Wage and Hour Law**. In the event that an allocation cannot be agreed to, then Underwriters shall make an interim payment of the amount of **Defense Costs** that the parties agree is not in dispute until a final amount is agreed upon or determined by applicable law.

6. Clause **VII. ALLOCATION** (a) of the **POLICY TERMS AND CONDITIONS** Clause is deleted and replaced with the following:

(a). The **Insureds** and Underwriters agree that one hundred percent (100%) of **Defense Costs** shall be allocated to covered **Loss** except costs associated with the defense of actual or alleged violations of **Wage and Hour Laws** (after exhaustion of the Wage and Hour Limit); and

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All other terms and conditions of this Policy remain unchanged.

Authorized Representative