

AIM

Homeland Insurance Company of New York
One Beacon Lane
Canton, MA
(hereinafter referred to as the "Underwriter")



Policy Number: BX00001

DECLARATIONS

NOT-FOR-PROFIT ASSOCIATION DIRECTORS, OFFICERS AND ORGANIZATION LIABILITY INSURANCE POLICY

THIS POLICY APPLIES ONLY TO CLAIMS FIRST MADE AGAINST THE INSURED AND REPORTED TO THE UNDERWRITER DURING THE EFFECTIVE PERIOD STATED IN ITEM 6 OF SUCH INSURED'S MEMBER CERTIFICATE. DEFENSE EXPENSES ARE PART OF AND NOT IN ADDITION TO THE LIMITS OF LIABILITY.

PLEASE READ THIS POLICY CAREFULLY.

ITEM 1. POLICYHOLDER:

Education Support Purchasing Group
8144 Walnut Hill Lane, Suite 500
Dallas, TX 75231

ITEM 2. POLICY PERIOD: (a) Inception Date: September 1, 2009
(b) Expiration Date: September 1, 2010

Both dates at 12:01 a.m. at the
Principal Address in ITEM 1.

ITEM 3. LIMITS OF LIABILITY (inclusive of Defense Expenses):

- (a) Policy Aggregate Limit of Liability: \$20,000,000
- (b) Per Claim Limit of Liability: \$1,000,000
- (c) Per Insured Aggregate Limit of Liability: \$1,000,000

intended to lead to, or which culminates in, any sexual act, whether performed for the purpose of sexual gratification, intimidation, coercion or any other reason

(Q) "Wrongful Act" means:

- (1) for the purposes of Insuring Agreement (A) and (B) of this Policy, any actual or alleged act, error, or omission by any **Insured Person**, but solely if such act error, or omission was committed in his or her capacity as a director, officer, employee, or member of such **Organization**; or
- (2) for the purposes of Insuring Agreement (C) of this Policy, any actual or alleged act, error, or omission by the **Organization**.

III. EXCLUSIONS

This Policy does not apply to, and no coverage will be available under this Policy for, **Loss**, including **Defense Expenses**, from any **Claim**:

- (A) based upon, arising out of, directly or indirectly resulting from, in consequence of, or in any way involving any fact, circumstance, situation, transaction, event or **Wrongful Act** that, before the Inception Date stated in ITEM 6(a) of the applicable **Organization's Member Certificate**, was the subject of any notice under any prior or concurrent policy;
- (B) based upon, arising out of, directly or indirectly resulting from, in consequence of, or in any way involving any prior or pending demand, litigation, or alternative dispute resolution, administrative, regulatory, investigation, disciplinary, or arbitration hearing or proceeding as of the Inception Date stated in ITEM 6(a) of the applicable **Organization's Member Certificate**, or the same or substantially the same fact, circumstance, situation, transaction, event or **Wrongful Act** underlying or alleged therein;
- (C) based upon, arising out of, directly or indirectly resulting from, in consequence of, or in any way involving any fact, circumstance, situation, transaction, event, or **Wrongful Act** if any **Insured**, before the Inception Date of stated in ITEM 6(a) of the applicable **Organization's Member Certificate**, knew or reasonably could have foreseen that such fact, circumstance, situation, transaction, event, or **Wrongful Act** might give rise to a **Claim**;
- (D) brought by or on behalf of or in the name or right of: (i) any **Insured**; (ii) any entity or venture that is currently or was formerly owned, controlled, managed, or operated, directly or indirectly, by any **Insured**; or (iii) any parent company, affiliate, subsidiary, predecessor, successor, assign, heir, spouse, estate, or legal representative of any **Insured** or of any business entity or venture that is currently or was formerly owned, controlled, managed or operated, directly or indirectly, by any **Insured**;

- (W) based upon, arising out of, directly or indirectly resulting from, in consequence of, or in any way involving any demand, litigation, or alternative dispute resolution, administrative, regulatory, investigation, disciplinary, or arbitration hearing or proceeding brought by or on behalf of or in the name or right of any local, state, federal, or foreign administrative, governmental, quasi-governmental, or regulatory body, agency, tribunal, or entity;
- (X) based upon, arising out of, directly or indirectly resulting from, in consequence of, or in any way involving any actual or alleged act, error or omission committed or allegedly committed by the Insured in connection with requiring, providing, obtaining or maintaining any form of insurance, surety or bond, or providing any advice in connection with requiring, providing, obtaining or maintaining any form of insurance, surety or bond;
- (Y) based upon, arising out of, directly or indirectly resulting from, in consequence of, or in any way involving an Insured's ownership, rental, lease, maintenance, operation, use, repair, voluntary or involuntary sale, transfer, exchange, gift, abandonment or condemnation of any real or personal property, including but not limited to, automobiles, aircraft, watercraft and other kinds of conveyances;
- (Z) based upon, arising out of, directly or indirectly resulting from, in consequence of, or in any way involving any insolvency, receivership, bankruptcy, liquidation, financial inability to pay, or Financial Impairment of any Insured;
- (AA) based upon, arising out of, directly or indirectly resulting from, in consequence of, or in any way involving any express, implied, actual, constructive, written, or oral contract, agreement, warranty, guarantee, assurance, covenant, representation, or promise, or any negotiation of any express, implied, actual, constructive, written, or oral contract, agreement, warranty, guarantee, assurance, covenant, representation, or promise, involving or for the benefit of any superintendent, assistant superintendent, or similar administrator of any local, state, federal, foreign, private, or other school, school system, school district, school board, department or board of education, school or school board association, or other educational institution, department, board, association, or organization of any type, nature, or kind;
- (BB) based upon, arising out of, directly or indirectly resulting from, in consequence of, or in any way involving any disputes involving any Insured's fees or charges, or any commingling of or improper use of client funds;
- (CC) based upon, arising out of, directly or indirectly resulting from, in consequence of, or in any way involving any demand for any non-monetary or equitable relief or redress, including but not limited to any injunctive, declaratory, or administrative relief or redress or specific performance; or
- (DD) brought by or on behalf of or in the name or right of or against:



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Declarations

Non-Profit Organization Liability Policy

POLICY NUMBER: Refer to Memorandum

FIREMAN'S FUND INSURANCE COMPANIES

POLICY PERIOD:

Refer to Memorandum
(12:01 A.M. Standard time at the address
of the Named Insured as stated herein)

Coverage is provided in the following
company, a stock company.

01 Fireman's Fund Insurance
Company

NAMED INSURED AND MAILING ADDRESS:

Refer to Memorandum

**DEFENSE COSTS WITHIN LIMITS OF POLICY
CLAIMS MADE AND REPORTED**

Part or all of this policy applies on a claims made and reported basis.
Please read this entire policy carefully.

In return for the payment of the premium, and subject to all the terms of this
policy, we agree with you to provide the insurance as stated in this policy.

Premium payable at inception : Refer to Memorandum
Annual Premium: Refer to Memorandum
Terrorism Risk Insurance Act - Certified Acts Coverage - Not Covered

SCHEDULE OF ENDORSEMENTS

This schedule is described within Form No. 178250-04-04 which forms a
part of this policy's declarations.

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Our Home Office and Administrative Offices are at 777 San Marin Drive, Novato, California 94998-2000.

5. Any liability or costs incurred by the **Insured** arising out of a request, order, judgment, or settlement agreement involving non-monetary relief; or
 6. Any matter deemed uninsurable under the law pursuant to which this Policy shall be construed.
- K. **Personal Injury** means personal injury, including disability, shock, humiliation, embarrassment, mental injury, mental anguish, emotional distress, injury to personal or business reputation or character, invasion of privacy, or defamation, including libel or slander.
- L. **Policy Period** means the period of time from the Inception date of this Policy to the Expiration date shown in the Declarations, or if applicable, any earlier cancellation date. The **Policy Period** does not include the Extended Reporting Period, if any.
- M. **Professional Services** means:
1. The services of an architect or engineer, attorney, certified public accountant, medical practitioner, actuary, insurance agent or broker, professional financial management consultant, social worker or other similar professional whose services require specialized training and skill; and
 2. Accreditation, certification, credentialing, professional assessment, peer review, sponsoring, or standard setting activities conducted by or on behalf of the **Insured**.
- N. **Property Damage** means:
1. Trespass, nuisance, wrongful entry, eviction, violation of rights of occupancy, inverse condemnation, temporary or permanent taking, adverse possession or dedication by adverse use involving any real property; or
 2. The destruction, loss, theft, conversion, loss of use, diminution in value of, or injury to, any property.
- O. **Subsidiary**, either in the singular or plural, means any nonprofit organization in which the **Insured Organization** owns or controls the right to elect and appoint more than 50% of such organization's directors or trustees.
- P. **Wrongful Act**, either in the singular or plural, means any actual or alleged negligent act, error or omission, misleading statement, or breach of duty committed by the **Insured** in the performance of duties on behalf of the **Insured Organization**.

IV. EXCLUSIONS

We shall not be liable to make any payment for **Loss** in connection with any **Claim**:

- A. Alleging, based upon or attributable to, arising out of, in consequence of, or in any way related to the **Insured's** unjust enrichment, obtaining profit or advantage to which such **Insured** was not legally entitled.
- B. Alleging, based upon or attributable to, arising out of, in consequence of, or in any way related to any criminal, malicious, fraudulent, knowingly wrongful, or dishonest act or omission. Provided, however, this exclusion shall not apply unless a judgment or other final adjudication adverse to the **Insured** establishes such acts or omissions.
- C. For any **Wrongful Act** or any fact, circumstance or situation which has been the subject of any notice given under any insurance policy prior to the Inception date of this Policy.

- K. Alleging, based upon or attributable to, arising out of, in consequence of, or in any way related to nuclear reaction radiation, radioactive contamination or radioactive substance, in any form, no matter how emitted.
- L. Alleging, based upon or attributable to, arising out of, in consequence of, or in any way related to:
1. The issuance, endorsement, sale of bonds, or the receipt or use of bond proceeds, whether such bonds are tax-exempt or not;
 2. A violation of the Securities Act of 1933 as amended;
 3. A violation of the Securities Exchange Act of 1934 as amended; or
 4. Any state blue sky or securities law;
- including, with respect to 2., 3. and 4. above, any amendments thereto, any rules or regulations promulgated thereunder, or any similar federal, state, local or common laws, rules or regulations.
- M. For any **Claim** brought by the **Insured Organization** against any other **Insured**.
- N. For any counterclaim or cross claim against the **Insured Organization** made because of a **Claim** initiated by such **Insured Organization**.
- O. Alleging, based upon or attributable to, arising out of, in consequence of, or in any way related to any suit, action, investigation or proceeding by or on behalf of any governmental or quasi-governmental entity against the **Insured**, because of:
1. The **Insured's** application for funds or grants from any governmental or quasi-governmental entity; or
 2. The **Insured's** use, disbursement or administration of funds or grants received from any governmental or quasi-governmental entity.
- P. Alleging, based upon or attributable to, arising out of, in consequence of, or in any way related to any actual or alleged violation of any federal or state anti-trust statutes enacted to prevent unfair competition, price fixing, unfair trade practices, or unlawful restraints or monopolies of trade and commerce, including, but not limited to, the Sherman Act and the Clayton Act.
- Q. Alleging, based upon or attributable to, arising out of, in consequence of, or in any way related to the rendering of, or failure to render, any **Professional Services** by the **Insured**.
- R. Alleging, based upon or attributable to, arising out of, in consequence of, or in any way related to any:
1. Labor or grievance arbitration pursuant to a collective bargaining agreement; or
 2. Internal dispute resolution proceeding of the **Insured Organization**.
- S. Alleging, based upon or attributable to, arising out of, in consequence of, or in any way related to the liability of others assumed by the **Insured** in a contract or agreement, provided, however, this exclusion shall not apply to liability the **Insured** has in the absence of such contract or agreement.

The conduct or knowledge of any natural person **Insured** shall not be imputed to other **Insureds** with regard to IV. **EXCLUSIONS**, paragraphs A and B.