

Policy Number: FSC-92914-1211

Previous Policy Number: FSC-92914-1210

**FRATERNITY / SORORITY INSURANCE PROGRAM
EXCESS LIABILITY DECLARATIONS**

INSURER	UNDERWRITING OFFICE	PRODUCER
Catlin Specialty Insurance Company Suite 101 160 Greentree Drive Dover, DE 19904	Suite 260 25000 Country Club Boulevard North Olmsted, OH 44070	R-T Specialty, LLC 200 E Randolph, 20 th Floor Chicago, IL 60601

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.

ITEM ONE

Named Insured:	Phi Kappa Sigma Fraternity
Mailing Address:	2 Timber Drive Chester Springs, PA 19425

Form of Business: Fraternity

Policy Period: From: 12/01/2010 To: 12/01/2011
At 12:01 A.M. both dates at your mailing address shown above.

The insurer which has issued this insurance is not licensed by the Pennsylvania Insurance Department and is subject to limited regulation. This insurance is NOT covered by the Pennsylvania Insurance Guaranty Association.

ITEM TWO

Limits Of Insurance:	
Each Occurrence Limit	\$ <u>2,000,000</u>
Aggregate Limit (where applicable)	\$ <u>2,000,000</u>

ITEM THREE

Schedule of Underlying Insurance: See attached Schedule of Underlying Insurance

ITEM FOUR

Estimated Premium:	_____
Basis of Premium:	_____
Rate (if applicable):	or \$ _____
Policy Writing Minimum Premium:	\$ _____
TOTAL PREMIUM:	_____

ITEM FIVE

**Forms and Endorsements
and Endorsements**

n Date: See Schedule of Forms

THESE DECLARATIONS, TOGETHER WITH THE COVERAGE FORM(S) AND ANY ENDORSEMENT(S), COMPLETE THIS POLICY.

Countersigned: 12/08/2010
Date

By 
Authorized Representative

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SCHEDULE OF FORMS AND ENDORSEMENTS

Named Insured Phi Kappa Sigma Fraternity	
Policy Number FSC-92914-1211	Policy Period From 12/01/2010 To 12/01/2011

Forms and Endorsements		
<u>Form Number</u>	<u>Edition Date</u>	<u>Title</u>
ABAP 304	1108	Schedule of Underlying Insurance
ABAP 401	0807	In Witness Endorsement
ABAP 900	1008	Service of Suit
CSFS 050	1207	Excess Liability Coverage Form
CSFS 601	1207	Special Additional Exclusion – Exclusion of Specific Insureds and No Prejudice to Remaining Insureds
CSMP 602	0307	Lead Exclusion
CSMP 603	0307	Nuclear Energy Liability Exclusion
CSMP 632	0308	Exclusion of Certified Acts of Terrorism
CSMP 635	0308	Auto Exclusion of Terrorism Coverage

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SCHEDULE OF UNDERLYING INSURANCE

Named Insured Phi Kappa Sigma Fraternity			
Policy Number FSC-92914-1211	Policy Period From		To
	12/01/2010		12/01/2011

General Liability – All Other States	
Company: Certain Underwriters at Lloyd's, London	Policy Period: 12/01/10 to 12/01/11
Policy Number: 10-JRFCO-12-L	
Minimum Applicable Limits	
Each Occurrence	\$ <u>1,000,000</u>
Personal And Advertising Injury	\$ <u>1,000,000</u> Any one person or organization
General Aggregate	\$ <u>2,000,000</u>
Products-Completed Operations Aggregate	\$ <u>2,000,000</u>
Amount of Deductible	\$ <u>100,000</u> Per Occurrence
	\$ <u>100,000</u> Aggregate

General Liability - Texas	
Company: Certain Underwriters at Lloyd's, London	Policy Period: 12/01/10 to 12/01/11
Policy Number: 10-JRFCO-12-LTX	
Minimum Applicable Limits	
Each Occurrence	\$ <u>1,000,000</u>
Personal And Advertising Injury	\$ <u>1,000,000</u> Any one person or organization
General Aggregate	\$ <u>2,000,000</u>
Products-Completed Operations Aggregate	\$ <u>2,000,000</u>
Amount of Deductible	\$ <u>100,000</u> Per Occurrence
	\$ <u>100,000</u> Aggregate

Hired and Nonowned Automobile Liability – All Other States	
Company: Certain Underwriters at Lloyd's, London	Policy Period: 12/01/10 to 12/01/11
Policy Number: 10-JRFCO-12-L	
Minimum Applicable Limits	
Nonownership Liability	\$ <u>1,000,000</u> Per Accident
Hired Automobile Liability	\$ <u>1,000,000</u> Per Accident

Hired and Nonowned Automobile Liability - Texas	
Company: Certain Underwriters at Lloyd's, London	Policy Period: 12/01/10 to 12/01/11
Policy Number: 10-JRFCO-12-LTX	
Minimum Applicable Limits	
Nonownership Liability	\$ <u>1,000,000</u> Per Accident
Hired Automobile Liability	\$ <u>1,000,000</u> Per Accident

Employers Liability		Policy Period: 07/08/10 to 07/08/11
Company: State Workers' Insurance Fund		
Policy Number: 042 045 70		
Minimum Applicable Limits		
Bodily Injury by Accident	\$ <u>1,000,000</u>	Each Accident
Bodily Injury by Disease	\$ <u>1,000,000</u>	Aggregate Limit
Bodily Injury by Disease	\$ <u>1,000,000</u>	Each Employee
Employee Benefits Liability – All Other States		Policy Period: 12/01/10 to 12/01/11
Company: Certain Underwriters at Lloyd's, London		
Policy Number: 10-JRFCO-12-L		
Minimum Applicable Limits		
Each Employee Limit	\$ <u>1,000,000</u>	
Aggregate Limit	\$ <u>2,000,000</u>	
Amount of Deductible	\$ <u>1,000</u>	Each Claim
Claims Made Retroactive Date: N/A		
Employee Benefits Liability - Texas		Policy Period: 12/01/10 to 12/01/11
Company: Certain Underwriters at Lloyd's, London		
Policy Number: 10-JRFCO-12-LTX		
Minimum Applicable Limits		
Each Employee Limit	\$ <u>1,000,000</u>	
Aggregate Limit	\$ <u>2,000,000</u>	
Amount of Deductible	\$ <u>1,000</u>	Each Claim
Claims Made Retroactive Date: N/A		
Employers Overhead Liability – All Other States		Policy Period: 12/01/10 to 12/01/11
Company: Certain Underwriters at Lloyd's, London		
Policy Number: 10-JRFCO-12-L		
Minimum Applicable Limits		
Bodily Injury by Accident	\$ <u>1,000,000</u>	Each Accident
Bodily Injury by Disease	\$ <u>2,000,000</u>	Aggregate Limit
Bodily Injury by Disease	\$ <u>1,000,000</u>	Each Employee
Employers Overhead Liability - Texas		Policy Period: 12/01/10 to 12/01/11
Company: Certain Underwriters at Lloyd's, London		
Policy Number: 10-JRFCO-12-LTX		
Minimum Applicable Limits		
Bodily Injury by Accident	\$ <u>1,000,000</u>	Each Accident
Bodily Injury by Disease	\$ <u>2,000,000</u>	Aggregate Limit
Bodily Injury by Disease	\$ <u>1,000,000</u>	Each Employee

IN WITNESS ENDORSEMENT

CATLIN SPECIALTY INSURANCE COMPANY

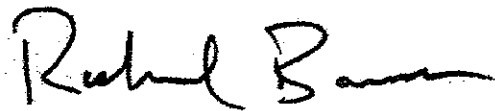
ADMINISTRATIVE OFFICE: 3340 Peachtree Road N.E.
Tower Place 100
Suite 2950
Atlanta, GA 30326

STATUTORY HOME OFFICE: 160 Greentree Drive
Suite 101
Dover, Delaware 19904

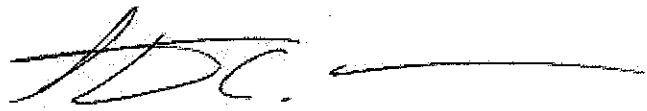
It is hereby agreed and understood that the following In Witness Clause supercedes any and all other In Witness clauses in this policy.

All other provisions remain unchanged.

IN WITNESS WHEREOF, the Company has caused this policy to be executed and attested, and, if required by state law, this policy shall not be valid unless countersigned by a duly authorized representative of the Company.



Richard S. Banas
President



Steven C. Adams
Secretary

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SERVICE OF SUIT

The following service of suit provision is added and replaces any other Service of Suit provision contained elsewhere in this policy:

The Superintendent, Commissioner or Director of Insurance of the State is hereby designated the true and lawful attorney of the Company upon whom may be served all lawful process in any action, suit or proceeding arising out of this policy. The Company further designates:

**Steve Adams
Legal Counsel
3340 Peachtree Road N.E.
Suite 2950
Atlanta, GA 30326**

as its agent to whom such process shall be forwarded by the Director of Insurance.

For Illinois exposures, the Insurer further designates the Director of the Illinois Division of Insurance and his successors in office, as its true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the insured or any beneficiary hereunder arising out of an Illinois exposure and this contract of insurance.

All other terms, conditions and exclusions remain unchanged.

FRATERNITY / SORORITY INSURANCE PROGRAM EXCESS LIABILITY COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the Company providing this insurance.

The word "insured" means any person or organization qualifying as such under SECTION II – WHO IS AN INSURED.

Other words and phrases that appear in quotation marks have special meaning. Refer to SECTION V – DEFINITIONS.

SECTION I – COVERAGE

1. Insuring Agreement

- a. We will pay those sums in excess of the "underlying insurance" that the insured becomes legally obligated to pay because of injury or damage to which this insurance applies. However, the insurance afforded by this policy shall apply only after all applicable "underlying insurance" has been exhausted by payment of the limits of such insurance. If any applicable "underlying insurance" does not pay a loss, for any reason other than exhaustion of a limit of insurance, then this insurance will not apply and we shall have no obligation to pay such loss.
- b. The amount we will pay is limited as described in SECTION III – LIMITS OF INSURANCE. Our obligations under this policy end when we have paid the applicable limit of insurance.
- c. The definitions, terms, conditions, limitations, exclusions, and warranties of the "underlying insurance", in effect at the inception date of this policy, apply to this coverage unless they are inconsistent with provisions of this policy, or relate to premium, subrogation, arbitration, an obligation to investigate or defend, the amount or Limits of Insurance, payment of expenses, cancellation or any renewal agreement.
- d. We will have the right to participate in the defense of claims or suits against an insured because of injury or damage to which this policy may apply. We will have a duty to defend such claims or suits when:
 - (1) The "underlying insurance" provides for a duty to defend; and
 - (2) The applicable limit of insurance of the "underlying insurance" has been exhausted by payment of judgments or settlements.However, we will have no duty to defend the insured against any claim or suit seeking damages to which this insurance does not apply.
- e. No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments.

2. Supplementary Payments

We will pay the following with respect to a claim or suit we investigate or settle:

- a. Expenses incurred directly by us and at our sole discretion;
- b. Interest on that part of a judgment, to which this insurance applies, that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance;

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- c. If the "underlying insurance" pays prejudgment interest awarded against the insured, we will pay prejudgment interest on that part of a judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer; and
 - d. Any other cost or expense for which coverage is provided in the "underlying insurance", but we will not share or contribute to those supplementary payments covered by the "underlying insurance".

These payments will not reduce the limits of insurance.

3. Exclusions

This insurance does not apply to:

a. Asbestos

- (1) Any injury, damage or liability, however caused, arising out of, or in any way related to:
 - (a) The mining, manufacturing, handling, use, sale or distribution of asbestos;
 - (b) Any actual, alleged, threatened or suspected contact with, exposure to, or presence of asbestos;
or
 - (c) Any advice, warnings, instructions or recommendations given or which should have been given in connection with asbestos.
- (2) Any loss, cost or expense arising, in whole or in part, out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to or assessing the effects of asbestos by any insured or by any other person or entity.

Asbestos includes, but is not limited to, asbestos, asbestos-products, asbestos-containing material, asbestos fibers, asbestos dust or asbestos contained in or on buildings or structures.

b. Employment-related practices

- (1) Injury to a person arising out of any:
 - (a) Refusal to employ that person;
 - (b) Termination of that person's employment; or
 - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation or discrimination directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of injury to that person at whom any of the employment-related practices described in Paragraphs (a), (b), or (c) above is directed.

This exclusion applies whether the insured may be liable as an employer or in any other capacity, and to any obligation to share damages with or repay someone else who must pay damages because of the injury.

c. ERISA

Any obligation of an insured under the Employee Retirement Income Security Act of 1974, as now or hereafter amended, or by any similar federal, state or local laws.

d. Pollution

- (1) Any injury or damage which would not have occurred in whole or part but for the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.
- (2) Any loss, cost or expense arising out of any:
 - (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants"; or
 - (b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

e. Underlying Insurance Obligation

Any injury, damage, liability, loss, cost or expense for which the liability or obligation under the "underlying insurance" is by law unlimited.

f. Uninsured Motorists, Underinsured Motorists and No-Fault

Any loss, cost or expense payable under or resulting from any:

- (1) Uninsured or underinsured motorists law;
- (2) No-fault law;
- (3) First-party physical damage coverage; or
- (4) Personal injury protection or auto medical payments coverage.

g. War

Any injury, damage or liability, however caused, arising out of, or in any way related to:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

h. Workers' Compensation and Similar Laws

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

SECTION II – WHO IS AN INSURED

1. The Named Insured shown in the Declarations or as endorsed on this policy;
2. Your "executive officers" and directors, but only with respect to their duties as your officers or directors;

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3. Your "volunteer workers" but only while performing duties related to the conduct of your business, and your "employees", other than your "executive officers", but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" or "volunteer workers" are insureds for:
 - a. Bodily injury, personal injury or advertising injury to you;
 - b. Bodily injury, personal injury or advertising injury arising out of his or her providing or failing to provide professional health care services;
 - c. Property damage to property owned or occupied by, or rented or loaned to, that "employee" or "volunteer worker" or any of your other "employees" or "volunteer workers".
 4. Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager;
 5. Any person or organization included as an additional insured in the "underlying insurance". The most we will pay on behalf of the additional insured, subject to the provisions of SECTION III – LIMITS OF INSURANCE, is the amount of insurance required by the contract, less any amounts payable by any "underlying insurance"; and
 6. Any other person or organization qualifying as an insured in the "underlying insurance".

Subject to all the terms, limitations and conditions of the "underlying insurance" and this policy, coverage provided to any insured will not be broader than the coverage provided to that insured by the "underlying insurance".

SECTION III – LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
 - a. Insureds;
 - b. Claims made, suits brought, or number of vehicles involved; or
 - c. Persons or organizations making claims or bringing suits.
2. This policy applies only in excess of the "underlying insurance" limits shown in the Schedule of Underlying Insurance. However, if the "underlying insurance" limit has been reduced or exhausted solely by reason of losses paid thereunder, then this policy will:
 - a. Apply in excess of the remaining "underlying insurance" limit; or
 - b. In the event of exhaustion, apply in the same manner as the "underlying insurance" would have applied;but only on behalf of a person or organization that qualifies as an insured under SECTION II - WHO IS AN INSURED of this policy.
3. The Aggregate Limit is the most we will pay for the sum of all damages. The Aggregate Limit of this policy will apply in the same manner and to the same coverage as the aggregate limit in any "underlying insurance". If the "underlying insurance" does not apply an aggregate limit, then the Aggregate Limit of this policy will not apply to the same coverage.
4. Subject to 2. above, the Each Occurrence Limit is the most we will pay for the sum of damages because of all injury and damage arising out of any one occurrence, accident or offense.

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5. The Limits of Insurance of this policy apply separately to each consecutive annual period. If this policy is extended after issuance for an additional period of less than one year, such additional period will be deemed part of the preceding annual period for purposes of determining the Limits of Insurance.

SECTION IV – EXCESS LIABILITY CONDITIONS

1. Appeal

If you or the underlying insurer(s) choose not to appeal a judgment in excess of the “underlying insurance”, we may do so at our own expense. In no event will our liability exceed the applicable limit of insurance plus the cost and expenses of the appeal.

2. Bankruptcy or Insolvency of the Insured

Your bankruptcy or insolvency will not relieve us of any of our obligations under this Coverage Part.

3. Bankruptcy of Underlying Insurer

Bankruptcy or insolvency of an insurer of “underlying insurance” will not relieve us of our obligations under this Coverage Part. However, this insurance will not replace the “underlying insurance”. This insurance will apply as if the otherwise applicable Limits of Insurance of such “underlying insurance” were available and in full effect. It is your responsibility to provide other insurance or self-insurance (including corresponding defense obligations) to replace such “underlying insurance”.

4. Cancellation

- a. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
- b. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
 - (1) 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - (2) 30 days before the effective date of cancellation if we cancel for any other reason.
- c. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
- d. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
- e. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
- f. If notice is mailed, proof of mailing will be sufficient proof of notice.

5. Changes

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

6. Duties in the Event of Occurrence, Accident, Offense, Claim or Suit

- a. You must see to it that we are notified as soon as practicable of an occurrence, accident or offense that may result in a claim against this policy. To the extent possible, notice should include:

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- (1) How, when and where the occurrence, accident or offense took place;
 - (2) The names and addresses of any injured persons and witnesses; and
 - (3) The nature and location of any injury or damage arising out of the occurrence, accident or offense.
- b. You must notify us in writing as soon as practicable if a claim is made or suit is brought against any insured:
- (1) In which the demand for damages is equal to or greater than 50% of the amount of "underlying insurance";
 - (2) That results in, or is likely to result in, the establishment of a reserve equal to or greater than 50% of the amount of "underlying insurance"; or
 - (3) That is reasonably likely to involve this policy.
- c. Additionally, you and any other involved insured must:
- (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or suit;
 - (2) Cooperate with us in the investigation or settlement of the claim or defense against the suit;
 - (3) Authorize us to obtain records and other information; and
 - (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.
- d. No insured will, except at that insured's own cost, assume any obligation, make any payment or incur any expense, without our consent.

7. Examination of Your Books and Records

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

8. Inspections and Surveys

- a. We have the right to:
- (1) Make inspections and surveys at any time;
 - (2) Give you reports on the conditions we find; and
 - (3) Recommend changes.
- b. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public and we do not warrant that conditions:
- (1) Are safe or healthful; or
 - (2) Comply with laws, regulations, codes or standards.

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- c. This condition applies not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

9. Legal Action against Us

No person or organization has a right under this Coverage Part:

- a. To join us as a party or otherwise bring us into a suit asking for damages from an insured; or
- b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

10. Maintenance of Underlying Insurance

The "underlying insurance" shall remain in full effect throughout the policy period except for reduction of the aggregate limit due to payment of claims, settlements, or judgments.

Failure to maintain "underlying insurance" will not invalidate this insurance. However, this insurance will apply as if the "underlying insurance" were in full effect.

You must notify us as soon as practicable when any "underlying insurance" is no longer in effect.

11. Other Insurance

This insurance is excess over any other valid and collectible insurance whether primary, excess, contingent or any other basis, except other insurance written specifically to be excess over this insurance.

12. Premium Calculation

- a. The premium stated in the Declarations is based on the exposures you told us you would have when this policy began and will be the minimum premium for the policy period shown in the Declarations.
- b. Unless 'Flat Charge' is shown under 'Basis of Premium' in the Declarations, we will calculate the final premium due when we determine your actual exposures. The estimated total premium will be credited against the final premium due and the first Named Insured will be billed for the balance, if any.
- c. If this policy is cancelled by you and the calculated earned premium is less than the Policy Writing Minimum Premium stated in the Declarations, the Policy Writing Minimum Premium shall apply.
- d. You must keep records of the information we need for premium calculation and send us copies upon expiration of this policy or at such times as we may request.

13. Representations

By accepting this policy, you agree:

- a. The statements in the Declarations are accurate and complete;
- b. Those statements are based upon representations you made to us; and
- c. We have issued this policy in reliance upon your representations.

14. Separation of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom claim is made or suit is brought.

15. Sole Representative

The first Named Insured listed in the Declarations will act on behalf of all insureds to:

- a. Give or receive notice of cancellation;
- b. Receive premium or payment;
- c. Select or reject coverage options; or
- d. Request changes in this policy.

16. Transfer of Rights of Recovery against Others to Us

If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring suit or transfer those rights to us and help us enforce them.

17. Transfer of Your Rights and Duties Under This Policy

Your rights and duties under this policy may not be transferred without our written consent.

SECTION V – DEFINITIONS

1. "Pollutants" mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
2. "Underlying insurance" means the policy(ies) shown in the Schedule of Underlying Insurance forming a part of this policy.
3. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.
4. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
5. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.
6. "Volunteer worker" means a person who is not your "employee", and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

**SPECIAL ADDITIONAL EXCLUSION
EXCLUSION OF SPECIFIC INSUREDS
AND NO PREJUDICE TO REMAINING INSUREDS**

It is agreed that this Special Exclusion applies to all coverage afforded by this policy and this exclusion applies to and supersedes all other similar policy terms and conditions.

EXCLUSION OF SPECIFIC INSUREDS

No insurance coverage afforded by this policy shall apply to any "Chapter", "Colony" or "Undergraduate Insureds" as those terms are defined in the "underlying insurance".

NO PREJUDICE OR IMPAIRMENT OF COVERAGE FOR OTHER INSUREDS

The coverage afforded by this policy to any person or organization not excluded above shall not be impaired or prejudiced by the payment of claims or erosion of the limits of insurance of the "underlying insurance" by claims against any "Chapters", "Colonies" or "Undergraduate Insureds".

All other terms, conditions and exclusions remain unchanged.

Named Insured: Phi Kappa Sigma Fraternity

Policy
Number:

FSC-92914-1211

ACCEPTED ON BEHALF OF THE INSUREDS

Hamilton T. Smith 9/1/2010
Authorized Signature & Date

Executive Director
Title (Chairman, President, Executive Director)

ACCEPTED ON BEHALF OF THE UNDERWRITER

Donna W. Beher 9/1/2010
Authorized Signature & Date

Director
Title

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

LEAD EXCLUSION

This insurance does not apply to any injury, damage or liability, however caused, arising out of, or in any way related to:

- a. The mining, manufacturing, handling, use, sale or distribution of lead or anything containing lead;
- b. Any actual, alleged, threatened or suspected contact with, exposure to, or presence of lead or anything containing lead;
- c. Any advice, warnings, instructions or recommendations given or which should have been given in connection with lead or anything containing lead; or
- d. Any loss, cost or expense arising, in whole or in part, out of the abating, testing for, monitoring, cleaning up, removing, disposing of or in any way responding to or assessing the effects of lead or anything containing lead by any insured or by any other person or entity.

All other terms, conditions and exclusions remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

NUCLEAR ENERGY LIABILITY EXCLUSION

1. The insurance does not apply:

A. To any injury or "damage":

- (1) With respect to which an "insured" under this policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
- (2) Resulting from the "hazardous properties" of "nuclear material" and with respect to which
 - (a) Any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof; or
 - (b) The "insured" is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

B. To expenses incurred with respect to injury resulting from the "hazardous properties" of "nuclear material" and arising out of the operation of a "nuclear facility" by any person or organization.

C. To injury or "damage" resulting from "hazardous properties" of "nuclear material", if:

- (1) The "nuclear material" (a) is at any "nuclear facility" owned by, or operated by or on behalf of, an "insured" or (b) has been discharged or dispersed therefrom;
- (2) The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an "insured"; or
- (3) The injury or "damage" arises out of the furnishing by an "insured" of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion (3) applies only to "damage" to such "nuclear facility" and any property thereat.

2. As used in this endorsement:

"Hazardous properties" includes radioactive, toxic or explosive properties;

"Nuclear material" means "source material", "special nuclear material" or "by-product material";

"Source material", "special nuclear material," and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof;

"Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor";

"Waste" means any waste material (a) containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and (b) resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility".

"Nuclear facility" means:

- (a) Any "nuclear reactor";
- (b) Any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing "spent fuel", or (3) handling, processing or packaging "waste";
- (c) Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the "insured" at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;
- (d) Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations;

"Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material;

"Damage" includes all forms of radioactive contamination of property.

All other terms, conditions and exclusions remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

EXCLUSION OF CERTIFIED ACTS OF TERRORISM

A. The following exclusion is added:

This insurance does not apply to:

TERRORISM

"Any injury or damage" arising, directly or indirectly, out of a "certified act of terrorism".

B. The following definitions are added:

1. For the purposes of this endorsement, "any injury or damage" means any injury or damage covered under any Coverage Form or policy to which this endorsement is attached, and includes but is not limited to "bodily injury", "property damage", "personal and advertising injury", "injury", "loss", "public officials' liability" or "educators' legal liability" as may be defined in any applicable Coverage Form, Coverage Part or endorsement.
2. "Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:
 - a. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
 - b. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

All other terms, conditions and exclusions remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

AUTO EXCLUSION OF TERRORISM COVERAGE

A. The provisions of this endorsement:

1. Apply only to injury, damage or liability arising out of the ownership, maintenance or use of any auto that is a covered auto under this policy; and
2. Supersede the provisions of any other endorsement addressing terrorism attached to this policy only with respect to injury, damage or liability arising out of the ownership, maintenance or use of any auto that is a covered auto.

B. The following definitions are added and apply under this endorsement wherever the term terrorism, or the phrase any injury or damage, are enclosed in quotation marks:

1. "Terrorism" means activities against persons, organizations or property of any nature:
 - a. That involve the following or preparation for the following:
 - (1) Use or threat of force or violence; or
 - (2) Commission or threat of a dangerous act; or
 - (3) Commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and
 - b. When one or both of the following applies:
 - (1) The effect is to intimidate or coerce a government or the civilian population or any segment thereof, or to disrupt any segment of the economy; or
 - (2) It appears that the intent is to intimidate or coerce a government, or to further political, ideological, religious, social or economic objectives or to express (or express opposition to) a philosophy or ideology.
2. "Any injury or damage" means any injury or damage covered under any policy to which this endorsement is attached, and includes but is not limited to "bodily injury", "property damage", "personal and advertising injury", "injury", "loss", "public officials' liability" or "educators' legal liability" as may be defined in any applicable "underlying insurance" or Coverage Part.

C. The following exclusion is added:

EXCLUSION OF TERRORISM

We will not pay for "any injury or damage" caused directly or indirectly by "terrorism", including action in hindering or defending against an actual or expected incident of "terrorism". "Any injury or damage" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to such injury or damage. **But this exclusion applies only when one or more of the following are attributed to an incident of "terrorism":**

1. The "terrorism" is carried out by means of the dispersal or application of radioactive material, or through the use of a nuclear weapon or device that involves or produces a nuclear reaction, nuclear radiation or radioactive contamination; or

2. Radioactive material is released, and it appears that one purpose of the "terrorism" was to release such material; or
3. The "terrorism" is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
4. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the "terrorism" was to release such materials; or
5. The total of insured damage to all types of property exceeds \$25,000,000. In determining whether the \$25,000,000 threshold is exceeded, we will include all insured damage sustained by property of all persons and entities affected by the "terrorism" and business interruption losses sustained by owners or occupants of the damaged property. For the purpose of this provision, insured damage means damage that is covered by any insurance plus damage that would be covered by any insurance but for the application of any terrorism exclusions; or
6. Fifty or more persons sustain death or serious physical injury. For the purposes of this provision, serious physical injury means:
 - a. Physical injury that involves a substantial risk of death; or
 - b. Protracted and obvious physical disfigurement; or
 - c. Protracted loss of or impairment of the function of a bodily member or organ.

Multiple incidents of "terrorism" which occur within a 72-hour period and appear to be carried out in concert or to have a related purpose or common leadership will be deemed to be one incident, for the purpose of determining whether the thresholds in Paragraphs C.5. or C.6. are exceeded.

With respect to this Exclusion, Paragraphs C.5. and C.6. describe the threshold used to measure the magnitude of an incident of "terrorism" and the circumstances in which the threshold will apply, for the purpose of determining whether this Exclusion will apply to that incident. When the Exclusion applies to an incident of "terrorism", there is no coverage under this policy.

In the event of any incident of "terrorism" that is not subject to this Exclusion, coverage does not apply to "any injury or damage" that is otherwise excluded under this policy or any "underlying insurance".

All other terms, conditions and exclusions remain unchanged.

COMMONWEALTH OF PENNSYLVANIA INSURANCE DEPARTMENT

1609-PR (REV. 09/10)

(Must be included with SLL Affidavit type 1609-SLL/1609-PR)

Pennsylvania Surplus Lines
Association
180 Sheree Blvd., Suite 3100
Exton, PA 19341

Customer ID #	
Policy #	FSC-92914-1211
Binder #	

Report of transactions with unlicensed insurer(s) in accordance with Section 1609 of Article XVI, Surplus Lines of the Insurance Company Law, Act of May 17, 1921, P.L. 682, No. 284, as amended

DECLARATION BY PRODUCER

Insured Name	Phi Kappa Sigma Fraternity			
Location of Risk***		City	State	Zip
		Chester Springs	PA	19425
Type of Coverage:	Description of Insured's Operation:			
Amount of Insurance	Property*	\$	Casualty**	\$ 25,000
Effective Dates (term) of Coverage	FROM	12/1/10	TO	12/1/11

*Total Insured Value

** General or Policy Aggregate

***If more than one location of risk, then give address with most exposure

I declare under the penalties provided for perjury, that I have made a diligent effort to procure the insurance coverage described above from licensed insurers which are authorized to transact the kind of insurance involved and which provide, in the usual course of business, coverage comparable to the coverage being sought and have been unable to procure said insurance. Among the licensed insurers declining to insure the risk or declining the amount of insurance on this risk, are the following:

NAIC #	NAMES OF LICENSED COMPANIES	INSURER'S REPRESENTATIVE
1.		
2.		
3.		

I further declare under the penalties provided for perjury, that at the time of presenting a quotation to the insured, the insured was given notice in writing, either directly or through the producer, that:

The insurer with whom the insurance is to be placed is not admitted to transact business in this Commonwealth and is subject to limited regulation by the Department; and in the event of the insolvency of the insurer, losses will not be paid by the Pennsylvania Property and Casualty Insurance Guaranty Association.

ALL applicable provisions of ARTICLE XVI of the Insurance Company Law (40 P.S. §991.1601 et seq.) and Title 31 PA Code, Chapter 124 have been or will be complied with.

Name of
Producer
Agency:

JAMES R. FAVOR & Co.
(Type or Print Name of Producer Agency)

License # of
Producer
Agency:

(Agency's License No.)

Name of
Producer:

JAMES R. FAVOR
(Type or Print Name of Individual Producer)

License # of
Producer:

(Individual's License No.)

Signature of Producer

(Signature of Producer)

Date: