



Board Meeting and Retreat Agenda
September 7, 2024
OC Office 1740 Ridge Ave. Suite 117, Evanston

Call to Order and Roll Call

Mission minute:

Vision

Communities we can all call home.

Mission

Open Communities works to eradicate housing discrimination, and unjust practices that perpetuate segregation and inequity. We foster thriving, inclusive communities through fair housing enforcement, housing counseling, education, outreach, and advocacy.

9:30- 10:00 Consent Agenda Approval (Read before the meeting and call Cheryl before the meeting to ask questions)-

a call for changes and correction and a vote to approve all items in the Consent Agenda.

- Minutes from June 17, 2024 Annual Board meeting- *see addendum A*
- Development Report- *See Addendum B*
- OC Program Updates- *See Addendum C*
- Financials- *see Addendum D*
- CEO Report – *see Addendum E*
- Audit 2023– *see Addendum F*
- 990 Tax Return 2023– *see Addendum G*
- *Directors and Officers Insurance (D&O) Addendum H*

Old Business-- NONE

New Business -Discuss and vote on \$15,000 budget for project with NU, to invest in an AI program that can be used to search the internet for discriminatory Fair Housing ads.

PART TWO- BOARD TOOLS FOR SUCCESS

10:00-10:30 Strategic Plan Progress Update for Year 1 and

10:30- 12:30 Board Materials Review

Break

12:50- 1:10 Board Orientation PowerPoint

1:10- 1:30 Board Dashboard

Next Board Meeting

November 20, 2024 | 6:30-8:30 PM | ZOOM

Adjourn. With gratitude! THANK YOU!

Minutes of Open Communities Meeting 06/17/2024:

Meeting called to order at 6:34 p.m. Meeting is being recorded and everyone is aware of the recording and has approved of the recording.

Present from OC: Cheryl Lawrence, Maurya Delaney,

Board: Herb Brenner, Carol Golder, Grace Mya, Adam Klinger, Connie Berman, Roger Williams, Emily Love (Absent: Jessica Flores, Rose Shapiro,)

Vision and Mission Statement read by Carol

Consent agenda including 3 addendums approved.

Many new donors identified.

CEO report from Cheryl:

Overall a great year, everyone on staff is involved in outreach and building relationships, work together well as a team. Need to get a few more grants, including more HUD funding.

Financial report by Cheryl since Jessica gone. OC has maintained its financial position. During the pandemic there was a credit available to non-profits that didn't significantly reduce their staff, OC applied through an accounting firm for an IRS grant that is pending. Should hear within 9 months of applying (Oct or Nov). Current assets are \$1,395,000, about \$28,000 less than last year.

Higher liabilities than last year, liabilities offset in rent, right to use leased property.

Current assets & liabilities are \$1,853,041. It feels like it's the first year since Carol started that staff and rent are stable. Not a lot of unexpected financial issues. The goal is to make sure that we're bringing in and spending the same amounts on a regular basis. Building a lot of good relationships and hope to meet our goals.

Board meetings: clear calendars to aim for full attendance.

Audit report-unqualified opinion. Herb is happy with the audit.

Budget approved.

Vote to approve for another 3-year term of Carol, Emily, and Herb. Vote to approve Herb as sole President of the Board. Vote to extend Jessica's term as Vice President and Treasurer of the Board for the next fiscal year.

Board retreat: Most votes for attendance are September 7 (7 people available to attend). (4 hours on Saturday, 9:30 a.m.-1:30 p.m.). No meeting on September 25th.

Meetings to occur on the 4th Wednesday of the month.

Cheryl reported on Chapter 11 – Epilogue of The Color of Law

Richard Rothstein's daughter Rachel Rothstein wrote a follow-up to The Color of Law, published last year. Roger said there's another book called "The Black Tax," which he recommends. Like Color of Law, it's hard to read, but important to read. It's important to talk about this wherever and

whenever we can. We need to get people into political office who will enact policies that will affect change. It's important to have events like the Walk the Red Line event.

Temperance Brewing Pint Night Tuesday, June 18. For every pint they sell, they're going to donate a dollar to Open Communities.

Meeting adjourned at **7:54** p.m.

Development: Dalal Fihakhir/Sarah Petersen/Maurya Delaney

June 12, 2024 – August 30, 2024

Development Updates

Development Department:

Dalal Boudiaf, Director of Development

Sarah Petersen, Development Associate

Maurya Delaney, Director of Operations (Continue to support with development and fundraising)

Individual/Corporate Contributions

June 12, 2024 – August 30, 2024

First Name	Last Name	City	Note	Gift date	Gift amount
Marcia	Ross	Chicago	Spring Appeal	6/13/2024	50
Mark	Karlin	Evanston	Pint Night Donation/Advocate	6/18/2024	50
Geraldine	Delaney	Oak Park	Spring Appeal	6/21/2024	100
Janice	Goldblatt	Highland Park	Spring Appeal Monthly Donor	6/22/2024	25.75
Saralyn Peritz and Howard	Shidlowksy	Evanston	Spring Appeal	6/24/2024	103
David	Miller	Chicago	Spring Appeal	6/27/2024	100
Mary Beth	Roth	Evanston	Spring Appeal	6/28/2024	250
Claudia	Hall	Chicago	Spring Appeal	6/29/2024	25.75
Scott	Lassar	Highland Park	Spring Appeal	7/1/2024	250
Elizabeth	Horne	Lake Forest	Spring Appeal	7/3/2024	1000
Cindy	Fey	Wilmette	Hope for Homes Day	7/16/2024	55
Jessica	Flores	Chicago	Hope for Homes Day/Board	7/17/2024	300
Alyce	Barry	Evanston	Hope for Homes Day/ (Roger)	7/18/2024	106.46
Beth	Brady	Evanston	Hope for Homes Day/ (Roger)	7/18/2024	159.54
Herbert	Brenner	Northbrook	Hope for Homes Day/Board	7/18/2024	53.38
Robin	Brown	Evanston	Hope for Homes Day/ (Roger)	7/18/2024	32.15
Beverly	Copeland		Hope for Homes Day	7/18/2024	32.15
Sarah	Delgado		Hope for Homes Day/Staff	7/18/2024	37.47
Bill	Gould	Northfield	Hope for Homes Day	7/18/2024	38.52
Adam	Klingher	Evanston	Hope for Homes Day/ Board	7/18/2024	531.08

Emily	Love	Highland Park	Hope for Homes Day/ Board	7/18/2024	106.46
Carolyn	Mack	Harwood Heights	Hope for Homes Day	7/18/2024	53.38
Julie	Rosner		Hope for Homes Day	7/18/2024	26.85
Oliver A	Ruff	Evanston	Hope for Homes Day/ (Roger)	7/18/2024	53.38
Jacquelyn	Seaman	Evanston	Hope for Homes Day	7/18/2024	26.85
Rose	Shapiro	Chicago	Hope for Homes Day/ Board	7/18/2024	106.46
Patricia	Vile	Northbrook	Hope for Homes Day/ (Herb)	7/18/2024	53.38
Eve	Williams	Wilmette	Hope for Homes Day/ Staff	7/18/2024	100
Roger	Williams	Skokie	Hope for Homes Day/ Board	7/18/2024	250
Carol	Golder	Winnetka	Hope for Homes Day/ Board	7/18/2024	500
Carol	Golder	Winnetka	Hope for Homes/ Board Match	7/19/2024	531.08
Janice	Goldblatt	Highland Park	Spring Appeal Monthly Donor	7/22/2024	25.75
Jonathan	Don	Northfield	Spring Appeal	7/31/2024	50
Kim	Moloney	Evanston	*New Online Donor	8/11/2024	250
Janice	Goldblatt	Highland Park	Spring Appeal Monthly Donor	8/22/2024	25.75
Martha Barnett and John	McKnight	Evanston	Spring Appeal	8/22/2024	50
			Individual	Total =	\$5,509.59

Grants Updates

Awarded

Funder	Amount Awarded	Purpose	Funding Period	Notes
The Knight Family Foundation	\$1,500	Hope for Homes Day Match	One-time lump payment	Check still pending
William C. McAlaine Foundation	\$50,000	Unrestricted gift, friend of Cheryl's	One-time lump payment	Unrestricted
IL Access to Justice	\$140,000	Serving communities and individuals impacted by incarceration.	7/1/24-6/30/25	Renewal, increased in funding
AgeOptions	\$48,004	Housing Counseling – 60+ population	10/1/24 – 9/30/25	Specific municipalities (not Evanston)

Township of Niles	\$8,000	Housing Counseling & Fair Housing	June 24 – May 25	unrestricted
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Pending

Funder	Amount Requested	Restricted/Unrestricted	Anticipated Decision	Funding Period	Notes
RRF Foundation for Aging - Direct Service Grants	\$30,000	Organizational Capacity Building for Older Adults Program	Submitted Full proposal on 8/5/24	Approximately 1/1/25 – 12/31/25	Meeting on 9/3/24
HAI HOI – Housing Action Illinois – Homeownership Initiative	\$35,667.08	OC worked with HAI and is applying to receive these funds through HUD on behalf of its subgrantees		Approximately 7/1/24 – 3/31/25	App submitted on 4/4/24.
Cigna Group Foundation	\$100,000	Veterans housing stability	9/10/24 invite for full proposal; decisions fall '24	1/1/24-12/32/24	LOI submitted 8/28/24
Endeavor Community Investment Fund	\$200,719	2-year Capacity Building for volunteer/advocate network & tech	Fall 2024	1/1/25-12/31/26	Submitted 8/23/24
P.E.A.R.L. Milling Co Pledge Grant (Pepsi Co)	\$10,000-24,999	Black women; housing & economic stability; removing systemic barriers	Fall 2024	One time	LOI Submitted 6/26/24

Denied:

Funder	Amount Requested	Notes
IL Humanities	\$10,000	Limited funding; Request for collecting tenants' stories with NWU partner
Cook Development Block Grant CDBG	\$55,000	Limited Funding

Prospects:

Funder	Notes

ACLS PhD Fellow Site Host	Due 9/26/24; full funded \$70,000 per year plus \$8,000 for benefits for 2-year placement of full-time recent humanities/social services PhD
Herb Block Foundation; Citizen Grant	Defending Basic Freedoms due 10/3 (Fair Housing). Ask between \$10,000 and \$25,000.
Wayfarer Foundation	Dalal attended Wayfarer Foundation offices ribbon cutting ceremony 7/29/24. Submitted one-pager in 5/15/2024 at contact's request. We are hoping to be invited to apply in fall 2024.
Skokie American Rescue Plan	9/6/24; \$25,000 in funds to cover COVID expenses/losses
Glencoe Union Church	We emailed an update 8/1/24 and reached out to share a resource 8/29/24
New Trier Township	App due 9/6/24
First Bank of Highland Park	Rolling Application
Northwestern Univ Racial Equity Grant	Due 1/2025; in conversation with NWU professors & students regarding AI project to search for fair housing violations on rental websites
Jackie Mack Commission Mission	Community votes in 9/10/24-9/25/24 for local orgs to receive between \$500-\$5,000 – WE NEED LOTS OF BOARD AND NETWORK VOTES TO RECEIVE THIS AWARD!
	The Development team is continuing to gather a list of prospects and family foundations that align with OC's mission and will make it a priority to apply for private/corporate grants.

Currents:

Name	Amount	Time Period
FHOI – Fair Housing Organization Initiative (HUD – Gov)	\$260,000	6/1/24 – 5/31/25
AARP Foundation	\$258,997.05 total over 3 years (1 st payment \$103,598.81 at start; \$64,749.26 after 10/8/24; \$64,749.26 after 10/8/25; \$25,899.72 after final report 1/2026)	1/1/2024-12/31/26
Illinois Access to Justice (Eviction Prevention)	\$140,000	7/1/24-6/30/25
HUD PEI	\$425,000 for 3 years (year 3 current)	11/1/23 – 10/30/24
Niles Township	\$8,000	5/1/24-4/30/25
City of Des Plaines	\$7,198.16	5/1/24 – 4/31/25
Housing Action Illinois (HAI) – Housing Counseling Program	\$28,930.96	7/1/24-3/31/25

EVENTS

Pint Night Fun: Many thanks to all who attended and spread the word for our first Pint Night. We had fun while earning \$115 from Temperance (check pending) for pints poured. We also received an additional \$50 check from an attendee. Staff, board, advocates, family, and friends enjoyed time to connect and get to know one another and build relationships! We plan to do this again in the future.

Hope for Homes Day Success: Our inaugural Hope for Homes Day was a success with \$2,536.00 in individual donations, plus a \$500 match from Carol Golder (many thanks!!) and \$1,500 match from the Knight Family Foundation (check still pending).

SAVE THE DATE: Ten Thousand Villages: Our next Community Shopping Night is planned for October 24, 2024 from 5-8pm. Please save the date and your shopping lists for another fun evening of connecting, shopping, and supporting OC. Stay tuned for more details!

Walk/Roll the Redline Part 2: We've begun brainstorming for next year's event and are exploring ideas to continue the success of our inaugural event last spring. Our tentative event date is April 26th, 2025. Are you interested in joining our planning committee? We'd love your input and help in creating another successful event. Please reach out to Sarah Petersen to get involved spetersen@open-communities.org.

PEOPLE - STAFF/VOLUNTEERS/PARTNERS

Adler University Development Intern: We applied to be a host site for a social justice masters student intern from Adler University to start in fall 2024 for 200 hours, 8-10 hrs/week in the Development Dept. Dalal will attend the intern fair on 9/11/24 at Adler to be matched. Intern will focus on launching our older adult marketing campaign and helping with grant prospecting.

ACLS PhD Fellow Site Host Application: We're applying this September in a competitive process to become a host site for an American Council of Learned Societies Fellow. If awarded, we would host a recent humanities or social sciences PhD for a 2-year fellowship. ACLS fully funds the position for \$70,000 per year, plus \$8,000 to cover benefits. The fellow would help with developing/managing our volunteer and advocacy programs, oversee needs assessment research and client story gathering, and write position papers for advocacy.

Taproot Skilled Volunteers: We plan to post a position for a skilled volunteer through Taproot to assist with setting up Google Ad grants for nonprofits that award \$10,000 per month of free Google Ads. Additional Taproot projects may include a branding refresh or other succinct projects. Taproot has a free service for nonprofits that matches professionals with specific volunteer projects and values their skilled volunteer time at \$220 per hour. Adding this in-kind income to our budget will help with our overhead ratio and help complete projects.

Development Networking: The Development department has been busy learning and building relationships across the Chicago region. We've attended the Evanston Development Professionals meet-up, the RRF Foundation for Aging Collaboration Training, the Wayfarer Foundation new offices ribbon cutting, Illinois Access to Justice kick-off event, as well as free grant writing, prospecting, and housing-related webinars.

COMMUNICATIONS

Website Redesign: Our website redesign has reached the functional testing phase. Our website designer is having an older housing tester and younger AmeriCorps VISTA volunteer test our website for flow and functionality. Once testing is complete, OC staff will be trained and given access to editing capabilities. We're planning to work with a free Plain Language consultant to make the text accessible. After final edits and updated images the site will be ready for launching.

Logo and Tagline Updates: We have been updating our logos with taglines and website to include on new swag for outreach events. New swag items have been ordered with a focused outreach appeal for our older adult program (branded jar openers, pill cases, mini tools, and more.)

Online Marketing

We've kept a full social media calendar on Facebook (1, 754 followers), Instagram (1,585 followers), and LinkedIn (485 followers) to share all the great happenings at OC and the community, as well as educate the public about Fair Housing topics and area resources. Your likes, comments, and shares on our posts help expand our reach! We've also revamped our monthly e-newsletter to highlight all our activities and focus on a theme. Check out our August Lifelong Learner/Back-to-School edition [here](#). Our newsletter mailing list keeps growing (3,590 subscribers) as we gather emails at our outreach events and people find us online.

Love to write?: Do you have an idea for a future OC blog post? We welcome guest writers to explore housing-related topics. Reach out to Sarah Petersen if you have an idea.



Fair Housing Board Update, June 13th, 2024 (June 7th – August 30th)

- Admin / General Updates
 - In July Dominic, Kenya and Adelaide attended the NFHA Conference in Washington DC. We were all able to attend different roundtables and presentations covering a variety of topics – education and outreach, investigation and enforcement, affirmatively furthering fair housing, and many more. It was also a great opportunity to learn from fair housing experts from around the U.S. and build new and existing connections.
 - This month we finalized the registration for Adelaide to attend ISTEP Basic Training in Milwaukee in September. In previous years, Kenya and Dominic completed this training related to fair housing investigation and enforcement.
- Advocacy
 - As the statewide effort to pass the Community Safety Through Stable Homes Act winded down, the team discussed strategy for pursuing the issue in the next legislative session. The team plans to continue raising the issue in workshops and in discussions with local governments (we have two upcoming workshops that will include discussion on Crime Free Programs and Nuisance Ordinances). We are also supporting the coalition and Campaign Zero in their analyses.
 - The Evanston RLTO officially passed the city council! The updates will be officially implemented starting in 2025. We are now waiting for a special meeting to be scheduled to continue the discussion on Just Cause.
 - We have been looking to be more involved in the western suburbs within our service area. Our efforts are concentrated at the moment in the Arlington Heights area. Dominic was consulting local advocates on fair housing implications of the effort to approve a new affordable housing complex. We are also new members to the Northwest Alliance for Housing Affordability (NAHA) whose work is primarily focused on Arlington Heights, Palatine, and neighboring suburbs.
- Investigations
 - Investigations are ongoing. Over the past couple months, Dominic and Adelaide have been conducting Design and Construction tests in preparation for developing specialized testing. We have since been able to conduct two D&C tester trainings for staff and a group of our fair housing testers. We are now drafting the first tests so our testers can start going out to support these types of investigations.



- As for rental testing, Kenya continues systemically testing for compliance with fair housing law across our service area and is completing thorough and productive tests at over twice the rate as when she started with OC. Adelaide has also now started drafting rental tests to support Kenya's work.
- This summer we had an intern help with building out a process for Sales and Lending investigations. We have also been meeting with fair housing organizations throughout the country to learn some best practices. We are now starting to analyze HMDA data to investigate potential redlining and build out our own processes for this type of specialized testing.
- Education Activities
 - Workshops and Events
 - Some recent workshops and events
 - Skokie Housing Panel: Dominic spoke at this event that brought together Skokie realtors, fair housing experts, and Skokie's first Black resident and his family.
 - Fair Housing & The Just Housing Amendment for the Illinois Prison Project
 - Fair Housing & Homeownership for HCV Program Participants with CAFHA
 - Know Your Rights: Discrimination in Housing in Des Plaines
 - Adelaide's first in-person presentation!
 - Open House for Real Estate Professionals planned by our fair housing AmeriCorps VISTA, Vanessa
 - Some upcoming workshops and events
 - Workshops in collaboration with the Cook County Commission on Human Rights
 - Community Safety and Cook County's Most Recent Protections with CCCHR and the Alliance to End Homelessness in Suburban Cook County
 - National Origin & Immigrations Protections Workshop in Mount Prospect
 - Know Your Rights in Fair Housing with Mayra at Family Focus



- Client Stories

- A client who was temporarily living in Mt Prospect was looking to move back to Evanston before the upcoming school year for their 2 youngest kids. In their housing search, they had been denied an apartment they were interested in due to insufficient credit. It turned out that their credit was just 2 points below the minimum accepted and their co-applicant's credit was far above. Given further investigation, we found that the property management company had not followed proper protocol when informing the client of their denial and didn't allow her to dispute their report. In response, we sent a letter advocating for the client to be reconsidered and given the opportunity to utilize their other resources (like a letter of recommendation from their previous landlord). The housing provider apologized to the client and offered another apartment which would typically be more expensive at the same price as the one they had been denied.

- “Thank you 😊 for everything you do for everyone and the community. Thank you for giving us a voice – AL”

- A client with an emotional support animal (ESA) had been notified by their property manager that no pets were allowed on the property, no exceptions. They were given 5 days to have the ESA removed or begin accruing fines. We were able to provide a reasonable accommodation letter soon after they had contacted us. We referenced the documentation that the client had already provided from their healthcare provider. The property manager responded quickly noting that they will file the documents for the client. They have also been encouraged to modify their rules and regulations so as not to discourage other individuals with ESAs from living at the property.

- “I wanted to thank you for helping us through this situation. The letter that you provided helps define a clear understanding of our rights. I believe sending it will help my ESA stay at his home – FS”

HC Board Report June 7th- August 30th

During this last period, the Housing Counseling Program has served 22 clients with one-on-one counseling services and provided referrals to community resources to 60 households. We have had three of our Pre-Purchase clients close on their new homes or are within a couple of days of closing during this period as well. Additionally, Sarah Buckley and Anayeli attended a weeklong Neighboworks training in Pittsburgh. Sarah took the required course in order to qualify to take the HECM Reverse Mortgage Counseling Exam which she plans to take this month. Anayeli attended a weeklong course on foreclosure counseling since she will be taking on more foreclosure cases in the future.

Finally, we welcomed our new AmeriCorps VISTA Service Member, Rae Lindow! Rae will be working to create a streamlined intake process that works across the entire agency and incorporates all the necessary data needed for our ever-growing grants. Rae will serve with Open Communities for the next year.

IA2J Report

Service Dates: June 8th- August 30th, 2024.

FY-2023-2024: At the end of June30th, we surpassed our goals with the following numbers:

- Referrals:123 out of 50
- Number of individuals provided and Assessment:125 out of 100.
- Accompaniments: 65 out of 60
- Individuals reached through KYR Presentations:208 out of 100.
- Number of individuals through Outreach: 2244 out of 1000

IA2J PROGRAM'S GOALS FY 2024-2025

- Referrals:138
- Number of individuals provided and Assessment: 138
- Accompaniments:72
- Individuals reached through KYR Presentations: 229
- Number of individuals through Outreach: 2469

UPDATES:

- We have started the year strong serving clients, attending outreach events, and conducting workshops.
- During the month of August, we had a workshop about the rights in housing and we also invited a Real Estate agent to answer questions related to pre- purchase. The group was eager to learn, and they were interested in a follow-up workshop for the month of September.

CLIENT STORIES:

- One of the positive stories during the month of July was about a family newly arrived from Venezuela. She was living in Skokie, IL, but did not know everything that goes into renting, such as the process of setting up electricity, gas, and other services. She attended a monthly workshop that our CNC is holding at the Evanston library. She learned about fair housing rights and stayed afterward to ask questions. Our Community Navigator Coordinator has been helping her understand how to set up electricity and gas services, and the school processes for her children. Today, she has already learned how to understand her electricity and gas bills and how to make her payments.
- After receiving help from LIHEAP, another client shared the following gratitude message:

"Dear Mayra,

Today I am taking a moment to express my most sincere gratitude for all the support and help you have given me. Your presence has been like a light in the darkest moments, guiding me through challenges with wisdom and patience.

Your generosity knows no bounds; you are always willing to extend your hand, offering your time but above all, your heart. You have been a pillar of strength and a true friend every step of the way.

I want to sincerely thank "Open Communities" for their unconditional support and dedication.

Thanks to their help, I have been able to overcome difficulties. Their experience and knowledge have been of great value to me, but even more important is their ability to listen and understand. Mayra, you are an exceptional person with a gift for making others feel valued and supported. I am very grateful for your presence in my life and for the trust you have placed in me. Thank you very much, Mayra, for being such an incredible friend!"

Open Communities
Balance Sheet
As of August 31, 2024

	Total		
	As of Aug 31, 2024	As of Aug 31, 2023 (PY)	
ASSETS			
Current Assets			
Bank Accounts			
1000 Gen Checking x7756	120,580.72	48,126.45	
1010 IHDA HAF ILRPP2 x4970	-	69.93	
1011 IHDA HSCP Deposits x1923	50.00	50.00	
1060 OC Organizational Fund @ ECF	85,234.15	77,565.32	
1086 Fannie Mae Community Fund x7944	521,042.54	618,481.87	<i>Board restricted funds related to Fannie Mae settlement</i>
1087 General Savings x7952	80,342.32	348,222.43	
1088 Board Restricted Savings x4738	259,468.76	-	
Total Bank Accounts	1,066,718.49	1,092,516.00	
Accounts Receivable			
1100 Grants & Accts Receivable	192,651.88	214,486.71	<i>Includes \$161.8k ERTC recivable from IRS</i>
Total Accounts Receivable	192,651.88	214,486.71	
Other Current Assets			
1110 Unbilled Grant Revenue	-	-	
1200 Undeposited Funds	-	-	
1203 Rent Deposits	16,973.33	16,973.33	<i>deposit paid on Ridge Ave lease</i>
1400 Prepaid Expense - Insurance	-	-	
1401 D&O	142.00	-	
1402 Gen Liab	212.00	235.00	
Total 1400 Prepaid Expense - Insurance	354.00	235.00	
1405 Other Prepaid Expenses	240.00	1,833.34	
Total Other Current Assets	17,567.33	19,041.67	
Total Current Assets	1,276,937.70	1,326,044.38	
Fixed Assets			
1510M01 Furniture and Fixtures	24,804.00	24,804.00	
1599 Accumulated Depreciation	(5,315.15)	(1,771.72)	
Total Fixed Assets	19,488.85	23,032.28	
Other Assets			
1600 Right-of-Use Asset	330,375.90	434,757.76	<i>Asset related to value of leased property (offset by Lease Liability on row 56 below)</i>

Total Other Assets	<u>330,375.90</u>	<u>434,757.76</u>	
TOTAL ASSETS	1,626,802.45	1,783,834.42	
LIABILITIES AND EQUITY			
Liabilities			
Current Liabilities			
Accounts Payable			
2000 Accounts Payable	24,440.41	7,159.03	<i>Includes \$32.4k payable to ERTC preparers, to be paid when cash is received from IRS</i>
Total Accounts Payable	<u>24,440.41</u>	<u>7,159.03</u>	
Credit Cards			
2190 Delaney #7752	4,739.38	7,351.73	
2195 Lawrence #7590	3,193.99	7,683.52	
Total Credit Cards	<u>7,933.37</u>	<u>15,035.25</u>	
Other Current Liabilities			
2050 Rent Deposit	5,200.00	5,200.00	<i>FLAP rent deposit held by Open Communities</i>
2201 Accrued Vacation	33,135.03	26,147.14	
2300 Grant Funds Rec'd and Not Yet Spent	-	-	
Total Other Current Liabilities	<u>38,335.03</u>	<u>31,347.14</u>	
Total Current Liabilities	<u>70,708.81</u>	<u>53,541.42</u>	
Long-Term Liabilities			
2600 Lease Liability	348,613.17	428,780.52	<i>Liability for future rent payments on Ridge Ave lease</i>
Total Long-Term Liabilities	<u>348,613.17</u>	<u>428,780.52</u>	
Total Liabilities	<u>419,321.98</u>	<u>482,321.94</u>	
Equity			
3200 Unrestricted Net Assets	758,580.29	726,689.65	
3300 Board Restricted Funds	484,000.00	604,000.00	
Net Income	(35,099.82)	(29,177.17)	
Total Equity	<u>1,207,480.47</u>	<u>1,301,512.48</u>	
TOTAL LIABILITIES AND EQUITY	1,626,802.45	1,783,834.42	

Open Communities
A/R Aging Summary
As of August 31, 2024

	Current	1 - 30	31 - 60	61 - 90	91 and over	Total	
Housing Action Illinois			21,818			21,818	<i>received in July</i>
IL2J/WSJ FY 23_24				8,990		8,990	
Internal Revenue Service					161,844	161,844	<i>Payroll tax refund expected for Employee Retention Credit claimed</i>
TOTAL	\$ 0	\$ 0	\$ 21,818	\$ 8,990	\$ 161,844	\$ 192,652	

Open Communities															
FY24 Budget-to-Actual Analysis															
As of August 31, 2024															
OPEN COMMUNITIES	FY25 BUDGET	FY25 ACTUAL THROUGH AUG 2024	FY25 BUDGET YTD THROUGH AUG 2024	VARIANCE (\$)	VARIANCE (%)	NOTES ON FY25 ACTIVITY	FY24 ACTUAL	FY24 BUDGET	VARIANCE (%)	NOTES ON FY24 ACTIVITY					
INCOME															
4001 Contribution-Board	14,000	500	2,333	(1,833)	-79%		18,791	12,000	57%						
4100 Contributions-Individual	42,100	1,914	7,017	(5,102)	-73%		30,900	50,000	-38%						
4150 Events Tickets/Raffle	15,000	-	2,500	(2,500)	-100%		4,585	6,300	-27%						
4200 Events - Sponsorships/Contributions	-	-	-	-	0%		20,189	-	0%						
4200 Corporate Sponsorships/Contributions	50,000	-	8,333	(8,333)	-100%		16,529	15,000	10%						
4300 Foundations	300,000	50,000	50,000	-	0%		107,899	200,000	-46%						
4500 Litigation Income	36,000	7,500	6,000	1,500	25%		105,510	20,000	428%						
Federal Govt (ERTC Refund)	-	-	-	-	0%		161,844	-	0%	Payroll tax refund expected					
Local Govt	50,000	-	8,333	(8,333)	-100%		15,198	20,000	-24%						
4600 HUD-Fair Housing Grants	-	-	-	-	0%		-	-	-						
HUD - PEI	170,000	42,712	28,333	14,379	51%		502,770	425,000	18%	\$205k related to 22-23 grant, \$299k to 23-24 grant					
HUD - FHOI	260,000	41,092	43,333	(2,241)	-5%	Grant started June 2024	10,908	-	0%	Grant started June 2024					
HUD - EOI	-	-	-	-	0%	Grant ended FY23	-	75,000	-100%	Grant ended FY23					
4712 CDBG	55,000	-	9,167	(9,167)	-100%		15,308	55,000	-72%						
4800 IDHA Housing Counseling Grants	-	-	-	-	0%		-	-	-						
IHDA ILRPP 2.0	-	-	-	-	0%	Grant ended FY24	19,643	28,125	-30%						
IHDA - HAF	-	-	-	-	0%	Grant ended FY24	45,176	58,000	-22%						
IHDA - HSCP	-	-	-	-	0%	Grant ended FY24	-	-	0%						
4880 HUD/HAI Housing Counseling	80,000	21,818	13,333	8,484	64%		20,901	60,000	-						
HAI - HSCP	-	-	-	-	0%		10,800	-	0%						
4990 ILA21/Westside Justice	135,000	-	22,500	(22,500)	-100%		125,003	130,000	-4%						
Age Options	33,200	-	5,533	(5,533)	-100%		-	-	-						
Investment/Interest Income	24,000	8,587	4,000	4,587	115%		46,657	-	0%						
TOTAL INCOME	1,264,300	174,123	210,717	(36,593)	-17%		1,278,612	1,154,425	11%						
EXPENSES															
5000 Payroll	844,032	141,562	140,672	890	1%		838,162	827,376	1%						
5080 Employer Payroll Taxes	84,403	10,829	14,067	(3,238)	-23%		75,678	82,738	-9%						
5090 Healthcare	36,000	5,675	6,000	(325)	-5%		31,967	24,000	33%						
5095 PEO Services (HR, Payroll, 401K, Benefits)	33,000	5,595	5,500	95	2%		31,390	26,400	19%						
Phone-Staff Reimbursement	8,400	1,300	1,400	(100)	-7%		9,508	7,200	32%						
5101 Accounting	15,400	975	2,567	(1,592)	-62%		52,754	21,000	151%	\$33k fee to ERTC refund preparers					
5102 Audit	10,000	-	1,667	(1,667)	-100%		14,700	9,000	63%	Level of Fed Funding required Single Audit					
5103 Legal Services	-	-	-	-	0%		4,973	-	0%						
5104 Marketing Consultant	-	-	-	-	0%		181	6,000	-97%	nets against line below					
5108 Marketing - Website	1,000	-	167	(167)	-100%		8,500	5,500	55%	nets against line above					
5130 Fair Housing Testers and Expenses	16,560	1,752	2,760	(1,008)	-37%	covered by PEI grant	10,828	6,000	80%	covered by PEI grant					
Americorp VISTA	6,000	750	1,000	(250)	-25%		8,708	5,000	74%						
Salesforce Implementation	15,000	3,228	2,500	728	29%		9,896	5,000	98%						
5700 Fundraising & Events	4,000	-	667	(667)	-100%		7,190	2,000	260%						
Credit Card Fees	300	-	50	(50)	-100%		172	850	-80%						
6102 Occupancy	106,126	17,398	17,688	(290)	-2%		69,166	69,420	0%	\$24k overage due to ASU lease adj booked for LT Lease					
6104 Sub-lease (FLAP)	(32,513)	(5,330)	(5,419)	89	-2%		(31,590)	(31,200)	1%						
6200 Insurance (Gen. Liability, D&O, WC)	8,100	4,841	1,350	3,491	259%	Increase in Worker's Comp and D&O ins	7,932	5,000	59%	Increase in Worker's Comp and D&O ins					
6501 Staff Training/Prof Development	2,004	1,925	334	1,591	476%		3,136	5,400	-42%						
6502 Staff Travel Out-of-town	2,004	1,672	334	1,338	401%		2,758	6,000	-54%						
6503 Conferences, Events (Staff attend)	2,004	-	334	(334)	-100%		1,548	7,200	-79%						
6505 HUD Approved Training	-	3,447	-	3,447	0%		1,887	-	0%						
Events-local (OC host/participates)	2,004	-	334	(334)	-100%		-	700	-100%						
6504 Local Travel	2,004	34	334	(301)	-90%		1,538	2,400	-36%						
6505 Food/Refreshments/Staff Outing	1,500	721	250	471	188%		2,007	2,400	-16%						
Marketing/advertising	2,100	-	350	(350)	-100%		4,989	4,000	25%						
6601 Bank Fees	900	155	150	5	3%		1,740	1,500	16%						
6602 Hiring	360	-	60	(60)	-100%		350	600	-42%						
6603 Equipment Expense	-	-	-	-	0%		-	-	0%						
6605 Memberships/Donations [Other orgs]	2,400	300	400	(100)	-25%		1,600	1,200	33%						
6606 Printing/Photocopy Gen	1,620	-	270	(270)	-100%		2,555	3,600	-29%						
6610 Software License & Subscriptions	15,451	6,336	2,575	3,761	146%		12,711	13,224	-4%						
6613 Telecom (phones & internet)	24,000	3,921	4,000	(79)	-2%		23,893	16,000	49%						
6614 Translation Services	240	-	40	(40)	-100%		-	1,600	-100%						
6615 Postage/Ship/Messgr	1,020	-	170	(170)	-100%		-	1,200	-100%						
Office Supplies	6,000	2,038	1,000	1,038	104%		5,504	8,652	-36%						
Govt Fees & Licenses	434	100	72	28	38%		339	432	-22%						
6608 OC Grants to Non-Profits	-	-	-	-	0%		2,293	-	0%						
Other or uncategorized	-	-	-	-	0%		-	-	-						

TOTAL EXPENSES	1,221,853	209,223	203,642	5,581	3%		1,218,963	1,147,392	6%	
NET OPERATING INCOME	42,447	(35,100)	7,075	(42,174)	-596%		59,649	7,033	748%	
GAAP-ONLY ADJUSTMENTS										
Depreciation			N/A	N/A	N/A		3,543	N/A		
Lease adjustment under ASU 2016-02			N/A	N/A	N/A		24,215	N/A		
TOTAL GAAP-ONLY ADJUSTMENTS	-	-					(27,758)			
NET INCOME - GAAP	42,447	(35,100)	7,075	(42,174)	-596%		31,891	7,033	353%	
	-	-		(0)			-	-		

OPEN COMMUNITIES	FY25 BUDGET	FY24 ACTUAL	FY24 BUDGET	FY23 ACTUAL	FY23 BUDGET
		Approved 6/21/2023			
INCOME					
Contribution-Board	14,000	18,791	12,000	10,683	15,000
Contributions-Individual	42,100	30,829	50,000	20,550	20,000
Events Tickets/Raffle	15,000	4,585	6,300	12,011	12,000
Events - Sponsorships/Contributions	50,000	20,189	-	23,361	-
Corporate Sponsorships/Contributions		16,529	15,000	13,977	30,000
Foundations	275,000	107,899	200,000	59,207	46,655
Litigation Income	36,000	105,510	20,000	95,196	40,000
Federal Govt (ERTC Refund)		161,844	-	-	
Local Govt	50,000	15,198	20,000	16,373	18,000
HUD-Fair Housing Grants		-		-	
HUD - PEI	170,000	504,556	425,000	294,518	375,000
HUD - FHOI	260,000	10,908		-	146,649
HUD-ARP American Rescue Plan		-		145,568	
HUD - EOI		-	75,000	68,691	125,000
CDBG	55,000	15,308	55,000	39,692	82,500
IDHA Housing Counseling Grants		-		-	
IHDA ILRPP 2.0 Rescue Plan		19,643	28,125	76,184	58,218
IHDA - HAF Rescue Plan		45,176	58,000	149,784	125,700
IHDA- HSCP- Rescue Plan		-	-	21,450	35,100
HUD/HAI Housing Counseling	80,000	20,901	60,000	46,254	
HAI - HSCP-Rescue Plan		10,800	-	20,419	36,726
Age Options	33,200				
ILA21/Westside Justice	135,000	125,003	130,000	100,054	65,000
Investment/Interest Income	30,000	46,728		23,013	
TOTAL INCOME	1,245,300	1,280,398	1,154,425	1,236,984	1,231,548
			1,110,094		
EXPENSES					
Payroll	844,032	838,162	827,376	714,402	774,000
Employer Payroll Taxes	84,403	75,678	82,738	69,255	70,000
Healthcare	36,000	31,967	24,000	20,916	36,000
PEO Services (HR, Payroll, 401K, Benefits)	33,000	31,390	26,400	27,882	26,400
Phone-Staff Reimbursement	8400	9,508	7,200	5,530	7,800

Accounting	15,400	52,754	21,000	32,217	24,000
Audit	10,000	14,700	9,000	14,000	6,500
Legal Services		4,973		22,424	
Marketing Consultant		181	6,000	38,000	6,996
Marketing - Website	1,000	8,500	5,500	382	2,400
Fair Housing Testers and Expenses	13,000	10,828	6,000	4,612	5,280
Equity Audit/Strategic Plan		-		39,760	37,960
Americorp VISTA	13,000	8,708	5,000	-	
Salesforce Implementation	15,000	9,896	5,000	75,953	72,000
Fundraising & Events	4000	7,078	2,000	17,860	17,826
Credit Card Fees	300	172	850	681	600
Occupancy	106126	69,166	69,420	77,081	91,650
Sub-lease (FLAP)	-32,513	(31,590)	(31,200)	(19,686)	
Insurance (Gen. Liability, D&O, WC	8,400	7,932	5,000	5,866	5,250
Staff Training/Prof Development	2,004	3,136	5,400	7,021	4,800
Staff Travel Out-of-town	2,004	2,758	6,000	7,293	
Conferences, Events (Staff attend)	2,004	1,548	7,200	1,527	9,600
HUD Approved Training		1,887	-	-	9,600
Events-local (OC host/participates)	2,004	-	700	-	
Local Travel	2,004	1,538	2,400	542	3,600
Food/Refreshments/Staff Outing	1500	2,007	2,400	1,864	2,400
Marketing/advertising	2,100	4,989	4,000	497	1,200
Bank Fees	900	1,740	1,500	1,893	720
Hiring	360	350	600	1,358	600
Equipment Expense		-		7,630	
Memberships/Donations [Other orgs]	2400	1,600	1,200	750	2,400
Printing/Photocopy Gen	1620	2,555	3,600	5,902	
Software License & Subscriptions	13,500	12,711	13,224	9,668	12,100
Telecom (phones & internet)	24,000	23,893	16,000	23,551	28,200
Translation Services	240	-	1,600	668	3,000
Postage/Ship/Messgr	1020	-	1,200	830	6,000
Office Supplies	6,000	5,616	8,652	14,207	12,000
Govt Fees & Licenses	434	339	432	329	324
OC Grants to Non-Profits		2,293	-	163	
Other or uncategorized		-	-	-	
TOTAL EXPENSES	1,223,642	1,218,963	1,147,392	1,232,824	1,281,206

NET OPERATING INCOME	21,658	61,435	7,033	4,159	(49,658)
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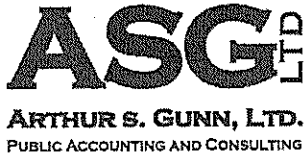
FANNIE MAE COMMUNITY FUND			
OC/FM Grants Awarded		120,000	N/A
TOTAL FANNIE MAE AWARDS		(120,000)	
REMAINING FANNIE MAE FUNDS AVAILABLE		479,000	N/A

OPEN COMMUNITIES

BOARD MEETING: 09/07/2024 (FY25)

CEO REPORT- CHERYL LAWRENCE

- **Audit and 990 Tax Return for FY23** are included in this report. We have started the FY24 audit process. Please bring any questions to the Board meeting—better yet, give me a call before the meeting!
- **D&O Insurance- We have renewed our Directors and Officer’s insurance. Please see addendum H**
- **FY24 Year-end Financials** show an overall net operating income of \$61,435, however this includes \$161,444 for a Federal Employee Retention Credit that has not been received yet. The actual Income \$1,116,768 (\$-37,657 less than budgeted). There was also \$33,000 in accounting fees associated with preparing the Employee Retention Credit that will come from our credit, but it is included in expenses for this year. Our actual expenses were \$1,185,963 (\$38,571 over budget) for a net total of \$-69,195. We are getting close to working on a balanced operating budget. The FY25 budget can be found in *Addendum D*.
- **Fannie Mae Community Fund**—You may remember that as part of the lawsuit settlement with Fannie Mae in 2022, we received \$604,000 that was set aside for the benefit of the community. We provided \$125,000 grant to Rebuilding Together, and will be granting \$185,000 to Community Partners for Affordable Housing soon. This leaves a net balance of \$294,000. The fund in its entirety needs to be allocated by February 2025. The Finance Committee will review our budget in December to provide recommendations on where to allocate the remainder of the funds. We have an opportunity to give ourselves a grant to support housing counseling and fair housing activities.
- **New AmeriCorp VISTA**—Vanessa Johnson-McCoy, Fair Housing VISTA finished her year of service in the middle of August. It truly was a great year, and she helped us reestablish some relationships in Evanston that were critical to building trust. OC has a new VISTA that just started in Housing Counseling for a year of service. Eleanor Lindow will help us with intake and memorialize all of our client processes.



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August 19, 2024

Board of Directors Open Communities
Attention: Ms. Cheryl Lawrence, CEO
1740 Ridge Rd., Ste 117
Evanston, IL 60201

Dear Cheryl:

We are pleased to confirm our understanding of the services we are to provide for Open Communities for the year ended June 30, 2024. This engagement is subject to Government Auditing Standards. You have represented to me that your federal funds expenditures are less than \$750,000; therefore, this engagement is not subject to Uniform Guidance. Should we find that a Single Audit is required, we will amend this engagement letter with respect to responsibilities and fees.

Audit Scope and Objectives

We will audit the financial statements of Open Communities, which comprise the statement(s) of financial position as of the year ended June 30, 2024, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the disclosures (collectively, the "financial statements"). Also, should supplementary information accompanying the financial statements be necessary, that information will be subjected to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America (GAAS), and we will provide an opinion on it in relation to the financial statements as a whole in a report combined with our auditor's report on the financial statements.

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and issue an auditor's report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements.

The objective also includes reporting on:

- The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will include a paragraph that states that (1) the purpose of the report is solely to describe the scope of testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance, and (2) the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance.

Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Auditor's Responsibilities for the Audit of the Financial Statements

We will conduct our audit in accordance with GAAS and will include tests of your accounting records and other procedures we consider necessary to enable us to express such an opinion. As part of an audit in accordance with GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the Organization or to acts by management or employees acting on behalf of the Organization.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will obtain an understanding of the Organization and its environment, including internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. Accordingly, we will express no such opinion. However, during the audit, we will communicate to you and those charged with governance internal control related matters that are required to be communicated under professional standards.

We have identified the following potential significant risk(s) of material misstatement as part of our audit planning. The following risks may or may not occur but are inherent in this type of engagement:

- Issues and disclosures that may occur related to grant and contract billing
- Issues related to potential unallowable costs
- Issues related to revenue recognition

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will also request written representations from your attorneys as applicable, as part of the engagement.

We may, from time to time and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

Audit Procedures—Internal Control

Our audit will include obtaining an understanding of the Organization and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, and *Government Auditing Standards*.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of Open Communities' compliance with provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance, and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

Other Services

We will also require your outside CPA firm or designate prepare the financial statements, including notes to the financial statements, of Open Communities in conformity with accounting principles generally accepted in the United States of America. Based on information provided by you, we will transcribe such financial statements into our financial statement template format. We have provided a template to you in Excel for the financial as well as a Word document of the previous year notes to the financial statements to your outside accountant. We will also be available for assistance as necessary. Independence under *Government Auditing Standards* prohibit me from preparing financial statements. These non-audit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*.

We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Responsibilities of Management for the Financial Statements

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for designing, implementing, and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including monitoring ongoing activities; for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements in conformity with accounting principles generally accepted in the United States of America. You are also responsible for making drafts of financial statements, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) additional information that we may request for the purpose of the audit; and (3) unrestricted access to persons within the Organization from whom we determine it necessary to obtain audit evidence. You are also responsible for providing us with access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform our audit. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for (1) designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including internal controls over federal awards, and for evaluating and monitoring

ongoing activities to help ensure that appropriate goals and objectives are met; and (2) following laws and regulations and for informing us about all known or suspected fraud affecting the Organization involving (A) management, (B) employees who have significant roles in internal control, and (C) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the Organization received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements, schedule of expenditures of federal awards, and all accompanying information in conformity with U.S. generally accepted accounting principles; and for compliance with applicable laws and regulations (including federal statutes) and the provisions of contracts and grant agreements (including award agreements). Your responsibilities also include identifying significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information. You are responsible for the preparation of the supplementary information in conformity with accounting principles generally accepted in the United States of America. You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon.

You agree to assume all management responsibilities for financial statement preparation assistance services, and any other non-attest services we provide; oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, and experience; evaluate the adequacy and results of the services; and accept responsibility for them.

Engagement Administration, Fees, and Other

We understand that your employees will prepare all cash, accounts receivable, and other confirmations we request and will locate any documents selected by us for testing.

Arthur S Gunn, CPA is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it. We expect to conclude our audit by mid-September, subject to obtaining required information, and issue our report on or about December 31, 2024. We have submitted a list of information we require, including various forms and checklists. We will submit additional requests in order to test compliance attributes under Government Auditing Standards and as discussed previously, will also require that your outside accountant prepare the financial statements due to independence requirements under Government Auditing Standards, and we will provide an Excel and Word template to her. I request that the majority of the remaining information on the list of information be provided to me by September 15, 2024.

We estimate that our fees for the audit will be \$10,250 subject to timely cooperation from the Organization and your outside accountant. As discussed previously, this fee is for the audit only, and tax return preparation will be \$750. Additional expenses for out of pocket costs are estimated to be for mileage, parking, postage, express delivery, confirmation costs etc. The fee estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the engagement. If significant additional time is necessary, we will keep you informed of any problems we encounter and our fees will be adjusted accordingly. Our invoices for these fees will be rendered as work progresses and are payable in the amounts of \$3,000 on September 30, October 31, and November 30, 2024; \$1,000 is due by December 31, 2024 and the balance upon delivery of the information returns. Costs, if any, will be billed subsequent to delivery of the tax return.

Reporting

We will issue a written report upon completion of our audit of Open Communities financial statements. Our report will be addressed to the Board of Directors of Open Communities. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinion, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinion is other than unmodified, we will discuss the reasons with you in advance. We have already discussed with you the scope limitation pertaining to the scope limitation for the lack of inventory observation. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express an opinion or withdraw from this engagement.

We appreciate the opportunity to be of service to you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the attached copy and return it to us.

Very truly yours,

Arthur S. Gunn, Ltd.

RESPONSE:

This letter correctly sets forth the understanding of Open Communities.

CEO signature: 

Name: Cheryl L. Lawrence

Date: 08/29/24

Return of Organization Exempt From Income Tax
Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

OMB No. 1545-0047

2022
Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Do not enter social security numbers on this form as it may be made public.
Go to www.irs.gov/Form990 for instructions and the latest information.

A For the 2022 calendar year, or tax year beginning 07/01/22, and ending 06/30/23

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return/terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization <p align="center">OPEN COMMUNITIES</p> Doing business as Number and street (or P.O. box if mail is not delivered to street address) Room/suite <p>1740 RIDGE AVE STE 117</p> City or town, state or province, country, and ZIP or foreign postal code <p>EVANSTON IL 60201</p>	D Employer identification number <p align="center">36-2934709</p> E Telephone number <p align="center">847-501-5780</p> G Gross receipts\$ 1,236,985
F Name and address of principal officer: <p>HERBERT BRENNER</p>		H(a) Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. See instructions

I Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) () (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527	J Website: WWW.OPEN-COMMUNITIES.ORG	H(c) Group exemption number
K Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other	L Year of formation: 1977	M State of legal domicile: IL

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: <p align="center">FAIR HOUSING TESTING AND ENFORCEMENT; HUD CERTIFIED COUNSELING SERVICES FOR RENTERS AND HOMEOWNERS; ADVOCACY FOR FAIR AND INCLUSIVE HOUSING IN NORTH SUBURBAN CHICAGO.</p>																									
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.																									
	3 Number of voting members of the governing body (Part VI, line 1a)	11																								
	4 Number of independent voting members of the governing body (Part VI, line 1b)	11																								
	5 Total number of individuals employed in calendar year 2022 (Part V, line 2a)	30																								
	6 Total number of volunteers (estimate if necessary)	30																								
	7a Total unrelated business revenue from Part VIII, column (C), line 12	0																								
	b Net unrelated business taxable income from Form 990-T, Part I, line 11	0																								
Revenue		<table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th>Prior Year</th> <th>Current Year</th> </tr> </thead> <tbody> <tr> <td>8 Contributions and grants (Part VIII, line 1h)</td> <td align="right">994,769</td> <td align="right">1,083,403</td> </tr> <tr> <td>9 Program service revenue (Part VIII, line 2g)</td> <td></td> <td align="right">0</td> </tr> <tr> <td>10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)</td> <td></td> <td align="right">23,014</td> </tr> <tr> <td>11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)</td> <td align="right">1,122,483</td> <td align="right">113,037</td> </tr> <tr> <td>12 Total revenue – add lines 8 through 11 (must equal Part VIII, column (A), line 12)</td> <td align="right">2,117,252</td> <td align="right">1,219,454</td> </tr> </tbody> </table>		Prior Year	Current Year	8 Contributions and grants (Part VIII, line 1h)	994,769	1,083,403	9 Program service revenue (Part VIII, line 2g)		0	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)		23,014	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	1,122,483	113,037	12 Total revenue – add lines 8 through 11 (must equal Part VIII, column (A), line 12)	2,117,252	1,219,454						
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Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here	Signature of officer <p>HERBERT BRENNER</p> Type or print name and title	Date <p align="center">VP / CO TREASURER</p>
Paid Preparer Use Only	Print/Type preparer's name <p>ARTHUR S. GUNN, CPA</p>	Preparer's signature <p>ARTHUR S. GUNN, CPA</p>
	Firm's name <p>ARTHUR S. GUNN, LTD</p>	Firm's EIN <p>01-0729456</p>
	Firm's address <p>900 SKOKIE BLVD STE 207 NORTHBROOK, IL 60062-4031</p>	Phone no. <p>847-607-1040</p>

May the IRS discuss this return with the preparer shown above? See instructions Yes No

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III

1 Briefly describe the organization's mission:

TO PROMOTE FAIR AND INCLUSIVE HOUSING IN NORTH SUBURBAN CHICAGO.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? Yes No

If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? Yes No

If "Yes," describe these changes on Schedule O.

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses \$ **1,004,924** including grants of \$) (Revenue \$)

FAIR HOUSING TESTING AND ENFORCEMENT; HUD CERTIFIED COUNSELING SERVICES FOR RENTERS AND HOMEOWNERS; ADVOCACY FOR FAIR AND INCLUSIVE HOUSING IN NORTH SUBURBAN CHICAGO.

4b (Code:) (Expenses \$ including grants of \$) (Revenue \$)

N/A

4c (Code:) (Expenses \$ including grants of \$) (Revenue \$)

N/A

4d Other program services (Describe on Schedule O.)

(Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses **1,004,924**

Part IV Checklist of Required Schedules

		Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i>	X	
2	Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> ? See instructions	X	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>		X
4	Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i>		X
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Rev. Proc. 98-19? <i>If "Yes," complete Schedule C, Part III</i>		X
6	Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i>		X
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i>		X
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>		X
9	Did the organization report an amount in Part X, line 21, for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i>		X
10	Did the organization, directly or through a related organization, hold assets in donor-restricted endowments or in quasi endowments? <i>If "Yes," complete Schedule D, Part V</i>		X
11	If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X, as applicable.		
a	Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i>	X	
b	Did the organization report an amount for investments—other securities in Part X, line 12, that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII</i>		X
c	Did the organization report an amount for investments—program related in Part X, line 13, that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII</i>		X
d	Did the organization report an amount for other assets in Part X, line 15, that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX</i>	X	
e	Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i>	X	
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X</i>		X
12a	Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI and XII</i>	X	
b	Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional</i>		X
13	Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>		X
14a	Did the organization maintain an office, employees, or agents outside of the United States?		X
b	Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If "Yes," complete Schedule F, Parts I and IV</i>		X
15	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? <i>If "Yes," complete Schedule F, Parts II and IV</i>		X
16	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? <i>If "Yes," complete Schedule F, Parts III and IV</i>		X
17	Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I. See instructions</i>		X
18	Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>	X	
19	Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>		X
20a	Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i>		X
b	If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?		
21	Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>		X

Part IV Checklist of Required Schedules (continued)

		Yes	No
22	Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>		X
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>		X
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a</i>		X
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		
25a	Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>		X
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>		X
26	Did the organization report any amount on Part X, line 5 or 22, for receivables from or payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part II</i>		X
27	Did the organization provide a grant or other assistance to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity (including an employee thereof) or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i>		X
28	Was the organization a party to a business transaction with one of the following parties (see the Schedule L, Part IV, instructions for applicable filing thresholds, conditions, and exceptions):		
a	A current or former officer, director, trustee, key employee, creator or founder, or substantial contributor? <i>If "Yes," complete Schedule L, Part IV</i>		X
b	A family member of any individual described in line 28a? <i>If "Yes," complete Schedule L, Part IV</i>		X
c	A 35% controlled entity of one or more individuals and/or organizations described in line 28a or 28b? <i>If "Yes," complete Schedule L, Part IV</i>		X
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>		X
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>		X
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>		X
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>		X
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>		X
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i>		X
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?		X
b	If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>		
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>		X
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>		X
38	Did the organization complete Schedule O and provide explanations on Schedule O for Part VI, lines 11b and 19? Note: All Form 990 filers are required to complete Schedule O.	X	

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response or note to any line in this Part V

		Yes	No
1a	Enter the number reported in box 3 of Form 1096. Enter -0- if not applicable		
b	Enter the number of Forms W-2G included on line 1a. Enter -0- if not applicable		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?		

1a	3
1b	0

Part V Statements Regarding Other IRS Filings and Tax Compliance (continued)		Yes	No		
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	30		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?	2b		X	
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a			X
b	If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation on Schedule O	3b			
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a			X
b	If "Yes," enter the name of the foreign country See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).				
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a			X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b			X
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?	5c			
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?	6a			X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b			
7	Organizations that may receive deductible contributions under section 170(c).				
a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7a			X
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b			
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c			X
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d			
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e			X
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f			X
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g			
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h			
8	Sponsoring organizations maintaining donor advised funds. Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?	8			
9	Sponsoring organizations maintaining donor advised funds.				
a	Did the sponsoring organization make any taxable distributions under section 4966?	9a			
b	Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?	9b			
10	Section 501(c)(7) organizations. Enter:				
a	Initiation fees and capital contributions included on Part VIII, line 12	10a			
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b			
11	Section 501(c)(12) organizations. Enter:				
a	Gross income from members or shareholders	11a			
b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b			
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a			
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b			
13	Section 501(c)(29) qualified nonprofit health insurance issuers.				
a	Is the organization licensed to issue qualified health plans in more than one state? Note: See the instructions for additional information the organization must report on Schedule O.	13a			
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b			
c	Enter the amount of reserves on hand	13c			
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a			X
b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation on Schedule O	14b			
15	Is the organization subject to the section 4960 tax on payment(s) of more than \$1,000,000 in remuneration or excess parachute payment(s) during the year? If "Yes," see instructions and file Form 4720, Schedule N.	15			X
16	Is the organization an educational institution subject to the section 4968 excise tax on net investment income? If "Yes," complete Form 4720, Schedule O.	16			X
17	Section 501(c)(21) organizations. Did the trust, any disqualified or other person engage in any activities that would result in the imposition of an excise tax under section 4951, 4952 or 4953? If "Yes," complete Form 6069.	17			

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes on Schedule O. See instructions. Check if Schedule O contains a response or note to any line in this Part VI

Section A. Governing Body and Management

		Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain on Schedule O.		
	11		
b	Enter the number of voting members included on line 1a, above, who are independent		
	11		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?		X
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, trustees, or key employees to a management company or other person?		X
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		X
5	Did the organization become aware during the year of a significant diversion of the organization's assets?		X
6	Did the organization have members or stockholders?		X
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?		X
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?		X
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a	The governing body?	X	
b	Each committee with authority to act on behalf of the governing body?	X	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses on Schedule O		X

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

		Yes	No
10a	Did the organization have local chapters, branches, or affiliates?		X
b	If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?		
10b			
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?		X
b	Describe on Schedule O the process, if any, used by the organization to review this Form 990.		
12a	Did the organization have a written conflict of interest policy? If "No," go to line 13	X	
b	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?		X
c	Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe on Schedule O how this was done		X
12c			
13	Did the organization have a written whistleblower policy?	X	
14	Did the organization have a written document retention and destruction policy?	X	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
a	The organization's CEO, Executive Director, or top management official	X	
b	Other officers or key employees of the organization If "Yes" to line 15a or 15b, describe the process on Schedule O. See instructions.		X
15b			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?		X
b	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?		
16b			

Section C. Disclosure

- 17** List the states with which a copy of this Form 990 is required to be filed **IL**
- 18** Section 6104 requires an organization to make its Forms 1023 (1024 or 1024-A, if applicable), 990, and 990-T (section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
 Own website Another's website Upon request Other (explain on Schedule O)
- 19** Describe on Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
- 20** State the name, address, and telephone number of the person who possesses the organization's books and records

CHERYL LAWRENCE
EVANSTON

1740 RIDGE AVE., STE 117

IL 60201

847-501-5780

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response or note to any line in this Part VII

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (box 5 of Form W-2, box 6 of Form 1099-MISC, and/or box 1 of Form 1099-NEC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations. See the instructions for the order in which to list the persons above.

Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC/1099-NEC)	(E) Reportable compensation from related organizations (W-2/1099-MISC/1099-NEC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) CHERYL LAWRENCE CEO	50.00 0.00				X	X	130,333	0	0	
(2) HERBERT BRENNER VP / CO TREASURER	5.00 0.00	X		X			0	0	0	
(3) FRANK CLEMENTS CO PRESIDENT	5.00 0.00	X		X			0	0	0	
(4) JESSICA FLORES DIRECTOR	2.00 0.00	X					0	0	0	
(5) CAROL GOLDER CO-PRESIDENT	5.00 0.00	X		X			0	0	0	
(6) KATARI HENDERSON CO-TREASURER	5.00 0.00	X		X			0	0	0	
(7) ADAM KLINGHER DIRECTOR	2.00 0.00	X					0	0	0	
(8) EMILY LOVE DIRECTOR	2.00 0.00	X					0	0	0	
(9) GRACE MIYA DIRECTPR	2.00 0.00	X					0	0	0	
(10) EMILY MUELLER DIRECTOR	2.00 0.00	X					0	0	0	
(11) ERICA PAGE MUHAMMAD DIRECTOR	2.00 0.00	X					0	0	0	

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC/1099-NEC)	(E) Reportable compensation from related organizations (W-2/1099-MISC/1099-NEC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(12) JOANNE ROGERS										
SECRETARY	5.00 0.00	X		X				0	0	
1b Subtotal								130,333		
c Total from continuation sheets to Part VII, Section A										
d Total (add lines 1b and 1c)								130,333		

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization **1**

	Yes	No
3 Did the organization list any former officer, director, trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>		X
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i>		X
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>		X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization **0**

Part VIII Statement of Revenue

Check if Schedule O contains a response or note to any line in this Part VIII

		(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514	
Contributions, Gifts, Grants and Other Similar Amounts	1a Federated campaigns	1a				
	b Membership dues	1b				
	c Fundraising events	1c				
	d Related organizations	1d				
	e Government grants (contributions)	1e	978,986			
	f All other contributions, gifts, grants, and similar amounts not included above	1f	104,417			
	g Noncash contributions included in lines 1a-1f	1g \$				
	h Total. Add lines 1a-1f		1,083,403			
Program Service Revenue	2a	Business Code				
	b					
	c					
	d					
	e					
	f All other program service revenue					
	g Total. Add lines 2a-2f					
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)		23,014	23,014		
	4 Income from investment of tax-exempt bond proceeds					
	5 Royalties					
	6a Gross rents	6a	(i) Real			
			(ii) Personal			
	b Less: rental expenses	6b				
	c Rental inc. or (loss)	6c				
	d Net rental income or (loss)					
	7a Gross amount from sales of assets other than inventory	7a	(i) Securities			
			(ii) Other			
	b Less: cost or other basis and sales exps.	7b				
	c Gain or (loss)	7c				
	d Net gain or (loss)					
8a Gross income from fundraising events (not including \$ of contributions reported on line 1c). See Part IV, line 18	8a		35,372			
		b Less: direct expenses	8b	17,531		
		c Net income or (loss) from fundraising events		17,841		
9a Gross income from gaming activities. See Part IV, line 19	9a					
		b Less: direct expenses	9b			
		c Net income or (loss) from gaming activities				
10a Gross sales of inventory, less returns and allowances	10a					
		b Less: cost of goods sold	10b			
		c Net income or (loss) from sales of inventory				
Miscellaneous Revenue	11a LITIGATION SETTLEMENT	Business Code	95,196	95,196		
	b					
	c					
	d All other revenue					
	e Total. Add lines 11a-11d		95,196			
12 Total revenue. See instructions		1,219,454	118,210	0	0	

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21				
2 Grants and other assistance to domestic individuals. See Part IV, line 22				
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees				
6 Compensation not included above to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	811,539	745,976	55,198	10,365
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)				
9 Other employee benefits	26,446	12,693	13,753	
10 Payroll taxes				
11 Fees for services (nonemployees):				
a Management				
b Legal				
c Accounting				
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O.)	184,879	129,606	54,161	1,112
12 Advertising and promotion	38,758	38,385		373
13 Office expenses	125,199	59,673	63,633	1,893
14 Information technology				
15 Royalties				
16 Occupancy				
17 Travel				
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	22,607	16,949	5,492	166
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization				
23 Insurance	5,866	1,642	4,224	
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses on line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a				
b				
c				
d				
e All other expenses				
25 Total functional expenses. Add lines 1 through 24e	1,215,294	1,004,924	196,461	13,909
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)				

Part X Balance Sheet

Check if Schedule O contains a response or note to any line in this Part X

		(A) Beginning of year		(B) End of year
Assets	1 Cash—non-interest-bearing	1,182,153	1	1,167,777
	2 Savings and temporary cash investments		2	
	3 Pledges and grants receivable, net	217,536	3	200,938
	4 Accounts receivable, net		4	
	5 Loans and other receivables from any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons		5	
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), and persons described in section 4958(c)(3)(B)		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use		8	
	9 Prepaid expenses and deferred charges	2,614	9	2,063
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 56,870		
	b Less: accumulated depreciation	10b 33,838	10c	23,032
	11 Investments—publicly traded securities		11	
	12 Investments—other securities. See Part IV, line 11		12	
	13 Investments—program-related. See Part IV, line 11		13	
	14 Intangible assets		14	
	15 Other assets. See Part IV, line 11		15	451,731
16 Total assets. Add lines 1 through 15 (must equal line 33)	1,402,303	16	1,845,541	
Liabilities	17 Accounts payable and accrued expenses	75,773	17	45,389
	18 Grants payable		18	
	19 Deferred revenue		19	35,482
	20 Tax-exempt bond liabilities		20	
	21 Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22 Loans and other payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons		22	
	23 Secured mortgages and notes payable to unrelated third parties		23	
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D		25	433,980
	26 Total liabilities. Add lines 17 through 25	75,773	26	514,851
Net Assets or Fund Balances	Organizations that follow FASB ASC 958, check here <input checked="" type="checkbox"/> and complete lines 27, 28, 32, and 33.			
	27 Net assets without donor restrictions	1,326,530	27	1,330,690
	28 Net assets with donor restrictions		28	
	Organizations that do not follow FASB ASC 958, check here <input type="checkbox"/> and complete lines 29 through 33.			
	29 Capital stock or trust principal, or current funds		29	
	30 Paid-in or capital surplus, or land, building, or equipment fund		30	
	31 Retained earnings, endowment, accumulated income, or other funds		31	
32 Total net assets or fund balances	1,326,530	32	1,330,690	
33 Total liabilities and net assets/fund balances	1,402,303	33	1,845,541	

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response or note to any line in this Part XI

1	Total revenue (must equal Part VIII, column (A), line 12)	1	1,219,454
2	Total expenses (must equal Part IX, column (A), line 25)	2	1,215,294
3	Revenue less expenses. Subtract line 2 from line 1	3	4,160
4	Net assets or fund balances at beginning of year (must equal Part X, line 32, column (A))	4	1,326,530
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain on Schedule O)	9	
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 32, column (B))	10	1,330,690

Part XII Financial Statements and Reporting

Check if Schedule O contains a response or note to any line in this Part XII

		Yes	No
1	Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other If the organization changed its method of accounting from a prior year or checked "Other," explain on Schedule O.		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		X
2b	Were the organization's financial statements audited by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both: <input checked="" type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	X	
2c	If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain on Schedule O.	X	
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Uniform Guidance, 2 C.F.R. Part 200, Subpart F?	X	
3b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why on Schedule O and describe any steps taken to undergo such audits	X	

SCHEDULE A
(Form 990)

Public Charity Status and Public Support

OMB No. 1545-0047

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

2022

Department of the Treasury
Internal Revenue Service

Attach to Form 990 or Form 990-EZ.

Open to Public
Inspection

Go to www.irs.gov/Form990 for instructions and the latest information.

Name of the organization

OPEN COMMUNITIES

Employer identification number

36-2934709

Part I Reason for Public Charity Status. (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 12, check only one box.)

- 1 A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i)**.
- 2 A school described in **section 170(b)(1)(A)(ii)**. (Attach Schedule E (Form 990).)
- 3 A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**.
- 4 A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state:
- 5 An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv)**. (Complete Part II.)
- 6 A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.
- 7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 8 A community trust described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 9 An agricultural research organization described in **section 170(b)(1)(A)(ix)** operated in conjunction with a land-grant college or university or a non-land-grant college of agriculture (see instructions). Enter the name, city, and state of the college or university:
- 10 An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions, subject to certain exceptions; and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2)**. (Complete Part III.)
- 11 An organization organized and operated exclusively to test for public safety. See **section 509(a)(4)**.
- 12 An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2)**. See **section 509(a)(3)**. Check the box on lines 12a through 12d that describes the type of supporting organization and complete lines 12e, 12f, and 12g.
 - a **Type I.** A supporting organization operated, supervised, or controlled by its supported organization(s), typically by giving the supported organization(s) the power to regularly appoint or elect a majority of the directors or trustees of the supporting organization. **You must complete Part IV, Sections A and B.**
 - b **Type II.** A supporting organization supervised or controlled in connection with its supported organization(s), by having control or management of the supporting organization vested in the same persons that control or manage the supported organization(s). **You must complete Part IV, Sections A and C.**
 - c **Type III functionally integrated.** A supporting organization operated in connection with, and functionally integrated with, its supported organization(s) (see instructions). **You must complete Part IV, Sections A, D, and E.**
 - d **Type III non-functionally integrated.** A supporting organization operated in connection with its supported organization(s) that is not functionally integrated. The organization generally must satisfy a distribution requirement and an attentiveness requirement (see instructions). **You must complete Part IV, Sections A and D, and Part V.**
 - e Check this box if the organization received a written determination from the IRS that it is a Type I, Type II, Type III functionally integrated, or Type III non-functionally integrated supporting organization.
 - f Enter the number of supported organizations
 - g Provide the following information about the supported organization(s).

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-10 above (see instructions))	(iv) Is the organization listed in your governing document?		(v) Amount of monetary support (see instructions)	(vi) Amount of other support (see instructions)
			Yes	No		
(A)						
(B)						
(C)						
(D)						
(E)						
Total						

For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule A (Form 990) 2022

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)
 (Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in)	(a) 2018	(b) 2019	(c) 2020	(d) 2021	(e) 2022	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public support. Subtract line 5 from line 4.						

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2018	(b) 2019	(c) 2020	(d) 2021	(e) 2022	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
11 Total support. Add lines 7 through 10						

12 Gross receipts from related activities, etc. (see instructions) 12

13 First 5 years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here**

Section C. Computation of Public Support Percentage

14 Public support percentage for 2022 (line 6, column (f) divided by line 11, column (f)) 14 %

15 Public support percentage from 2021 Schedule A, Part II, line 14 15 %

16a 33 1/3% support test—2022. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and **stop here**. The organization qualifies as a publicly supported organization

b 33 1/3% support test—2021. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and **stop here**. The organization qualifies as a publicly supported organization

17a 10%-facts-and-circumstances test—2022. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the facts-and-circumstances test, check this box and **stop here**. Explain in Part VI how the organization meets the facts-and-circumstances test. The organization qualifies as a publicly supported organization

b 10%-facts-and-circumstances test—2021. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the facts-and-circumstances test, check this box and **stop here**. Explain in Part VI how the organization meets the facts-and-circumstances test. The organization qualifies as a publicly supported organization

18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 10 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in)	(a) 2018	(b) 2019	(c) 2020	(d) 2021	(e) 2022	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	666,699	270,645	226,688	994,769	1,083,403	3,242,204
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose	16,539	495,447	757,240	1,122,483	153,582	2,545,291
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5	683,238	766,092	983,928	2,117,252	1,236,985	5,787,495
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 Public support. (Subtract line 7c from line 6.)						5,787,495

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2018	(b) 2019	(c) 2020	(d) 2021	(e) 2022	(f) Total
9 Amounts from line 6	683,238	766,092	983,928	2,117,252	1,236,985	5,787,495
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources			5,606			5,606
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b			5,606			5,606
11 Net income from unrelated business activities not included on line 10b, whether or not the business is regularly carried on			81,097			81,097
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
13 Total support. (Add lines 9, 10c, 11, and 12.)	683,238	766,092	1,070,631	2,117,252	1,236,985	5,874,198
14 First 5 years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here <input type="checkbox"/>						

Section C. Computation of Public Support Percentage

15 Public support percentage for 2022 (line 8, column (f), divided by line 13, column (f))	15	98.52%
16 Public support percentage from 2021 Schedule A, Part III, line 15	16	98.34%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2022 (line 10c, column (f), divided by line 13, column (f))	17	%
18 Investment income percentage from 2021 Schedule A, Part III, line 17	18	%

- 19a 33 1/3% support tests—2022.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization
- b 33 1/3% support tests—2021.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization
- 20 Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions

Part IV Supporting Organizations

(Complete only if you checked a box on line 12 on Part I. If you checked box 12a, Part I, complete Sections A and B. If you checked box 12b, Part I, complete Sections A and C. If you checked box 12c, Part I, complete Sections A, D, and E. If you checked box 12d, Part I, complete Sections A and D, and complete Part V.)

Section A. All Supporting Organizations

	Yes	No
1 Are all of the organization's supported organizations listed by name in the organization's governing documents? <i>If "No," describe in Part VI how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.</i>		
2 Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? <i>If "Yes," explain in Part VI how the organization determined that the supported organization was described in section 509(a)(1) or (2).</i>		
3a Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? <i>If "Yes," answer lines 3b and 3c below.</i>		
b Did the organization confirm that each supported organization qualified under section 501(c)(4), (5), or (6) and satisfied the public support tests under section 509(a)(2)? <i>If "Yes," describe in Part VI when and how the organization made the determination.</i>		
c Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? <i>If "Yes," explain in Part VI what controls the organization put in place to ensure such use.</i>		
4a Was any supported organization not organized in the United States ("foreign supported organization")? <i>If "Yes," and if you checked box 12a or 12b in Part I, answer lines 4b and 4c below.</i>		
b Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? <i>If "Yes," describe in Part VI how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations.</i>		
c Did the organization support any foreign supported organization that does not have an IRS determination under sections 501(c)(3) and 509(a)(1) or (2)? <i>If "Yes," explain in Part VI what controls the organization used to ensure that all support to the foreign supported organization was used exclusively for section 170(c)(2)(B) purposes.</i>		
5a Did the organization add, substitute, or remove any supported organizations during the tax year? <i>If "Yes," answer lines 5b and 5c below (if applicable). Also, provide detail in Part VI, including (i) the names and EIN numbers of the supported organizations added, substituted, or removed; (ii) the reasons for each such action; (iii) the authority under the organization's organizing document authorizing such action; and (iv) how the action was accomplished (such as by amendment to the organizing document).</i>		
b Type I or Type II only. Was any added or substituted supported organization part of a class already designated in the organization's organizing document?		
c Substitutions only. Was the substitution the result of an event beyond the organization's control?		
6 Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (i) its supported organizations, (ii) individuals that are part of the charitable class benefited by one or more of its supported organizations, or (iii) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? <i>If "Yes," provide detail in Part VI.</i>		
7 Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (as defined in section 4958(c)(3)(C)), a family member of a substantial contributor, or a 35% controlled entity with regard to a substantial contributor? <i>If "Yes," complete Part I of Schedule L (Form 990).</i>		
8 Did the organization make a loan to a disqualified person (as defined in section 4958) not described on line 7? <i>If "Yes," complete Part I of Schedule L (Form 990).</i>		
9a Was the organization controlled directly or indirectly at any time during the tax year by one or more disqualified persons, as defined in section 4946 (other than foundation managers and organizations described in section 509(a)(1) or (2))? <i>If "Yes," provide detail in Part VI.</i>		
b Did one or more disqualified persons (as defined on line 9a) hold a controlling interest in any entity in which the supporting organization had an interest? <i>If "Yes," provide detail in Part VI.</i>		
c Did a disqualified person (as defined on line 9a) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? <i>If "Yes," provide detail in Part VI.</i>		
10a Was the organization subject to the excess business holdings rules of section 4943 because of section 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? <i>If "Yes," answer line 10b below.</i>		
b Did the organization have any excess business holdings in the tax year? <i>(Use Schedule C, Form 4720, to determine whether the organization had excess business holdings.)</i>		

Part IV Supporting Organizations *(continued)*

	Yes	No
11 Has the organization accepted a gift or contribution from any of the following persons?		
a A person who directly or indirectly controls, either alone or together with persons described on lines 11b and 11c below, the governing body of a supported organization?		
b A family member of a person described on line 11a above?		
c A 35% controlled entity of a person described on line 11a or 11b above? <i>If "Yes" to line 11a, 11b, or 11c, provide detail in Part VI.</i>		

Section B. Type I Supporting Organizations

	Yes	No
1 Did the governing body, members of the governing body, officers acting in their official capacity, or membership of one or more supported organizations have the power to regularly appoint or elect at least a majority of the organization's officers, directors, or trustees at all times during the tax year? <i>If "No," describe in Part VI how the supported organization(s) effectively operated, supervised, or controlled the organization's activities. If the organization had more than one supported organization, describe how the powers to appoint and/or remove officers, directors, or trustees were allocated among the supported organizations and what conditions or restrictions, if any, applied to such powers during the tax year.</i>		
2 Did the organization operate for the benefit of any supported organization other than the supported organization(s) that operated, supervised, or controlled the supporting organization? <i>If "Yes," explain in Part VI how providing such benefit carried out the purposes of the supported organization(s) that operated, supervised, or controlled the supporting organization.</i>		

Section C. Type II Supporting Organizations

	Yes	No
1 Were a majority of the organization's directors or trustees during the tax year also a majority of the directors or trustees of each of the organization's supported organization(s)? <i>If "No," describe in Part VI how control or management of the supporting organization was vested in the same persons that controlled or managed the supported organization(s).</i>		

Section D. All Type III Supporting Organizations

	Yes	No
1 Did the organization provide to each of its supported organizations, by the last day of the fifth month of the organization's tax year, (i) a written notice describing the type and amount of support provided during the prior tax year, (ii) a copy of the Form 990 that was most recently filed as of the date of notification, and (iii) copies of the organization's governing documents in effect on the date of notification, to the extent not previously provided?		
2 Were any of the organization's officers, directors, or trustees either (i) appointed or elected by the supported organization(s) or (ii) serving on the governing body of a supported organization? <i>If "No," explain in Part VI how the organization maintained a close and continuous working relationship with the supported organization(s).</i>		
3 By reason of the relationship described on line 2, above, did the organization's supported organizations have a significant voice in the organization's investment policies and in directing the use of the organization's income or assets at all times during the tax year? <i>If "Yes," describe in Part VI the role the organization's supported organizations played in this regard.</i>		

Section E. Type III Functionally Integrated Supporting Organizations

1 Check the box next to the method that the organization used to satisfy the Integral Part Test during the year <i>(see instructions)</i> .		
a <input type="checkbox"/> The organization satisfied the Activities Test. <i>Complete line 2 below.</i>		
b <input type="checkbox"/> The organization is the parent of each of its supported organizations. <i>Complete line 3 below.</i>		
c <input type="checkbox"/> The organization supported a governmental entity. <i>Describe in Part VI how you supported a governmental entity (see instructions).</i>		
2 Activities Test. Answer lines 2a and 2b below.		
a Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? <i>If "Yes," then in Part VI identify those supported organizations and explain how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities.</i>		
b Did the activities described on line 2a, above, constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? <i>If "Yes," explain in Part VI the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement.</i>		
3 Parent of Supported Organizations. Answer lines 3a and 3b below.		
a Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? <i>If "Yes" or "No," provide details in Part VI.</i>		
b Did the organization exercise a substantial degree of direction over the policies, programs, and activities of each of its supported organizations? <i>If "Yes," describe in Part VI the role played by the organization in this regard.</i>		

Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations

- 1 Check here if the organization satisfied the Integral Part Test as a qualifying trust on Nov. 20, 1970 (*explain in Part VI*). See instructions. All other Type III non-functionally integrated supporting organizations must complete Sections A through E.

Section A – Adjusted Net Income		(A) Prior Year	(B) Current Year (optional)
1	Net short-term capital gain	1	
2	Recoveries of prior-year distributions	2	
3	Other gross income (see instructions)	3	
4	Add lines 1 through 3.	4	
5	Depreciation and depletion	5	
6	Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions)	6	
7	Other expenses (see instructions)	7	
8	Adjusted Net Income (subtract lines 5, 6, and 7 from line 4)	8	
Section B – Minimum Asset Amount		(A) Prior Year	(B) Current Year (optional)
1	Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year):		
a	Average monthly value of securities	1a	
b	Average monthly cash balances	1b	
c	Fair market value of other non-exempt-use assets	1c	
d	Total (add lines 1a, 1b, and 1c)	1d	
e	Discount claimed for blockage or other factors (<i>explain in detail in Part VI</i>):		
2	Acquisition indebtedness applicable to non-exempt-use assets	2	
3	Subtract line 2 from line 1d.	3	
4	Cash deemed held for exempt use. Enter 0.015 of line 3 (for greater amount, see instructions).	4	
5	Net value of non-exempt-use assets (subtract line 4 from line 3)	5	
6	Multiply line 5 by 0.035.	6	
7	Recoveries of prior-year distributions	7	
8	Minimum Asset Amount (add line 7 to line 6)	8	
Section C – Distributable Amount			Current Year
1	Adjusted net income for prior year (from Section A, line 8, column A)	1	
2	Enter 0.85 of line 1.	2	
3	Minimum asset amount for prior year (from Section B, line 8, column A)	3	
4	Enter greater of line 2 or line 3.	4	
5	Income tax imposed in prior year	5	
6	Distributable Amount. Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions).	6	
7	<input type="checkbox"/> Check here if the current year is the organization's first as a non-functionally integrated Type III supporting organization (see instructions).		

Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations (continued)

Section D – Distributions		Current Year
1	Amounts paid to supported organizations to accomplish exempt purposes	1
2	Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	2
3	Administrative expenses paid to accomplish exempt purposes of supported organizations	3
4	Amounts paid to acquire exempt-use assets	4
5	Qualified set-aside amounts (prior IRS approval required—provide details in Part VI)	5
6	Other distributions (describe in Part VI). See instructions.	6
7	Total annual distributions. Add lines 1 through 6.	7
8	Distributions to attentive supported organizations to which the organization is responsive (provide details in Part VI). See instructions.	8
9	Distributable amount for 2022 from Section C, line 6	9
10	Line 8 amount divided by line 9 amount	10

Section E – Distribution Allocations (see instructions)	(i) Excess Distributions	(ii) Underdistributions Pre-2022	(iii) Distributable Amount for 2022
1	Distributable amount for 2022 from Section C, line 6		
2	Underdistributions, if any, for years prior to 2022 (reasonable cause required—explain in Part VI). See instructions.		
3	Excess distributions carryover, if any, to 2022		
a	From 2017		
b	From 2018		
c	From 2019		
d	From 2020		
e	From 2021		
f	Total of lines 3a through 3e		
g	Applied to underdistributions of prior years		
h	Applied to 2022 distributable amount		
i	Carryover from 2017 not applied (see instructions)		
j	Remainder. Subtract lines 3g, 3h, and 3i from line 3f.		
4	Distributions for 2022 from Section D, line 7: \$		
a	Applied to underdistributions of prior years		
b	Applied to 2022 distributable amount		
c	Remainder. Subtract lines 4a and 4b from line 4.		
5	Remaining underdistributions for years prior to 2022, if any. Subtract lines 3g and 4a from line 2. For result greater than zero, explain in Part VI. See instructions.		
6	Remaining underdistributions for 2022. Subtract lines 3h and 4b from line 1. For result greater than zero, explain in Part VI. See instructions.		
7	Excess distributions carryover to 2023. Add lines 3j and 4c.		
8	Breakdown of line 7:		
a	Excess from 2018		
b	Excess from 2019		
c	Excess from 2020		
d	Excess from 2021		
e	Excess from 2022		

Schedule B (Form 990)

Department of the Treasury Internal Revenue Service

Schedule of Contributors

Attach to Form 990 or Form 990-PF. Go to www.irs.gov/Form990 for the latest information.

OMB No. 1545-0047

2022

Name of the organization

Employer identification number

OPEN COMMUNITIES

36-2934709

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

[X] 501(c)(3) (enter number) organization

[] 4947(a)(1) nonexempt charitable trust not treated as a private foundation

[] 527 political organization

Form 990-PF

[] 501(c)(3) exempt private foundation

[] 4947(a)(1) nonexempt charitable trust treated as a private foundation

[] 501(c)(3) taxable private foundation

Check if your organization is covered by the General Rule or a Special Rule.

Note: Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

General Rule

[X] For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, contributions totaling \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II. See instructions for determining a contributor's total contributions.

Special Rules

[] For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions of the greater of (1) \$5,000; or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h; or (ii) Form 990-EZ, line 1. Complete Parts I and II.

[] For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. Complete Parts I (entering "N/A" in column (b) instead of the contributor name and address), II, and III.

[] For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions exclusively for religious, charitable, etc., purposes, but no such contributions totaled more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an exclusively religious, charitable, etc., purpose. Don't complete any of the parts unless the General Rule applies to this organization because it received nonexclusively religious, charitable, etc., contributions totaling \$5,000 or more during the year \$

Caution: An organization that isn't covered by the General Rule and/or the Special Rules doesn't file Schedule B (Form 990), but it must answer "No" on Part IV, line 2, of its Form 990; or check the box on line H of its Form 990-EZ or on its Form 990-PF, Part I, line 2, to certify that it doesn't meet the filing requirements of Schedule B (Form 990).

For Paperwork Reduction Act Notice, see the instructions for Form 990, 990-EZ, or 990-PF.

Schedule B (Form 990) (2022)

Name of organization

OPEN COMMUNITIES

Employer identification number

36-2934709

Part I Contributors (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	INSPERITY SUPPORT SERVICES 19001 CRESCENT SPRINGS DRIVE KINGWOOD TX 77339-3802	\$ 5,000	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
2	GOLDER FAMILY FOUNDATION C/O 1740 RIDGE RD #117 EVANSTON IL 60201	\$ 6,000	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
3	RICHARD BILLER 401 QUARY COMMONS UNIT 1201 SARASOTA FL 34236	\$ 5,200	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
4	BAIRD & WARNER GOOD WILL NETWORK FUND 1037 CHICAGO AVE OAK PARK IL 60302	\$ 13,000	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
5	EVANSTON COMMUNITY FOUNDATION 1560 SHERMAN AVE SUITE 535 EVANSTON IL 60201	\$ 25,000	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
6	RETIREMENT RESEARCH FOUNDATION 8765 W HIGGENS ROAD #430 CHICAGO IL 60631	\$ 34,155	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization

Employer identification number

OPEN COMMUNITIES

36-2934709

Part I Contributors (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
7	NILES TOWNSHIP 5255 MAIN STREET SKOKIE IL 60077-2191	\$ 10,000	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
8	CITY OF DESPLAINES 1420 MINER ST DES PLAINES IL 60016	\$ 5,623	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
.....	\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
.....	\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
.....	\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
.....	\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

SCHEDULE D (Form 990)

Department of the Treasury Internal Revenue Service

Supplemental Financial Statements

Complete if the organization answered "Yes" on Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b. Attach to Form 990.

Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2022

Open to Public Inspection

Name of the organization

Employer identification number

OPEN COMMUNITIES

36-2934709

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.

Complete if the organization answered "Yes" on Form 990, Part IV, line 6.

Table with 3 columns: Question, (a) Donor advised funds, (b) Funds and other accounts. Rows include total number at end of year, aggregate value of contributions, aggregate value of grants, and questions about donor advisement.

Part II Conservation Easements.

Complete if the organization answered "Yes" on Form 990, Part IV, line 7.

Table with 3 columns: Question, (a) Donor advised funds, (b) Funds and other accounts. Rows include purpose of conservation easements, total number of easements, and questions about monitoring and expenses.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" on Form 990, Part IV, line 8.

Table with 3 columns: Question, (a) Donor advised funds, (b) Funds and other accounts. Rows include questions about reporting art and historical treasures and amounts required to be reported.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3 Using the organization's acquisition, accession, and other records, check any of the following that make significant use of its collection items (check all that apply):

- a** Public exhibition
- b** Scholarly research
- c** Preservation for future generations
- d** Loan or exchange program
- e** Other

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? Yes No

Part IV Escrow and Custodial Arrangements.

Complete if the organization answered "Yes" on Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No

b If "Yes," explain the arrangement in Part XIII and complete the following table:

- c** Beginning balance
- d** Additions during the year
- e** Distributions during the year
- f** Ending balance

	Amount
1c	
1d	
1e	
1f	

2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? Yes No

b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided on Part XIII

Part V Endowment Funds.

Complete if the organization answered "Yes" on Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

- a** Board designated or quasi-endowment %
- b** Permanent endowment %
- c** Term endowment %

The percentages on lines 2a, 2b, and 2c should equal 100%.

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

- (i)** Unrelated organizations
- (ii)** Related organizations

	Yes	No
3a(i)		
3a(ii)		
3b		

b If "Yes" on line 3a(ii), are the related organizations listed as required on Schedule R?

4 Describe in Part XIII the intended uses of the organization's endowment funds.

Part VI Land, Buildings, and Equipment.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land				
b Buildings				
c Leasehold improvements				
d Equipment		56,870	33,838	23,032
e Other				

Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.) **23,032**

Part VII Investments – Other Securities.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely held equity interests		
(3) Other		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 12.)		

Part VIII Investments – Program Related.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 13.)		

Part IX Other Assets.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1) ROU ASSET	434,758
(2) SECURITY DEPOSIT	16,973
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.)	451,731

Part X Other Liabilities.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) LEASE LIABILITY	428,780
(3) SUB LEASE SECURITY DEPOSIT	5,200
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.)	433,980

2. Liability for uncertain tax positions. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FASB ASC 740. Check here if the text of the footnote has been provided in Part XIII

**SCHEDULE G
(Form 990)**

Department of the Treasury
Internal Revenue Service

Name of the organization

Supplemental Information Regarding Fundraising or Gaming Activities

Complete if the organization answered "Yes" on Form 990, Part IV, line 17, 18, or 19, or if the organization entered more than \$15,000 on Form 990-EZ, line 6a.

▶ Attach to Form 990 or Form 990-EZ.

▶ Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2022

Open to Public Inspection

Employer identification number

36-2934709

OPEN COMMUNITIES

Part I Fundraising Activities. Complete if the organization answered "Yes" on Form 990, Part IV, line 17. Form 990-EZ filers are not required to complete this part.

1 Indicate whether the organization raised funds through any of the following activities. Check all that apply.

- a** Mail solicitations
- b** Internet and email solicitations
- c** Phone solicitations
- d** In-person solicitations
- e** Solicitation of non-government grants
- f** Solicitation of government grants
- g** Special fundraising events

2a Did the organization have a written or oral agreement with any individual (including officers, directors, trustees, or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services? Yes No

b If "Yes," list the 10 highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least \$5,000 by the organization.

	(i) Name and address of individual or entity (fundraiser)	(ii) Activity	(iii) Did fundraiser have custody or control of contributions?		(iv) Gross receipts from activity	(v) Amount paid to (or retained by) fundraiser listed in col. (i)	(vi) Amount paid to (or retained by) organization
			Yes	No			
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
Total							

3 List all states in which the organization is registered or licensed to solicit contributions or has been notified it is exempt from registration or licensing.

.....

.....

.....

.....

.....

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Part II Fundraising Events. Complete if the organization answered "Yes" on Form 990, Part IV, line 18, or reported more than \$15,000 of fundraising event contributions and gross income on Form 990-EZ, lines 1 and 6b. List events with gross receipts greater than \$5,000.

		(a) Event #1	(b) Event #2	(c) Other events	(d) Total events
		ANNUAL EVENT (event type)	(event type)	NONE (total number)	(add col. (a) through col. (c))
Revenue	1 Gross receipts	35,372			35,372
	2 Less: Contributions ..				
	3 Gross income (line 1 minus line 2)	35,372			35,372
Direct Expenses	4 Cash prizes				
	5 Noncash prizes				
	6 Rent/facility costs				
	7 Food and beverages				
	8 Entertainment				
	9 Other direct expenses	17,531			17,531
	10 Direct expense summary. Add lines 4 through 9 in column (d)				17,531
11 Net income summary. Subtract line 10 from line 3, column (d)				17,841	

Part III Gaming. Complete if the organization answered "Yes" on Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

		(a) Bingo	(b) Pull tabs/instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (add col. (a) through col. (c))
Revenue	1 Gross revenue				
Direct Expenses	2 Cash prizes				
	3 Noncash prizes				
	4 Rent/facility costs				
	5 Other direct expenses				
	6 Volunteer labor	<input type="checkbox"/> Yes % <input type="checkbox"/> No	<input type="checkbox"/> Yes % <input type="checkbox"/> No	<input type="checkbox"/> Yes % <input type="checkbox"/> No	
	7 Direct expense summary. Add lines 2 through 5 in column (d)				
	8 Net gaming income summary. Subtract line 7 from line 1, column (d)				

9 Enter the state(s) in which the organization conducts gaming activities: Yes No

a Is the organization licensed to conduct gaming activities in each of these states? Yes No

b If "No," explain:

10a Were any of the organization's gaming licenses revoked, suspended, or terminated during the tax year? Yes No

b If "Yes," explain:

**SCHEDULE O
(Form 990)**

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.

Attach to Form 990 or Form 990-EZ.

Go to www.irs.gov/Form990 for the latest information.

OMB No. 1545-0047

2022

**Open to Public
Inspection**

Name of the organization

OPEN COMMUNITIES

Employer identification number

36-2934709

**FORM 990, PART VI, LINE 11B - ORGANIZATION'S PROCESS TO REVIEW FORM 990
THE ORGANIZATION MAKES THE FORM 990 AVAILABLE TO THE BOARD FOR REVIEW
BEFORE FILING.**

**FORM 990, PART VI, LINE 15A - COMPENSATION PROCESS FOR TOP OFFICIAL
THE BOARD DETERMINES THE PAY LEVEL OF THE CEO TAKING ALL
RELEVANT FACTORS INTO ACCOUNT.**

**FORM 990, PART VI, LINE 19 - GOVERNING DOCUMENTS DISCLOSURE EXPLANATION
THE ORGANIZATION MAKES CERTAIN OF ITS DOCUMENTS, POLICIES AND FINANCIAL
STATEMENTS AVAILABLE TO THE PUBLIC UPON REQUEST.**

FORM 990, PART IX, LINE 11G - OTHER FEES FOR SERVICES

DESCRIPTION

TOT/PROG SERVICE

MGT & GENERAL

FUNDRAISING

PROFESSIONAL SERVICES

\$ 18,565

\$ 49,489

\$ 102

FUNDRAISING SOFTWARE

\$ 0

\$ 0

\$ 1,010

CAPACITY BUILDING

\$ 111,041

\$ 4,672

\$ 0

TOTAL

\$ 129,606

\$ 54,161

\$ 1,112

ILLINOIS CHARITABLE ORGANIZATION ANNUAL REPORT

PMT #	_____
AMT	_____
INIT	_____

Attorney General **KWAME RAOUL** State of Illinois
Charitable Trust Bureau, 100 West Randolph
11th Floor, Chicago, Illinois 60601 CO # **01011546**

Report for the Fiscal Period:

Beginning 07/01/2022

& Ending 06/30/2023

Check all items attached:

- Copy of IRS Return
 Audited Financial Statements
 Copy of Form IFC
 \$15.00 Annual Report Filing Fee
 \$100.00 Late Report Filing Fee
- Make Checks Payable to the Illinois Charity Bureau Fund*

Federal ID # **36-2934709**

MO DAY YR

Are contributions to the organization tax deductible? Yes No

Date Organization was created: 04/04/1977

LEGAL NAME: OPEN COMMUNITIES	Year-end amounts	
MAIL ADDRESS: 1740 RIDGE AVE STE 117	A) ASSETS	A) \$ 1,845,541
CITY, STATE: EVANSTON IL	B) LIABILITIES	B) \$ 522,331
ZIP CODE: 60201	C) NET ASSETS	C) \$ 1,323,210
I. SUMMARY OF ALL REVENUE ITEMS DURING THE YEAR:	PERCENTAGE	AMOUNT
D) PUBLIC SUPPORT, CONTRIBUTIONS & PROGRAM SERVICE REV. (GROSS AMTS.)	16 %	D) \$ 191,891
E) GOVERNMENT GRANTS & MEMBERSHIP DUES	82 %	E) \$ 1,022,079
F) OTHER REVENUES	2 %	F) \$ 23,013
G) TOTAL REVENUE, INCOME AND CONTRIBUTIONS RECEIVED (ADD D, E, & F)	100 %	G) \$ 1,236,983
II. SUMMARY OF ALL EXPENDITURES DURING THE YEAR:		
H) OPERATING CHARITABLE PROGRAM EXPENSE	80 %	H) \$ 991,919
I) EDUCATION PROGRAM SERVICE EXPENSE	%	I) \$
J) TOTAL CHARITABLE PROGRAM SERVICE EXPENSE (ADD H & I)	80 %	J) \$ 991,919
J') JOINT COSTS ALLOCATED TO PROGRAM SERVICES (INCLUDED IN J): \$		
K) GRANTS TO OTHER CHARITABLE ORGANIZATIONS	%	K) \$
L) TOTAL CHARITABLE PROGRAM SERVICE EXPENDITURE (ADD J & K)	80 %	L) \$ 991,919
M) MANAGEMENT AND GENERAL EXPENSE	20 %	M) \$ 248,061
N) FUNDRAISING EXPENSE	%	N) \$ 324
O) TOTAL EXPENDITURES THIS PERIOD (ADD L, M, & N)	100 %	O) \$ 1,240,304
III. SUMMARY OF ALL PAID FUNDRAISER AND CONSULTANT ACTIVITIES: (Attach Attorney General Report of Individual Fundraising Campaign- Form IFC. One for each PFR.)		
PROFESSIONAL FUNDRAISERS:		
P) TOTAL AMOUNT RAISED BY PAID PROFESSIONAL FUNDRAISERS	100 %	P) \$
Q) TOTAL FUNDRAISERS FEES AND EXPENSES	%	Q) \$
R) NET RECEIVED BY THE CHARITY (P MINUS Q=R)	%	R) \$
PROFESSIONAL FUNDRAISING CONSULTANTS:		
S) TOTAL AMOUNT PAID TO PROFESSIONAL FUNDRAISING CONSULTANTS		S) \$
IV. COMPENSATION TO THE (3) HIGHEST PAID PERSONS DURING THE YEAR:		
T) NAME, TITLE: CHERYL LAWRENCE CEO		T) \$ 130,333
U) NAME, TITLE: JASEMAN HATCHER DIR OF FAIR HOUSING		U) \$ 66,832
V) NAME, TITLE: MAURYA DELANEY DIR OF DEVELOPMENT		V) \$ 65,808
V. CHARITABLE PROGRAM DESCRIPTION: CHARITABLE PROGRAM (3 HIGHEST BY \$ EXPENDED) CODE CATEGORIES	List on back side of instructions CODE	
W) DESCRIPTION: FAIR HOUSING SUPPORT		W) # 131
X) DESCRIPTION:		X) #
Y) DESCRIPTION:		Y) #

IF THE ANSWER TO ANY OF THE FOLLOWING IS YES, ATTACH A DETAILED EXPLANATION:

		YES	NO
1.	WAS THE ORGANIZATION THE SUBJECT OF ANY COURT ACTION, FINE, PENALTY OR JUDGMENT?		X
2.	HAS THE ORGANIZATION OR A CURRENT DIRECTOR, TRUSTEE, OFFICER OR EMPLOYEE THEREOF, EVER BEEN CONVICTED BY ANY COURT OF ANY MISDEMEANOR INVOLVING THE MISUSE OR MISAPPROPRIATION OF FUNDS OR ANY FELONY?		X
3.	DID THE ORGANIZATION MAKE A GRANT AWARD OR CONTRIBUTION TO ANY ORGANIZATION IN WHICH ANY OF ITS OFFICERS, DIRECTORS OR TRUSTEES OWNS AN INTEREST; OR WAS IT A PARTY TO ANY TRANSACTION IN WHICH ANY OF ITS OFFICERS, DIRECTORS OR TRUSTEES HAS A MATERIAL FINANCIAL INTEREST; OR DID ANY OFFICER, DIRECTOR OR TRUSTEE RECEIVE ANYTHING OF VALUE NOT REPORTED AS COMPENSATION?		X
4.	HAS THE ORGANIZATION INVESTED IN ANY CORPORATE STOCK IN WHICH ANY OFFICER, DIRECTOR OR TRUSTEE OWNS MORE THAN 10% OF THE OUTSTANDING SHARES?		X
5.	IS ANY PROPERTY OF THE ORGANIZATION HELD IN THE NAME OF OR COMMINGLED WITH THE PROPERTY OF ANY OTHER PERSON OR ORGANIZATION?		X
6.	DID THE ORGANIZATION USE THE SERVICES OF A PROFESSIONAL FUNDRAISER? (ATTACH FORM IFC)		X
7a.	DID THE ORGANIZATION ALLOCATE THE COST OF ANY SOLICITATION, MAILING, ADVERTISEMENT OR LITERATURE COSTS BETWEEN PROGRAM SERVICE AND FUNDRAISING EXPENSES?		X
7b.	IF "YES", ENTER (i) THE AGGREGATE AMOUNT OF THESE JOINT COSTS \$ _____; (ii) THE AMOUNT ALLOCATED TO PROGRAM SERVICES \$ _____; (iii) THE AMOUNT ALLOCATED TO MANAGEMENT AND GENERAL \$ _____; AND (iv) THE AMOUNT ALLOCATED TO FUNDRAISING \$ _____		
8.	DID THE ORGANIZATION EXPEND ITS RESTRICTED FUNDS FOR PURPOSES OTHER THAN RESTRICTED PURPOSES?		X
9.	HAS THE ORGANIZATION EVER BEEN REFUSED REGISTRATION OR HAD ITS REGISTRATION OR TAX EXEMPTION SUSPENDED OR REVOKED BY ANY GOVERNMENTAL AGENCY?		X
10.	WAS THERE OR DO YOU HAVE ANY KNOWLEDGE OF ANY KICKBACK, BRIBE, OR ANY THEFT, DEFALCATION MISAPPROPRIATION, COMMINGLING OR MISUSE OF ORGANIZATIONAL FUNDS?		X
11.	LIST THE NAME AND ADDRESS OF THE FINANCIAL INSTITUTIONS WHERE THE ORGANIZATION MAINTAINS ITS THREE LARGEST ACCOUNTS: WINTRUST 231 SOUTH LASALLE, 13TH FLOOR, CHICAGO IL 60604		
12.	NAME AND TELEPHONE NUMBER OF CONTACT PERSON: CHERYL LAWRENCE		

847-501-5780

ALL ATTACHMENTS MUST ACCOMPANY THIS REPORT - SEE INSTRUCTIONS

UNDER PENALTY OF PERJURY, I (WE) THE UNDERSIGNED DECLARE AND CERTIFY THAT I (WE) HAVE EXAMINED THIS ANNUAL REPORT AND THE ATTACHED DOCUMENTS, INCLUDING ALL THE SCHEDULES AND STATEMENTS, AND THE FACTS THEREIN STATED ARE TRUE AND COMPLETE AND FILED WITH THE ILLINOIS ATTORNEY GENERAL FOR THE PURPOSE OF HAVING THE PEOPLE OF THE STATE OF ILLINOIS RELY THEREUPON. I HEREBY FURTHER AUTHORIZE AND AGREE TO SUBMIT MYSELF AND THE REGISTRANT HEREBY TO THE JURISDICTION OF THE STATE OF ILLINOIS.

BE SURE TO INCLUDE ALL FEES DUE:	PRESIDENT or TRUSTEE (PRINT NAME)	SIGNATURE	DATE
1.) REPORTS ARE DUE WITHIN SIX MONTHS OF YOUR FISCAL YEAR END.			
2.) FOR FEES DUE SEE INSTRUCTIONS.	TREASURER or TRUSTEE (PRINT NAME)	SIGNATURE	DATE
3.) REPORTS THAT ARE LATE OR INCOMPLETE ARE SUBJECT TO A \$100.00 PENALTY.	ARTHUR S. GUNN, CPA		
	PREPARER (PRINT NAME)	SIGNATURE	DATE

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PHILADELPHIA INSURANCE COMPANIES

A Member of the Tokio Marine Group

One Bala Plaza, Suite 100, Bala Cynwyd, Pennsylvania 19004
610.617.7900 • Fax 610.617.7940 • PHLY.com

07/22/2024

Open Communities
1740 Ridge Ave Ste 117
Evanston, IL 60201-5903

Tg<'PHSD1874079-000

Dear Valued Customer:

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Sincerely,

John W. Glomb, Jr.
President & CEO
Philadelphia Insurance Companies

JWG/sm

Addendum H

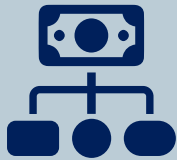
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- Phone - 877.438.7459
- Email - service@phly.com
- Hours: Monday - Friday 8:30 a.m. - 8:00 p.m. ET



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Philadelphia Insurance Companies (PHLY) is excited to provide a powerful risk management tool to our Management and Professional Liability (M&PL) insureds. The **PHLY**Gateway is an online, risk management platform that can help organizations mitigate losses and manage business risk.

**THIS RESOURCE IS PROVIDED AT NO-COST TO OUR M&PL INSURED
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- Preventing Gender and Gender - Related Discrimination
- Preventing Wrongful Termination
- Workplace Civility and Respect
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Schedule a consultation with a licensed attorney* who will provide best practices guidance on workplace risks. There is no limit to number of calls or time allotted per consultation.

*Consultation provided is best practices guidance only and is not legal advice or representation.

**SAMPLE FORMS AND DOCUMENTS**

These samples provide guidance in crafting employee manuals, formal policies, written procedures, checklists, and more.

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Access to weekly articles covering various subject areas such as Employee Relations and Human Resources, Leadership and Ethics, Loss and Litigation, and much more.

TO REGISTER: PHLY Management and Professional Liability insureds can visit www.PHLYGateway.com and register using a current account and policy number.

QUESTIONS: 833.PHLYRMS | PHLYRMS@phly.com | **PHLYGateway.com**

Philadelphia Insurance Companies is the marketing name for the insurance company subsidiaries of the Philadelphia Consolidated Holding Corp., a Member of the Tokio Marine Group. Coverage(s) described may not be available in all states and are subject to Underwriting and certain coverage(s) may be provided by a surplus lines insurer. Surplus lines insurers do not generally participate in state guaranty funds and insureds are therefore not protected by such funds. | © 2024 Philadelphia Consolidating Holding Corp., All Rights Reserved.



Risk Management Services

PHLYRMS RESOURCES

Welcome to Philadelphia Insurance Companies (PHLY)! As a PHLY customer, your organization now has access to tools and services that can assist in your risk management efforts. Our Risk Management Services (RMS) Consultants can provide in-person assistance, from leading employee safety meetings to providing valuable guidance regarding safety best practices.

PHLY also provides various risk management tools and resources at little or no additional cost to your organization.

To access these resources, please take a moment to [register on our website](#). If you already have an account on PHLY.com, please [log in](#) to access Risk Management Services resources.

Risk Management Resources

We encourage you to explore the following risk management resources:

PHLYGATEWAY

The **PHLYGATEWAY** is an online portal that provides a suite of management and professional risk resources including an online training platform, model policies, and a Best Practices Help Line.

[PHLYGATEWAY](#)



IntelliCorp: Provides a discounted background check package as well as discounted pricing for add-on services, such as Motor Vehicle Reports (MVRs).

[IntelliCorp](#)

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CONTACT

For questions about your organization's risk management needs and information on PHLY's Risk Management Services please contact PHLY RMS:

Phone: 1.833.PHLYRMS (Mon-Fri 8:30 a.m. - 5:00 p.m. ET)

E-mail: phlyrms@phly.com



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Bala Cynwyd, Pennsylvania 19004
610.617.7900 Fax 610.617.7940
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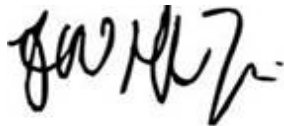
Philadelphia Indemnity Insurance Company
A Stock Company (Nonparticipating)

Commercial
Lines
Policy

THIS POLICY CONSISTS OF:

- DECLARATIONS
- COMMON POLICY CONDITIONS
- ONE OR MORE COVERAGE PARTS. A COVERAGE PART CONSISTS OF:
 - ONE OR MORE COVERAGE FORMS
 - APPLICABLE FORMS AND ENDORSEMENTS

IN WITNESS WHEREOF, we have caused this policy to be executed and attested, and, if required by state law, this policy shall not be valid unless signed by our authorized representative.

A handwritten signature in black ink, appearing to be 'J. M. Z.', written in a cursive style.

President and CEO

A handwritten signature in black ink, appearing to be 'Ed Sar', written in a cursive style.

Secretary

ILLINOIS COMPLAINT NOTICE

This notice is to advise you that should any complaints arise regarding this insurance, you may contact the following:

1. You may call Philadelphia Indemnity Insurance Company's toll-free telephone number for information or to make a complaint at:

1-877-438-7459

2. You may also write to Philadelphia Indemnity Insurance Company at:

One Bala Plaza, Suite 100
Bala Cynwyd, PA 19004
FAX # (610) 617-7940

3. You may write to the Illinois Department of Insurance at:

Illinois Department of Insurance
Consumer Division
122 S. Michigan Avenue
19th Floor
Chicago, Illinois 60603

OR

Illinois Department of Insurance
320 West Washington Street
Springfield, Illinois 62767

4. **ATTACH THIS NOTICE TO YOUR POLICY:** This notice is for information only and does not become a part or condition of the attached document.

ILLINOIS NOTICE TO POLICYHOLDERS REGARDING THE RELIGIOUS FREEDOM PROTECTION AND CIVIL UNION ACT

Dear Policyholder:

This is to provide notice that, pursuant to Illinois Department of Insurance Company Bulletin 2011-06 (CB 2011-06), this policy is in compliance with the Illinois Religious Freedom Protection and Civil Union Act ("the Act", 750 ILL. COMP. STAT. 75/1). The Act, which became effective on June 1, 2011, creates a legal relationship between two persons of either the same or opposite sex who establish a civil union.

The Act provides that parties to a civil union are entitled to the same legal obligations, responsibilities, protections and benefits that are afforded or recognized by the law of Illinois to spouses, whether they are derived from statute, administrative rule, policy, common law or any source of civil or criminal law. In addition, this law requires recognition of a same-sex civil union, marriage, or other substantially similar legal relationship, except for common law marriage, legally entered into in other jurisdictions. The Act further provides that "party to a civil union" shall be included in any definition or use of the terms "spouse", "family", "immediate family", "dependent", "next of kin" and other terms descriptive of spousal relationships as those terms are used throughout the law. According to CB 2011-06, this includes the terms "marriage" or "married" or any variations thereof. CB 2011-06 also states that if policies of insurance provide coverage for children, the children of civil unions must also be provided coverage.

**NOTICE
LATE FEE
NON-SUFFICIENT FUNDS FEE
REINSTATEMENT FEE**

Late Fee

Please be advised that if your payment is late (payment is not received within five days of the payment due date indicated on the invoice), you will be charged a late fee of \$25* (where permitted).

Non-Sufficient Funds Fee

Please be advised that if your payment is returned for non-sufficient funds, you will be charged a fee of \$25** (where permitted).

Reinstatement Fee

Please be advised that if your policy is cancelled due to non-payment of the premium and we agree to reinstate your policy, you will be charged a reinstatement fee of \$50*** (where permitted).

These fees are in addition to any premium owed on the policy and each fee can apply more than once during the policy term.

*\$10 in Florida, Maryland, South Carolina

**\$15 in Florida and \$20 in New York

***\$25 in Delaware, Georgia, New Hampshire and New Mexico; and \$15 in Kansas and Nebraska

ALL COMMERCIAL LINES

PRIVACY NOTICE FOR COMMERCIAL LINES

This notice is provided on behalf of Philadelphia Indemnity Insurance Company

PURPOSE OF THIS NOTICE

When you apply for or become an insured under, the insurance policies we issue, we gather certain non-public information or “NPI” about your business and its employees. We are committed to safeguarding the NPI you entrust to us. The purpose of this notice is, therefore, to let you know how we collect, use, share and protect the NPI you provide to us in those contexts.

That means this notice applies only to your business interactions with us involving your application for a quote or as a policy holder. NPI we may collect from you in connection with other interactions, such as when you or your employees visit one of our general interest, publicly accessible websites, is governed by the separate notices and policies we publish on those relevant sites or otherwise provide to you.

When we refer in this notice to your “NPI”, we mean non-public information as that term is generally defined and applied under the New York Department of Financial Services’ Cybersecurity Regulation, the Gramm-Leach-Bliley Act and the National Association of Insurance Commissioners’ Data Security Model Law which includes non-public information about your business, such as financial information, account numbers, loss history, personal non-public information of your employees including social security number, address or medical information and any proprietary information we obtain about your business or your customers.

Due to a variety of factors, including certain explicit exemptions they contain, this notice and the NPI we collect from you in connection with the above-described business interactions ***is not*** governed by the EU General Data Protection Regulation, its related EU and Swiss Privacy Shield or the California Consumer Privacy Act.

COLLECTING YOUR NPI

In the course of, or as part of a business interaction, we collect your NPI both directly from you, or from the agents, brokers or other intermediaries acting on your or our behalf, as well as from a variety of additional sources including:

- the applications or other forms you provide to us (these forms may contain your name, address, social security number, marital status, date of birth, gender, length of employment, prior insurance information, home ownership, residency history, vehicle type, vehicle use, or driving history)
- your transactions with us, our other affiliates of the Tokio Marine Group as well as third parties (this information would include, for example, premium payment and claims history)
- consumer or independent reporting agencies (for example your motor vehicle report, property inspection report, accident report or claim report)

USING YOUR NPI

We use your NPI in a variety of ways such as creating and issuing a quote, underwriting or otherwise processing and servicing your insurance policy, handling claims you may have and offering you additional products and services that we think may be of interest to you as well as for related research and analytics purposes.

SHARING YOUR NPI

We do not disclose or share any NPI about our customers or former customers outside of the Tokio Marine Group, except as permitted by law. We do not sell or disclose or share your NPI for third party marketing purposes. We do, however, share your NPI with third parties that we use to service your account or process your insurance policy or your claim, or administer related transactions. These third parties may include:

- your agent, broker or producer
- independent claims adjusters, investigators, data processors or attorneys
- persons or organizations that conduct scientific research, including actuarial or underwriting studies
- an insurance support organization or another insurer, to prevent or prosecute fraud or to properly underwrite the risk
- another insurer, if you are involved in an accident with their insured
- State insurance departments or other governmental or law enforcement authorities, if required by law, to protect our legal interests or in cases of suspected fraud or illegal activities
- a court of law

We also are required to disclose your NPI if we receive a subpoena, search warrant or other court order.

RETAINING YOUR NPI

The NPI we collect is kept in your policy and/or claim files for as long as needed in connection with your business interactions with you and, if longer, as required by law.

HOW WE PROTECT YOUR NPI

We have adopted and implemented a security and privacy program that includes technical, organizational, administrative, and other measures designed to protect, as required by applicable law and in accordance with industry standards, against reasonably anticipated or actual threats to the security of your NPI. Our security program was created by reference to widely recognized standards such as those published by the International Standards Organization and National Institute of Standards and Technology. It includes, among many other things, procedures for assessing the need for, and as appropriate, either employing encryption and multi-factor authentication or using equivalent compensating controls. As part of our security program, we have specific incident response and management procedures that are activated whenever we become aware that your NPI was likely to have been compromised.

CHANGES TO THIS NOTICE

We may amend this notice from time to time and will inform you of these changes as required by law.

QUESTIONS AND CONTACT INFORMATION

If you have any questions about this notice or how we collect, use, share and protect your NPI, please contact the Chief Privacy Officer of TMNA Services, LLC, who acts as the privacy and data security administrator for most of the Tokio Marine Group in North America. The Chief Privacy Officer's contact information is:

Attn: Privacy Office
TMNA Services, LLC
3 Bala Plaza East, Suite 400
Bala Cynwyd, Pennsylvania 19004
610-227-1300



Philadelphia Indemnity Insurance Company
A Stock Company (Nonparticipating)
COMMON POLICY DECLARATIONS

Policy Number: PHSD1874079-000

Named Insured and Mailing Address:

Open Communities
1740 Ridge Ave Ste 117
Evanston, IL 60201-5903

Producer: 4024

R.W. TROXELL & COMPANY
214 South Grand Ave. West
Springfield, IL 62704

Policy Period From: 08/10/2024 **To:** 08/10/2025

(217)528-7563

at 12:01 A.M. Standard Time at your mailing
address shown above.

Business Description: Non-Profit Organization

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.

THIS POLICY CONSISTS OF THE FOLLOWING COVERAGE PARTS FOR WHICH A PREMIUM IS
INDICATED. THIS PREMIUM MAY BE SUBJECT TO ADJUSTMENT.

Commercial Property Coverage Part

Commercial General Liability Coverage Part

Commercial Crime Coverage Part

Commercial Inland Marine Coverage Part

Commercial Auto Coverage Part

Businessowners

Workers Compensation

PREMIUM

Flexi Plus Five

1,703.00

Total

\$ 1,703.00

FORM (S) AND ENDORSEMENT (S) MADE A PART OF THIS POLICY AT THE TIME OF ISSUE
Refer To Forms Schedule

*Omits applicable Forms and Endorsements if shown in specific Coverage Part/Coverage Form Declarations



Secretary



President and CEO

Philadelphia Indemnity Insurance Company
Form Schedule – Policy

Policy Number: PHSD1874079-000

Forms and Endorsements applying to this Coverage Part and made a part of this policy at time of issue:

Form	Edition	Description
BJP-190-1	0221	Commercial Lines Policy Jacket
PI-Illinois Complaint Notice	0520	Illinois Complaint Notice
IL N 175	1111	Illinois Notice To Policyholders
PI-FEES-NOTICE 1	1119	Notice Late/Non-Sufficient Funds/Reinstatement Fee
PP2020	0220	Privacy Notice For Commercial Lines
CPD-PIIC-CW	0221	Common Policy Declarations
PI-TER-DN1	0121	Disclosure Notice Of Terrorism Ins Coverage Rejection



One Bala Plaza, Suite 100
 Bala Cynwyd, Pennsylvania 19004
 610.617.7900 Fax 610.617.7940
 PHLI.com

FLEXIPLUS FIVE
 NOT-FOR-PROFIT ORGANIZATION DIRECTORS & OFFICERS LIABILITY INSURANCE
 EMPLOYMENT PRACTICES LIABILITY INSURANCE
 FIDUCIARY LIABILITY INSURANCE
 WORKPLACE VIOLENCE INSURANCE
 INTERNET LIABILITY INSURANCE

Philadelphia Indemnity Insurance Company

Policy Number: PHSD1874079-000

DECLARATIONS

NOTICE: EXCEPT TO SUCH EXTENT AS MAY OTHERWISE BE PROVIDED HEREIN, THIS POLICY IS WRITTEN ON A CLAIMS MADE BASIS AND COVERS ONLY THOSE CLAIMS FIRST MADE DURING THE POLICY PERIOD AND REPORTED IN WRITING TO THE INSURER PURSUANT TO THE TERMS HEREIN. THE AMOUNTS INCURRED FOR DEFENSE COST SHALL BE APPLIED AGAINST THE RETENTION.

Item 1. Parent Organization and Address:
 Open Communities
 1740 Ridge Ave Ste 117
 Evanston, IL 60201-5903

Internet Address: www.

Item 2. Policy Period: From: 08/10/2024 To: 08/10/2025
 (12:01 A.M. local time at the address shown in Item 1.)

Item 3. Limits of Liability:

(A)	Part 1, D&O Liability:	\$	1,000,000	each Policy Period.
(B)	Part 2, Employment Practices:	\$	1,000,000	each Policy Period.
(C)	Part 3, Fiduciary Liability:	\$		each Policy Period.
(D)	Part 4, Workplace Violence:	\$		each Policy Period.
(E)	Part 5, Internet Liability:	\$		each Policy Period.
(F)	Aggregate, All Parts:	\$	1,000,000	each Policy Period.

Item 4. Retention:

(A)	Part 1, D&O Liability:	\$	2,500	for each Claim under Insuring Agreement B & C.
(B)	Part 2, Employment Practices:	\$	5,000	for each Claim.
(C)	Part 3, Fiduciary Liability:	\$		for each Claim.
(D)	Part 4, Workplace Violence:	\$		for each Workplace Violence Act.
(E)	Part 5, Internet Liability:	\$		for each Claim.

Item 5. Prior and Pending Date: Part 1 08/10/2023 Part 2 08/10/2023 Part 3 No Date Applies
 Part 4 No Date Applies Part 5 No Date Applies

Item 6. Premium: Part 1 \$ 1,194.00 Part 2 \$ 509.00 Part 3
 Part 4 Part 5

State Surcharge/Tax: Total Premium: \$ 1,703.00

Item 7. Endorsements: PER SCHEDULE ATTACHED

In witness whereof, the Insurer issuing this Policy has caused this Policy to be signed by its authorized officers, but it shall not be valid unless also signed by the duly authorized representative of the Insurer.



John W. Glomb, Jr.
 President & CEO

 Countersignature

 Countersignature Date

Philadelphia Indemnity Insurance Company

Form Schedule – Flexi Plus Five

Policy Number: PHSD1874079-000

Forms and Endorsements applying to this Coverage Part and made a part of this policy at time of issue:

Form	Edition	Description
PI-NPD-1	0102	FlexiPlus Five Declarations Page
PI-BELL-1 IL	1109	Bell Endorsement
PI-CME-1	1009	Crisis Management Enhancement Endorsement
PI-NPD-2	0102	Flexi Plus Five Coverage Form
PI-NPD-8	0102	Shared Limits Endorsement
PI-NPD-25	0102	Professional Services Exclusion(Supervision Carve-Out)
PI-NPD-27	1119	Abuse Exclusion With Workplace Harassment Carveback
PI-NPD-52	0123	Amendment Of Exclusions
PI-NPD-82 IL	0323	Pro-Pak Elite Enhancement
PI-NPD-133	1014	Breach Of Contract With Liability Obligation Carveback
PI-NPD-137	0120	Biometric Information Claim Exclusion
PI-NPD-IL-1	1212	Illinois Amendatory Endorsement
PI-SLD-001	0115	Cap On Losses From Certified Acts Of Terrorism

Policy Number: PHSD1874079-000Named Insured: Open Communities

A Member of the Tokio Marine Group

One Bala Plaza, Suite 100
 Bala Cynwyd, Pennsylvania 19004
 610.617.7900 Fax 610.617.7940
 PHLI.com

Terrorism Premium (Certified Acts) \$ <u>Included</u>

DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE REJECTION OPTION

You are hereby notified that under the Terrorism Risk Insurance Act, as amended, you have a right to purchase insurance coverage for losses resulting from acts of terrorism. *As defined in Section 102(1) of the Act:* The term “act of terrorism” means any act or acts that are certified by the Secretary of the Treasury—in consultation with the Secretary of Homeland Security, and the Attorney General of the United States—to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been 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.

YOU SHOULD KNOW THAT WHERE COVERAGE IS PROVIDED BY THIS POLICY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM, SUCH LOSSES MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. HOWEVER, YOUR POLICY MAY CONTAIN OTHER EXCLUSIONS WHICH MIGHT AFFECT YOUR COVERAGE, SUCH AS AN EXCLUSION FOR NUCLEAR EVENTS. UNDER THE FORMULA, THE UNITED STATES GOVERNMENT’S FEDERAL SHARE OF TERRORISM LOSSES IS 80% OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURANCE COMPANY PROVIDING THE COVERAGE. THE PREMIUM CHARGED FOR THIS COVERAGE IS PROVIDED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS THAT MAY BE COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

YOU SHOULD ALSO KNOW THAT THE TERRORISM RISK INSURANCE ACT, AS AMENDED, CONTAINS A \$100 BILLION CAP THAT LIMITS U.S. GOVERNMENT REIMBURSEMENT AS WELL AS INSURERS’ LIABILITY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM WHEN THE AMOUNT OF SUCH LOSSES IN ANY ONE CALENDAR YEAR EXCEEDS \$100 BILLION. IF THE AGGREGATE INSURED LOSSES FOR ALL INSURERS EXCEED \$100 BILLION, YOUR COVERAGE MAY BE REDUCED.

Your attached proposal (or policy) includes a charge for terrorism. We will issue (or have issued) your policy with terrorism coverage unless you decline by placing an “X” in the box below.

NOTE 1: If “included” is shown on your proposal (or policy) for terrorism you WILL NOT have the option to reject the coverage.

NOTE 2: You will want to check with entities that have an interest in your organization as they may require that you maintain terrorism coverage (e.g. mortgagees).

EXCEPTION: If you have property coverage on your policy, the following Standard Fire Policy states do not permit an Insured to reject fire ensuing from terrorism: CA, CT, GA, HI, IA, IL, MA, ME, MO, NJ, NY, NC, OR, RI, VA, WA, WV, WI. Therefore, if you are domiciled in the above states and reject terrorism coverage, you will still be charged for fire ensuing from terrorism as separately designated on your proposal.

	I decline to purchase terrorism coverage. I understand that I will have no coverage for losses arising from “certified” acts of terrorism, EXCEPT as noted above.
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You, as the Insured, have 30 days after receipt of this notice to consider the selection/rejection of “terrorism” coverage. After this 30 day period, any request for selection or rejection of terrorism coverage WILL NOT be honored.

REQUIRED IN GA – LIMITATION ON PAYMENT OF TERRORISM LOSSES (applies to policies which cover terrorism losses insured under the federal program, including those which only cover fire losses)

The provisions of the Terrorism Risk Insurance Act, as amended, can limit our maximum liability for payment of losses from certified acts of terrorism. That determination will be based on a formula set forth in the law involving the national total of federally insured terrorism losses in an annual period and individual insurer participation in payment of such losses. If one or more certified acts of terrorism in an annual period causes the maximum liability for payment of losses from certified acts of terrorism to be reached, and we have satisfied our required level of payments under the law, then we will not pay for the portion of such losses above that maximum. However, that is subject to possible change at that time, as Congress may, under the Act, determine that payments above the cap will be made.

INSURED'S SIGNATURE _____

DATE _____

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BELL ENDORSEMENT



One Bala Plaza, Suite 100
 Bala Cynwyd, Pennsylvania 19004
 610.617.7900 Fax 610.617.7940
 PHLI.com

Unless otherwise stated herein, the terms, conditions, exclusions and other limitations set forth in this endorsement are solely applicable to coverage afforded by this endorsement, and the policy is amended as follows:

I. SCHEDULE OF ADDITIONAL COVERAGES AND LIMITS

The following is a summary of Limits of Liability or Limits of Insurance and/or additional coverages provided by this endorsement. This endorsement is subject to the provisions of the policy to which it is attached.

COVERAGE	LIMITS OF INSURANCE
Business Travel Accident Expenses	\$50,000
Conference Cancellation	\$25,000
Donation Assurance	\$50,000
Emergency Real Estate Consulting Fee	\$50,000
Fundraising Event Blackout	\$25,000
Identity Theft Expense	\$50,000
Image Restoration and Counseling	\$50,000
Key Individual Replacement Expenses	\$50,000
Kidnap Expense	\$50,000
Political Unrest	\$5,000 per employee: \$25,000 policy limit
Temporary Meeting Space Reimbursement	\$25,000
Terrorism Travel Reimbursement	\$50,000
Travel Delay Reimbursement	\$1,500
Workplace Violence Counseling	\$50,000

II. CONDITIONS

A. Applicability of Coverage

Coverage provided by your policy and any endorsements attached thereto is amended by this endorsement where applicable.

B. Limits of Liability or Limits of Insurance

1. When coverage is provided by this endorsement and another coverage form or endorsement attached to this policy, the greater limits of liability or limits of insurance will apply. In no instance will multiple limits apply to coverages which may be duplicated within this policy. Additionally, if this policy and any other coverage part or policy issued to you by us, or any company affiliated with us, apply to the same occurrence, offense, wrongful act, accident or loss, the maximum limits of liability or limits of insurance under all such coverage parts or policies combined shall not exceed the highest applicable limits of liability or limits of insurance under any one coverage part or policy.
2. Limits of liability or limits of insurance identified in Section I. **SCHEDULE OF ADDITIONAL COVERAGES AND LIMITS** above are not excess of, but are in addition to the applicable Limits of Liability or Limits of Insurance stated in the Declarations.

C. Claim Expenses

Coverages provided herein are not applicable to the generation of claim adjustment costs by you; such as fees you may incur by retaining a public adjuster or appraiser.

III. ADDITIONAL COVERAGES

A. Business Travel Accident Expenses

We will pay any reasonable and necessary expenses an insured incurs if a director or officer suffers injury or death while traveling on a common carrier for your business during the policy period.

For the purpose of Business Travel Accident Expenses coverage, injury means:

1. Physical damage to the body caused by violence, fracture, or an accident that results in loss of life not later than one hundred eighty (180) days after the policy expiration, the date of cancellation or the date of non-renewal;
2. Accidental loss of limbs or multiple fingers;
3. Total loss of sight, speech or hearing.

The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined. No deductible applies to this coverage.

Business Travel Accident Expenses shall not be payable if the cause of the injury was:

1. An intentional act by the insured;
2. An act of suicide or attempted suicide;
3. An act of war; or

4. A disease process.

B. Conference Cancellation

We will reimburse the insured for any business-related conference expenses, paid by the insured and not otherwise reimbursed, for a canceled conference that an employee was scheduled to attend. The cancellation must be due directly to a "natural catastrophe" or a "communicable disease" outbreak that forces the cancellation of the conference.

With respect to a conference cancellation claim, it is further agreed as follows:

1. The insured employee must have registered for the conference at least thirty (30) days prior to the cancellation; and
2. The cancellation must be ordered by a local, state or federal Board of Health or other governmental authority having jurisdiction over the location of the conference.

The limit of insurance for this coverage is \$25,000 per policy period for all insureds combined. No deductible applies to this coverage.

C. Donation Assurance

If the insured is a 501(c)(3) status non-profit organization as defined in the United States Internal Revenue Code, we will reimburse the insured for "failed donation claim(s)."

With respect to any "failed donation claim," it is further agreed as follows:

1. The donor must not have been in bankruptcy, nor have filed for bankruptcy or reorganization in the past seven (7) years prior to the time said pledge was made to the insured;
2. For non-cash donations, our payment of a "failed donation claim" shall be based on the fair market value of said non-cash donation at the time of the "failed donation claim";
3. In the case of unemployment or incapacitation of a natural person donor and as a condition of payment of the "failed donation claim":
 - a. Neither the natural person donor nor the insured shall have had reason to believe the donor would become unemployed or incapacitated subsequent to the donation date; and
 - b. The donor shall be unemployed for at least sixty (60) days prior to a claim being submitted by the insured;
4. No coverage shall be afforded for a written pledge of funds or other measurable, tangible property to the insured dated prior to the policy period; and
5. A donation amount which is to be collected by the insured over more than a twelve (12) month period shall be deemed a single donation.

The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined. No deductible applies to this coverage.

D. Emergency Real Estate Consulting Fee

We will reimburse the insured any realtor's fee or real estate consultant's fee necessitated by the insured's need to relocate due to the "unforeseeable destruction" of the insured's "principal location" listed in the Declarations during the policy period. The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined. No deductible applies to this coverage.

E. Fundraising Event Blackout

We will reimburse the insured for "fundraising expenses" that are incurred due to the cancellation of a fundraising event caused by the lack of electric supply resulting in a power outage, provided the fundraising event is not re-scheduled. The fundraising event must have been planned at least thirty (30) days prior to the power outage. The limit of insurance for this coverage is \$25,000 per policy period for all insureds combined. No deductible applies to this coverage.

F. Identity Theft Expense

We will reimburse any present director or officer of the named insured for "identity theft expenses" incurred as the direct result of any "identity theft" first discovered and reported during the policy period; provided that it began to occur subsequent to the effective date of the insured's first policy with us. The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined. No deductible applies to this coverage.

G. Image Restoration and Counseling

We will reimburse the insured for expenses incurred for image restoration and counseling arising out of "improper acts" by any natural person.

Covered expenses are limited to:

1. The costs of rehabilitation and counseling for the accused natural person insured, provided the natural person insured is not ultimately found guilty of criminal conduct; this reimbursement to occur after acquittal of the natural person insured;
2. The costs charged by a recruiter or expended on advertising, for replacing an officer as a result of "improper acts"; and
3. The costs of restoring the named insured's reputation and consumer confidence through image consulting.

The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined. No deductible applies to this coverage.

H. Key Individual Replacement Expenses

We will pay "key individual replacement expenses" if the Chief Executive Officer or Executive Director suffers an "injury" during the policy period which results in the loss of life during the policy period. The limit of insurance for this coverage is the lesser of \$50,000 or ten (10) times the annual premium paid for this policy. No deductible applies to this coverage.

I. Kidnap Expense

We will pay on behalf of any director or officer of the insured, reasonable fees incurred as a result of the kidnapping of them or their spouse, "domestic partner," parent or child during the policy period. Coverage will not apply to any kidnapping by or at the direction of any present or former family member of the victim.

Reasonable fees will include:

1. Fees and costs of independent negotiators;
2. Interest costs for any loan from a financial institution taken by you to pay a ransom demand or extortion threat;
3. Travel costs and accommodations incurred by the named insured;
4. Reward money paid to an informant which leads to the arrest and conviction of parties responsible for loss covered under this insurance; and
5. Salary, commissions and other financial benefits paid by you to a director or officer. Such compensation applies at the level in effect on the date of the kidnap and ends upon the earliest of:
 - a. Up to thirty (30) days after their release, if the director or officer has not yet returned to work;
 - b. Discovery of their death;
 - c. One hundred twenty (120) days after the last credible evidence following abduction that they are still alive; or
 - d. Twelve (12) months after the date of the kidnapping.

The limit of insurance for this coverage is \$50,000 each policy period for all insureds combined. No deductible applies to this coverage.

J. Political Unrest Coverage

We will reimburse any present director, officer, employee or volunteer of the named insured while traveling outside the United States of America for "emergency evacuation expenses" that are incurred as a result of an incident of "political unrest." This "political unrest" must occur during the policy period. No coverage is granted for travel to countries in a state of "political unrest" at the time of departure of the travel. The limit of insurance for this coverage is \$5,000 per covered person, subject to a maximum of \$25,000 per policy period for all insureds combined. No deductible applies to this coverage.

K. Temporary Meeting Space Reimbursement

We will reimburse the insured for rental of meeting space which is necessitated by the temporary unavailability of the insured's primary office space due to the failure of a climate control system, or leakage of a hot water heater during the policy period. Coverage will exist only for the renting of temporary meeting space required for meeting with parties who are not insured under this policy. The limit of insurance for this coverage is \$25,000 per policy period for all insureds combined. No deductible applies to this coverage.

L. Terrorism Travel Reimbursement

We will reimburse any present director or officer of the named insured in the event of a “certified act of terrorism” during the policy period which necessitates that he/she incurs “emergency travel expenses.” The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined. No deductible applies to this coverage.

M. Travel Delay Reimbursement

We will reimburse any present director or officer of the named insured for any “non-reimbursable expenses” they incur as a result of the cancellation of any regularly scheduled business travel on a common carrier. The limit of insurance for this coverage is \$1,500 per policy period for all insureds combined. A seventy-two (72) hour waiting period deductible applies to this coverage.

N. Workplace Violence Counseling

We will reimburse the insured for emotional counseling expenses incurred directly as a result of a “workplace violence” incident at any of the insured’s premises during the policy period. The emotional counseling expenses incurred must have been for:

1. Your employees who were victims of, or witnesses to the “workplace violence”;
2. The spouse, “domestic partner,” parents or children of your employees who were victims of, or witnesses to the “workplace violence”; and
3. Any other person or persons who directly witnessed the “workplace violence” incident.

The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined. No deductible applies to this coverage.

IV. DEFINITIONS

For the purpose of this endorsement, the following definitions apply:

- A. “Certified act of terrorism” means any act so defined under the Terrorism Risk Insurance Act, and its amendments or extensions.
- B. “Communicable disease” means an illness, sickness, condition or an interruption or disorder of body functions, systems or organs that is transmissible by an infection or a contagion directly or indirectly through human contact, or contact with human fluids, waste, or similar agent, such as, but not limited to Meningitis, Measles or Legionnaire’s Disease.
- C. “Domestic partner” means any person who qualifies as a domestic partner under the provisions of any federal, state or local statute or regulation, or under the terms and provisions of any employee benefit or other program established by the named insured.
- D. “Emergency evacuation expenses” mean:
 1. Additional lodging expenses;
 2. Additional transportation costs;
 3. The cost of obtaining replacements of lost or stolen travel documents necessary for evacuation from the area of “political unrest”; and

4. Translation services, message transmittals and other communication expenses.

provided that these expenses are not otherwise reimbursable.

E. "Emergency travel expenses" mean:

1. Hotel expenses incurred which directly result from the cancellation of a scheduled transport by a commercial transportation carrier, resulting directly from and within forty-eight (48) hours of a "certified act of terrorism"; and
2. The increased amount incurred which may result from re-scheduling comparable transport, to replace a similarly scheduled transport canceled by a commercial transportation carrier in direct response to a "certified act of terrorism";

provided that these expenses are not otherwise reimbursable.

F. "Failed donation claim" means written notice to the insured during the policy period of:

1. The bankruptcy or reorganization of any donor whereby such bankruptcy or reorganization prevents the donor from honoring a prior written pledge of funds or other measurable, tangible property to the insured; or
2. The unemployment or incapacitation of a natural person donor preventing him/her from honoring a prior written pledge of funds or other measurable, tangible property to the insured.

G. "Fundraising expenses" mean deposits forfeited and other charges paid by you for catering services, property and equipment rentals and related transport, venue rentals, accommodations (including travel), and entertainment expenses less any deposits or other fees refunded or refundable to you.

H. "Identity theft" means the act of knowingly transferring or using, without lawful authority, a means of identification of any director or officer (or spouse or "domestic partner" thereof) of the named insured with the intent to commit, or to aid or abet another to commit, any unlawful activity that constitutes a violation of federal law or a felony under any applicable state or local law.

I. "Identity theft expenses" mean:

1. Costs for notarizing affidavits or similar documents attesting to fraud required by financial institutions or similar credit grantors or credit agencies;
2. Costs for certified mail to law enforcement agencies, credit agencies, financial institutions or similar credit grantors; and
3. Loan application fees for re-applying for a loan or loans when the original application is rejected solely because the lender received incorrect credit information.

J. "Improper acts" means any actual or alleged act of:

1. Sexual abuse;
2. Sexual intimacy;
3. Sexual molestation; or

4. Sexual assault;

committed by an insured against any natural person who is not an insured. Such “improper acts” must have been committed by the insured while in his or her capacity as an insured.

K. “Injury” whenever used in this endorsement, other than in Section III. **A. Business Travel Accident Expenses**, means any physical damage to the body caused by violence, fracture or an accident.

L. “Key individual replacement expenses” mean the following necessary expenses:

1. Costs of advertising the employment position opening;
2. Travel, lodging, meal and entertainment expenses incurred in interviewing job applicants for the employment position opening; and
3. Miscellaneous extra expenses incurred in finding, interviewing and negotiating with the job applicants, including, but not limited to, overtime pay, costs to verify the background and references of the applicants and legal expenses incurred to draw up an employment contract.

M. “Natural catastrophe” means hurricane, tornado, earthquake or flood.

N. “Non-reimbursable expenses” means the following travel-related expenses incurred after a seventy-two (72) hour waiting period, beginning from the time documented on the proof of cancellation, and for which your director or officer produces a receipt:

1. Meals and lodging;
2. Alternative transportation;
3. Clothing and necessary toiletries; and
4. Emergency prescription and non-prescription drug expenses.

O. “Political unrest” means:

1. A short-term condition of disturbance, turmoil or agitation within a foreign country that poses imminent risks to the security of citizens of the United States;
2. A long-term condition of disturbance, turmoil or agitation that makes a foreign country dangerous or unstable for citizens of the United States; or
3. A condition of disturbance, turmoil or agitation in a foreign country that constrains the United States Government’s ability to assist citizens of the United States, due to the closure or inaccessibility of an embassy or consulate or because of a reduction of its staff

for which either an alert or travel warning has been issued by the United States Department of State.

P. “Principal location” means the headquarters, home office or main location where most business is substantially conducted.

Q. “Unforeseeable destruction” means damage resulting from a “certified act of terrorism,” fire, collision or collapse which renders all of the insured’s “principal locations” completely unusable.

- R. "Workplace violence" means any intentional use of or threat to use deadly force by any person with intent to cause harm and that results in bodily "injury" or death of any person while on the insured's premises.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**CRISIS MANAGEMENT ENHANCEMENT ENDORSEMENT**

Unless otherwise stated herein, the terms, conditions, exclusions and other limitations set forth in this endorsement are solely applicable to coverage afforded by this endorsement, and the policy is amended as follows:

Solely for the purpose of this endorsement: 1) The words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. 2) The words "we," "us" and "our" refer to the company providing this insurance.

I. SCHEDULE OF ADDITIONAL COVERAGE AND LIMITS

The following is the Limit of Liability provided by this endorsement. This endorsement is subject to the provisions of the policy to which it is attached.

Crisis Management Expense	\$25,000
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II. CONDITIONS**A. Applicability of Coverage**

Coverage provided by your policy and any endorsements attached thereto is amended by this endorsement where applicable. All other terms and conditions of the policy or coverage part to which this endorsement is attached remain unchanged.

B. Limits of Liability or Limits of Insurance

When coverage is provided by this endorsement and any other coverage form or endorsement attached to this policy, we will pay only for the amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect on it or not. But we will not pay more than the applicable Limit of Liability or Limit of Insurance.

C. Claim Expenses

Coverages provided herein are not applicable to the generation of claim adjustment costs by you; such as fees you may incur by retaining a public adjuster or appraiser.

III. ADDITIONAL COVERAGES

A. We will reimburse you for "crisis management emergency response expenses" incurred because of an "incident" giving rise to a "crisis" to which this insurance applies. The amount of such reimbursement is limited as described in Section **II. CONDITIONS, B. Limits of Liability or Limits of Insurance**. No other obligation or liability to pay sums or perform acts or services is covered.

B. We will reimburse only those "crisis management emergency response expenses" which are incurred during the policy period as shown in the Declarations of the policy to which this coverage is attached and reported to us within six (6) months of the date the "crisis" was initiated.

IV. DEFINITIONS

- A.** "Crisis" means the public announcement that an "incident" occurred on your premises or at an event sponsored by you.
- B.** "Crisis management emergency response expenses" mean those expenses incurred for services provided by a "crisis management firm." However, "crisis management emergency response expenses" shall not include compensation, fees, benefits, overhead, charges or expenses of any insured or any of your employees, nor shall "crisis management emergency response expenses" include any expenses that are payable on your behalf or reimbursable to you under any other valid and collectible insurance.
- C.** "Crisis management firm" means any service provider you hire that is acceptable to us. Our consent will not be unreasonably withheld.
- D.** "Incident" means an accident or other event, including the accidental discharge of pollutants, resulting in death or serious bodily injury to three or more persons.
- E.** "Serious bodily injury" means any injury to a person that creates a substantial risk of death, serious permanent disfigurement, or protracted loss or impairment of the function of any bodily member or organ.

Philadelphia Insurance Companies

FLEXI PLUS FIVE



Not-for-Profit Organization Directors
& Officers Liability Insurance

Employment Practices
Liability Insurance

Fiduciary Liability Insurance

Workplace Violence Insurance

Internet Liability Insurance

One Bala Plaza, Suite 100, Bala Cynwyd, Pennsylvania 19004
610.617.7900 Fax: 610.617.7940

FLEXI PLUS FIVE
NOT-FOR-PROFIT ORGANIZATION DIRECTORS & OFFICERS LIABILITY
INSURANCE
EMPLOYMENT PRACTICES LIABILITY INSURANCE
FIDUCIARY LIABILITY INSURANCE
WORKPLACE VIOLENCE INSURANCE
INTERNET LIABILITY INSURANCE

EXCEPT AS OTHERWISE PROVIDED HEREIN, THIS IS A CLAIMS-MADE POLICY.

CLAIMS-MADE POLICIES ONLY COVER THOSE CLAIMS MADE AGAINST THE INSURED DURING THE POLICY PERIOD.

In consideration of the premium paid and in reliance upon all statements made and information furnished to the **Underwriter**, including all statements made in the **Application**, the **Underwriter** agrees to provide coverage as shown in the Declarations and described as follows:

Part 1

Not-for-Profit Organization Directors & Officers Liability Insurance

(To be read in conjunction with the Common Policy
Definitions, Exclusions, and Conditions Sections, Parts 6, 7, 8 below)

I. INSURING AGREEMENTS

- A. The **Underwriter** will pay on behalf of the **Individual Insured**, **Loss** from **Claims** made against **Individual Insureds** during the **Policy Period** (or, if applicable, during the Extension Period), and reported to the **Underwriter** pursuant to the terms of this Policy, for **D&O Wrongful Acts**, except to the extent the **Organization** has indemnified the **Individual Insureds** for such **Loss**.
- B. The **Underwriter** will pay on behalf of the **Organization**, **Loss** from **Claims** made against **Individual Insureds** during the **Policy Period** (or, if applicable, during the Extension Period), and reported to the **Underwriter** pursuant to the terms of this Policy, for **D&O Wrongful Acts**, if the **Organization** has indemnified such **Individual Insureds** for such **Loss**.
- C. The **Underwriter** will pay on behalf of the **Organization**, **Loss** from **Claims** made against the **Organization** during the **Policy Period** (or, if applicable, during the Extension Period), and reported to the **Underwriter** pursuant to the terms of this Policy, for a **D&O Wrongful Act**.

II. DEFINITIONS

- A. **D&O Wrongful Act** means any actual or alleged:
 - 1. Act, error, omission, misstatement, misleading statement, neglect, breach of duty or **Personal & Advertising Injury** committed or attempted by an **Individual Insured** in his/her capacity as an **Individual Insured**; or by the **Organization**; or
 - 2. Act, error, omission, misstatement, misleading statement, neglect, breach of duty or **Personal & Advertising Injury** committed or attempted by an **Individual Insured** while

serving as a director, officer, governor or trustee of any **Outside Entity**, if such service is at the written request or direction of the **Organization**.

However, **D&O Wrongful Act** does not include an **Employment Practice Act**, **Fiduciary Liability Act**, or **Internet Liability Act**.

B. **Outside Entity** means:

1. Any not-for-profit entity described in Section 501(c) of the Internal Revenue Code of 1986 (as amended); or
2. Any other entity listed as an **Outside Entity** in an endorsement to this Policy.

C. **Personal & Advertising Injury** means any actual or alleged:

1. False arrest, detention or imprisonment, or malicious prosecution; or
2. Oral or written publication of material that slanders or libels a person or entity or disparages a person's or entity's goods, products or services; or
3. Oral or written publication of material that violates a person's right of privacy; or
4. Wrongful eviction or entry or other invasion of the right of privacy; or
5. Misappropriation of advertising ideas, unauthorized use of title or slogan, or plagiarism; or
6. Infringement of copyright or trademark.

III. EXCLUSIONS

The **Underwriter** shall not be liable under this Part 1 to make any payment for **Loss** in connection with any **Claim** made against an **Insured**:

A. Arising out of, based upon or attributable to any actual or alleged infringement of any patent or misappropriation of trade secrets;

B. Arising out of, based upon or attributable to any actual or alleged:

1. Publication or utterance of material by or at the direction of such **Insured** with knowledge of its falsity; or
2. Composing, editing, designing, publishing, distributing or printing periodicals, advertisements or other materials by the **Insured** for another party if such activity is not in connection with and not a regular part of the **Insured's** own publications; or

3. Failure of goods, products or services to conform with advertised quality or performance; or

4. Wrong description of the price of goods, products or services;

C. Arising out of, based upon or attributable to any actual or alleged breach of contract or agreement. However, this exclusion shall not apply to the following:

1. Liability of the **Insured** which would have attached even in the absence of such contract or agreement; or

2. **Defense Costs.**

IV. PRESUMPTIVE INDEMNIFICATION

If the **Organization** is permitted or required by common or statutory law, but fails to indemnify the **Insured** for **Loss** (except by reason of its financial insolvency), any payment by the **Underwriter** of such **Loss** shall be subject to the Insuring Agreement C Retention amount set forth in Item 4.(A) of the Declarations. The charter, by-laws, shareholder and board of director's resolutions of the **Organization** shall be deemed to provide indemnification for such **Loss** to the fullest extent permitted by law.

Part 2

Employment Practices Liability Insurance

(To be read in conjunction with the Common Policy
Definitions, Exclusions, and Conditions Sections, Parts 6, 7, 8 below)

I. INSURING AGREEMENTS

A. The **Underwriter** will pay on behalf of the **Insured**, **Loss** from **Claims** made against the **Insured** during the **Policy Period** (or, if applicable, during the Extension Period), and reported to the **Underwriter** pursuant to the terms of this Policy, for an **Employment Practices Act**.

II. DEFINITIONS

A. **Employment Practice Act** means any actual or alleged:

1. Wrongful dismissal, discharge or termination of employment;
2. Breach of a written or oral employment contract or implied employment contract;
3. Employment related misrepresentation;
4. Wrongful failure to promote;
5. Violation of employment discrimination laws (including harassment);
6. Wrongful deprivation of a career opportunity;
7. Employment related wrongful discipline;
8. Negligent employee evaluation;
9. Employment related invasion of privacy;
10. Employment related defamation (including libel and slander);
11. Sexual or workplace harassment of any kind;
12. Constructive discharge of employment;
13. Employment related retaliation;
14. Employment related humiliation;

- 15. Wrongful demotion;
- 16. Negligent reassignment;
- 17. Violation of any federal, state or local civil rights laws;

and committed or attempted by an **Individual Insured** in his/her capacity as an **Individual Insured** or by the **Organization**.

Solely with respect to any **Claim** brought by or on behalf of any **Third Party, Employment Practices Act** means any actual or alleged wrongful failure to employ, discrimination, sexual harassment or violation of such **Third Party's** civil rights in relation to such wrongful failure to employ, discrimination or sexual harassment, whether direct, indirect, or unintentional, committed by an **Individual Insured** in his/her capacity as an **Individual Insured** or by the **Organization**.

However, **Employment Practices Act** does not include a **D&O Wrongful Act, Fiduciary Liability Act, or Internet Liability Act**.

- B. **Third Party** means any natural person who is an active or current customer, supplier, vendor, applicant, business invitee or other client of the **Organization**.

III. EXCLUSIONS

The **Underwriter** shall not be liable under this Part 2 to make any payment for **Loss** in connection with any **Claim** made against the **Insured**:

- A. Arising out of, based upon or attributable to any failure to comply with any law concerning Workers Compensation, Unemployment Insurance, Social Security, Disability Benefits or any similar laws; however, this exclusion shall not apply to any **Claim** for retaliatory treatment against any **Individual Insured** who is attempting to exercise his/her rights under the above laws;
- B. Arising out of, based upon or attributable to any violation of any of the responsibilities, obligations, or duties imposed by the National Labor Relations Act (including the Labor Management Relations Act of 1947), Fair Labor Standards Act (except the Equal Pay Act), Occupational Safety and Health Act, Consolidated Omnibus Budget Reconciliation Act of 1985, Worker Adjustment and Retraining Notification Act; or any amendments to or rules, regulations or orders promulgated pursuant to these laws, or similar provisions of any federal, state or local statutory or common law; however, this exclusion shall not apply to any **Claim** for retaliatory treatment against any **Individual Insured** who is attempting to exercise his/her rights under the above statute, law, rule, regulation or order;
- C. Arising out of, based upon or attributable to a lockout, strike, picket line, replacement or other similar action resulting from labor disputes, labor negotiations, or collective bargaining agreements;
- D. Arising out of, based upon or attributable to obligations or payments owed under (i) an express (written or verbal) contract of employment, (ii) an agreement to make payments in the event of the termination of employment, or (iii) an agreement to assume another's liability; however, this exclusion does not apply to any of the following:
 - 1. Liability of the **Organization** which would have attached even in the absence of such contract or agreement; or

2. **Defense Costs.**

- E. To the extent such **Loss** constitutes employment related benefits, stock options, perquisites, deferred compensation or any other type of compensation earned by the claimant in the course of employment or the equivalent value thereof; however, this exclusion shall not apply to front pay or back pay.

Part 3

Fiduciary Liability Insurance

(To be read in conjunction with the Common Policy
Definitions, Exclusions, and Conditions Sections, Parts 6, 7, 8 below)

I. INSURING AGREEMENTS

- A. The **Underwriter** will pay on behalf of the **Insured**, **Loss** from **Claims** made against the **Insured** during the **Policy Period** (or, if applicable, during the Extension Period), and reported to the **Underwriter** pursuant to the terms of this Policy, for a **Fiduciary Liability Act**.

II. DEFINITIONS

- A. **Administration** means: (i) giving counsel to employees, beneficiaries or participants regarding any **Benefit Plan**, (ii) providing interpretations and handling records in connection with any **Benefit Plan**, or (iii) effecting enrollment, termination or cancellation of employees or participants under any **Benefit Plan**.
- B. **Benefit Plan** means:
1. Any **Welfare Benefit Plan** which was, is now or becomes sponsored by the **Organization** solely for the benefit of the employees of the **Organization**;
 2. Any **Pension Benefit Plan** which was, on or prior to the effective date of this Policy, sponsored by the **Organization** solely for the benefit of the employees of the **Organization**, provided that coverage was available in respect of such **Pension Benefit Plan** under any policy of which this Policy is a renewal or replacement and such **Pension Benefit Plan** has been reported in writing to the **Underwriter** as part of the **Application**;
 3. Any **Pension Benefit Plan** created or acquired (through merger, consolidation or otherwise) during the **Policy Period** by the **Insured** solely for the benefit of the employees of the **Organization**, but only upon the condition that within 90 days after such creation or acquisition, the **Insured** shall have (i) provided written notice to the **Underwriter** of such newly created **Pension Benefit Plan**, and (ii) agreed to any additional terms and paid any additional premium required by the **Underwriter** in its sole discretion;
 4. Any government-mandated benefit program for Workers Compensation, Unemployment, Social Security or Disability Benefit for employees of the **Organization**.

Coverage for **Benefit Plans** which are sold, terminated or spun-off during or prior to the **Policy Period** shall apply only with respect to any **Fiduciary Liability Act** occurring prior to the date of such sale or spin-off, or in the case of termination, prior to the final date of asset distribution of such **Benefit Plan**.

However, **Benefit Plan** does not include any multi-employer plan.

- C. **Fiduciary Liability Act** means any actual or alleged:
1. Breach by an **Insured** of the responsibilities, obligations or duties imposed upon fiduciaries of any **Benefit Plan** by **ERISA**; or
 2. Negligent act, error or omission by an **Insured** solely in the **Administration** of any **Benefit Plans**.

However, **Fiduciary Liability Act** does not include a **D&O Wrongful Act** or an **Internet Liability Act**.

D. **Pension Benefit Plan** means any employee pension benefit plan, as defined in **ERISA**.

E. **Welfare Benefit Plan** means any employee welfare benefit plan, as defined in **ERISA**.

III. EXCLUSIONS

The **Underwriter** shall not be liable under this Part 3 to make any payment for **Loss** in connection with any **Claim** made against the **Insured**:

- A. Arising out of, based upon or attributable to the actual or alleged failure to collect or fund contributions owed to any **Benefit Plan**; or for the return or reversion to any employer of any contribution to or asset of a **Benefit Plan**;
- B. To the extent such **Loss** constitutes benefits due or to become due under a **Benefit Plan** or benefits which would be due under a **Benefit Plan** if its terms complied with all applicable law; however, this exclusion shall not apply to **Defense Costs**;
- C. Arising out of, based upon or attributable to any failure or omission to effect and maintain insurance or bonding for the property or assets of any **Benefit Plan**;
- D. Arising out of, based upon or attributable to any liability of others assumed by the **Insured** under any contract or agreement, other than any contract or agreement establishing a **Benefit Plan**.

Part 4

Workplace Violence Insurance

(To be read in conjunction with the Common Policy Definitions, Exclusions, and Conditions Sections, Parts 6, 7, 8 below)

I. INSURING AGREEMENTS

- A. The **Underwriter** will pay on behalf of the **Organization** any **Violence Damage**, resulting from a **Workplace Violence Act** occurring during the **Policy Period** and reported to the **Underwriter** pursuant to the terms of this Policy.

II. DEFINITIONS

- A. **Violence Damage** means:
 1. **Business Interruption Expense**
 2. **Public Image Restoration Expense**

3. **Workplace Violence Expense**

B. **Business Interruption Expense** means the amount calculated as set forth below for a period of time commencing on the day the **Workplace Violence Act** occurs until the earlier of ninety (90) days following such date, or until the **Organization** restores operations with due diligence and dispatch to the level that existed prior to the **Workplace Violence Act**:

1. The sum of:

- a. Net profits before income taxes that would have been earned had no **Workplace Violence Act** occurred; and
- b. The actual cost of continuing the activities which are necessary for the **Organization** to resume operations with substantially the same quality of service which existed immediately preceding the **Workplace Violence Act**; and
- c. Reasonable expenses which would not have been incurred except for such **Workplace Violence Act** and which were incurred by the **Organization** for the sole purpose of reducing **Business Interruption Expense** described in B.1. (a. or b.) above, not to exceed the amount of actual reduction of such **Business Interruption Expense**; and

2. Less the sum of:

- a. All recoveries, other insurance, suretyship and other indemnity which cover **Business Interruption Expense** described in B.1. above; and
- b. The amount by which the **Organization** reasonably could have but fails to reduce **Business Interruption Expense** described in B.1. above.

C. **Public Image Restoration Expense** means reasonable fees and expenses for, or cost of:

1. An independent public relations consultant for up to ninety (90) days following the date the **Workplace Violence Act** occurs;
2. An independent security consultant for up to ninety (90) days following the date the **Workplace Violence Act** occurs;
3. A counseling seminar for **Individual Insureds** conducted by an independent consultant following the **Workplace Violence Act**;
4. Independent security guard service for up to thirty (30) days following the date the **Workplace Violence Act** occurs;
5. An independent forensic analyst for up to ninety (90) days following the date the **Workplace Violence Act** occurs;

D. **Workplace Violence Expense** means the reasonable fees and expenses for, or cost of:

1. The **Salary** or **Wages**, for up to ninety (90) days following the date the **Workplace Violence Act** occurs, that the **Organization** pays **Individual Insureds** victimized by **Workplace Violence Acts** and unable to continue to work because of such **Workplace Violence Acts**. The **Salary** or **Wages** in effect at the time of the **Workplace Violence Act** shall apply;

2. The **Salary or Wages**, for up to ninety (90) days following the date the **Workplace Violence Act** occurs, that the **Organization** pays a newly hired person(s) to conduct the duties of **Individual Insureds** victimized by **Workplace Violence Acts** and who is/are unable to continue to work because of such **Workplace Violence Acts**; however such **Salary or Wages** shall not exceed the **Salary or Wages** of the victimized **Individual Insured** in effect at the time of the **Workplace Violence Act**.

E. **Workplace Violence Act** means any actual or alleged intentional and unlawful use of, or threat to use, deadly force with an intent to cause harm at the **Premises**.

F. **Premises** means any building, facility or property occupied by the **Organization** in conducting its operations.

G. **Salary or Wages** means compensation the **Organization** pays an **Individual Insured**, including but not limited to bonus, commission, incentive payments, and the cost of health, welfare and pension benefits.

III. EXCLUSIONS

The **Underwriter** shall not be liable under this Part 4 to make any payment for **Violence Damage**:

A. Arising out of, based upon or attributable to war, invasion, insurrection, riot, rebellion, revolution, civil war, or military action;

B. Arising out of, based upon or attributable to a **Workplace Violence Act** which occurs at any location other than the **Premises**;

C. Arising out of, based upon or attributable to the use or threat of force or violence occurring on the **Premises** for the purpose of demanding money, securities or property;

D. Arising out of, based upon or attributable to a **Workplace Violence Act** occurring prior to the Prior and Pending Date shown in Item 5. of the Declarations.

Part 5

Internet Liability Insurance

(To be read in conjunction with the Common Policy Definitions, Exclusions, and Conditions Sections, Parts 6, 7, 8 below)

I. INSURING AGREEMENTS

A. The **Underwriter** will pay on behalf of the **Organization**, **Loss** from **Claims** made against the **Organization** during the **Policy Period** (or, if applicable, during the Extension Period), and reported to the **Underwriter** pursuant to the terms of this Policy, for an **Internet Liability Act**.

II. DEFINITIONS

A. **Internet Activity** means any display, transmission, dissemination, or other use of **Matter** on an **Internet Site**.

B. **Internet Site** means the internet address(es) shown in Item 1. of the Declarations.

C. **Matter** means printed, verbal, numerical, audio or visual expression, or any other expression, regardless of the medium upon which such expression is fixed.

- D. **Product** means any tangible property offered for sale or otherwise disseminated by or through any **Insured**.
- E. **Internet Liability Act** means any actual or alleged act, error, or omission committed or attempted by an **Insured** in their capacity as an **Insured** solely in connection with **Internet Activity** by or on behalf of the **Organization**, including:
1. Libel, slander, or oral or written publication of defamatory or disparaging material; or
 2. Invasion of or interference with the right of privacy; or
 3. Infringement of copyright, service mark, trademark, trade dress or trade name or title or slogan or improper use of literary or artistic titles, formats or performances.

III. EXCLUSIONS

The **Underwriter** shall not be liable under this Part 5 to make any payment for **Loss** in connection with any **Claim** made against the **Insured**:

- A. Arising out of, based upon or attributable to any actual or alleged price fixing, restraint of trade, monopolization, unfair trade practices or any violation of the Federal Trade Commission Act, the Sherman Anti-Trust Act, the Clayton Act, or any other federal statutory provision involving anti-trust, monopoly, price fixing, price discrimination, predatory pricing or restraint of trade activities, and any amendments thereto; or any rules and regulations promulgated thereunder or in connection with such statutes; or any similar provision of any federal, state, or local statutory law or common law anywhere in the world;
- B. Arising out of, based upon or attributable to any actual or alleged breach of contract or agreement, or for liability assumed by the **Organization** under a contract or agreement; however, this exclusion shall not apply to any of the following:
1. Liability of the **Organization** which would have attached even in the absence of such contract or agreement;
 2. **Defense Costs**;
- C. Arising out of, based upon or attributable to any actual or alleged:
1. Wrong description of the price or authenticity of a **Product**; or
 2. Failure of any **Product** to conform with advertised quality or performance; or
 3. Sale or offer for sale of any **Product** that infringes upon the name, design or logo of another entity's **Product**;
- D. Arising out of, based upon or attributable to any actual or alleged infringement of any patent or misappropriation of trade secrets;
- E. To the extent such **Loss** constitutes amounts charged to or due from clients or customers of the **Organization**, or the value of any electronic fund transfer or transaction by or on behalf of the **Organization** which is lost or damaged during transfer into, from or between **Organization** accounts;
- F. Brought or maintained by or on behalf of any federal, state, or local regulatory agency or other administrative body alleging the violation of any federal, state or local laws or regulations;

- G. Arising out of, based upon or attributable to the development, distribution, dissemination, installation, implementation, operation, maintenance and/or filtering software, or of policies, equipment or procedures for establishing or managing a secure method for exchanging electronic information;
- H. Arising out of, based upon or attributable to any costs, expenses or other payment incurred by the **Insured** or others in connection with the withdrawal or recall from the marketplace of the **Insured's Products**, including other products which incorporated the **Insured's Products**;
- I. Arising out of, based upon or attributable to coupons, price discounts, prizes, awards, or any other valuable consideration given in excess of the total contracted or expected amount;
- J. Arising out of, based upon or attributable to (i) a computer virus, (ii) the unauthorized access to or use of a computer, computer system or computer network, or (iii) the inability of an authorized **Third Party** to access services provided by the **Organization** through the **Internet Site**.

Part 6

Common Policy Definitions

A. **Application** means:

1. The **Application** for this Policy, including any material submitted therewith; and
2. The **Application(s)**, including any material submitted therewith, for all previous policies issued by the **Underwriter** of which this Policy is a direct or indirect renewal or replacement,

all of which shall be deemed a part of this Policy as if physically attached hereto.

B. **Claim** means for the purpose of Parts 1, 2, 3, and 5:

1. Any written demand for monetary or non-monetary relief; or
2. Any judicial, civil, administrative, regulatory, or arbitration proceeding (including any appeal therefrom), which subjects an **Insured** to a binding adjudication of liability for monetary or non-monetary relief for a **Wrongful Act**; or
3. Any written request to toll or waive any statute of limitations applicable to any actual or potential suit or cause of action against an **Insured**.

However, **Claim** shall not include a labor or grievance proceeding pursuant to a collective bargaining agreement.

C. **Damages** means a monetary judgment, award or settlement including punitive, exemplary or multiple portion thereof, or, with respect to Part 4 (Workplace Violence Insurance), **Violence Damage**.

D. **Defense Costs** means:

1. Any reasonable and necessary legal fees and expenses incurred in the defense of a **Claim**, whether by the **Insured** with the **Underwriter's** consent or directly by the **Underwriter**, in the investigation, adjustment, defense and appeal of a **Claim**, except that **Defense Costs** shall not include:

- a. Any amounts incurred in defense of any **Claim** for which any other insurer has a duty to defend, regardless of whether or not such other insurer undertakes such duty; or
 - b. Salaries, wages, overhead or benefit expenses associated with any **Insured** except as specified in subparagraph 2. below; or
 - c. Salaries, wages, overhead or benefit expenses associated with employees of the **Underwriter**.
2. A \$250 per day per **Individual Insured** supplemental payment for the attendance at the request or with the consent of the **Underwriter** by such **Individual Insured** at hearings, trials or depositions. Such payment shall not exceed \$5000 in the aggregate for all **Individual Insureds** in each **Claim**.
- E. **ERISA** means the Employee Retirement Income Security Act of 1974, as amended, any similar federal, state, local or common law, and any rules and regulations promulgated thereunder.
- F. **Individual Insured** means:
- 1. Any individual who has been, now is or shall become a director, officer, governor, trustee, equivalent executive, employee (whether salaried or not), volunteer, leased or temporary employee, or committee member of the **Organization** or, solely with respect to Part 3 (Fiduciary Liability Insurance), of any **Benefit Plan**;
 - 2. The lawful spouse of a director, officer, governor, trustee, or equivalent executive of the **Organization**, but only for actual or alleged **Wrongful Acts** of such executive for which such spouse may be liable as the spouse of such executive;
 - 3. The estate, heirs, legal representatives or assigns of a deceased director or officer, or the legal representatives or assigns of such a person who is incompetent, but only for **Wrongful Acts** of the person described in 1. above which, in the absence of such death or incompetence, would have been covered by this Policy;
 - 4. With respect to an **Organization** chartered outside the United States of America, any individual who has been, now is or shall become a person serving in a position with such **Organization** that is equivalent to any position described in 1. above.
- G. **Insured** means the **Organization** and **Individual Insured**.
- H. **Interrelated Wrongful Act** means any causally connected **Wrongful Act** or any series of the same, similar or related **Wrongful Acts**.
- I. **Loss** means:
- 1. **Damages**;
 - 2. **Defense Costs**;
- but **Loss** does not include:
- 1. Criminal or civil fines or penalties imposed by law except that solely with respect to Part 3 (Fiduciary Liability Insurance) **Loss** includes fines or penalties imposed under Section 502 (i) and (l) of **ERISA**; or
 - 2. Taxes; or

3. Matters deemed uninsurable under the law to which this Policy shall be construed; or
4. Any amounts other than **Defense Costs**, which an **Insured** is obligated to pay as a result of a **Claim** seeking relief or redress in any form other than monetary damages; or
5. Any costs other than **Defense Costs** associated with any accommodation required pursuant to the Americans With Disabilities Act, the Civil Rights Act of 1964, rules or regulations promulgated thereunder, amendments thereto, or similar provisions of any federal, state or local law or common law.

J. **Organization** means:

1. The **Parent Organization**,
2. Any **Subsidiary**, and
3. Solely with respect to Part 3 (Fiduciary Liability Insurance), any **Benefit Plan**.

K. **Parent Organization** means the first entity named in Item 1. of the Declarations.

L. **Policy Period** means the period of time specified in Item 2. of the Declarations.

M. **Subsidiary** means:

1. Any not-for-profit entity for which, on or before the inception of the **Policy Period**, the **Parent Organization** has the right to elect or select a majority of the directors or trustees, provided such entity is identified as a **Subsidiary** in the **Application**;
2. Any not-for-profit entity for which, after the inception of the **Policy Period**, the **Parent Organization** has the right to elect or select a majority of the directors or trustees, and whose assets total less than 35% of the total consolidated assets of the **Parent Organization** as of the inception date of this **Policy Period**. The **Parent Organization** shall provide the **Underwriter** with full particulars of the new **Subsidiary** before the end of the **Policy Period**;
3. Any not-for-profit entity for which, after the inception of the **Policy Period**, the **Parent Organization** has the right to elect or select a majority of the directors or trustees, and whose assets total 35% or more of the total consolidated assets of the **Parent Organization** as of the inception date of this **Policy Period**; but only upon the condition that before the end of the **Policy Period** or within 90 days from having the right to elect or select a majority of the directors or trustees, whichever is lesser, the **Parent Organization** shall have provided the **Underwriter** with full particulars and agreed to any additional premium and/or amendment of the provisions of this Policy;
4. Any for profit entity or the directors, officers, or trustees of a for profit entity for which, the **Underwriter**, at its sole discretion, agrees by written endorsement to provide coverage upon such terms or additional premium charged.

Further, coverage as shall be afforded by paragraphs 3. and 4. above, is conditioned upon the **Parent Organization** paying when due any applicable additional premium required by the **Underwriter** relating to such new **Subsidiary**.

N. **Underwriter** means the stock insurance company check marked on the Declarations of this Policy.

- O. **Wrongful Act** means:
1. With respect to Part 1, any **D&O Wrongful Act**,
 2. With respect to Part 2, any **Employment Practices Act**,
 3. With respect to Part 3, any **Fiduciary Liability Act**,
 4. With respect to Part 5, any **Internet Liability Act**.

Part 7

Common Policy Exclusions

The **Underwriter** shall not be liable to make any payment for **Loss** in connection with any **Claim** made against the **Insured**:

- A. Arising out of, based upon or attributable to such **Insured** gaining any profit, remuneration or advantage to which they were not legally entitled; however, this exclusion shall only apply if a final and non-appealable judgment or adjudication establishes the **Insured** committed such act or omission;
- B. Arising out of, based upon or attributable to any dishonest or fraudulent act or omission or any criminal act or omission by such **Insured**; however, this exclusion shall only apply if a final and non-appealable judgment or adjudication establishes the **Insured** committed such act or omission. This exclusion shall not apply to a **Workplace Violence Act** under Part 4 (Workplace Violence Insurance);

No **Wrongful Act** of any **Insured** shall be imputed to any **Individual Insured** for the purpose of determining the applicability of Exclusions A. and B. above.

- C. Arising out of, based upon or attributable to the discharge, dispersal, release or escape of smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids or gases, waste materials, or other irritants, contaminants or pollutants into or upon land, the atmosphere or any watercourse or body of water, or any cost or expense arising out of any governmental direction or request to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize any pollutants;
- D. Arising out of, based upon or attributable to any bodily injury or property damage regarding tobacco smoke, asbestos or mold including, without limitation, the use, exposure, presence, existence, detection, removal, elimination or avoidance of tobacco smoke, asbestos or mold to any persons and in any environment, building or structure;
- E. Arising out of, based upon or attributable to the radioactive, toxic, or explosive properties of nuclear material which includes, but is not limited to, Source Material, Special Nuclear Material and Byproduct Material as those terms are defined in the Atomic Energy Act of 1954 and any amendments thereto, and any similar provisions of any federal, state or local statutory or common law;
- F. Arising out of, based upon or attributable to:
 1. Any litigation or demand against an **Insured** pending on or before the respective Prior and Pending Date set forth in Item 5. of the Declarations, or the same or essentially the same facts as alleged in such prior litigation; or

2. Any **Wrongful Act**, fact, circumstance or situation which has been the subject of any written notice given under any other policy of insurance prior to inception of this Policy; or
 3. Any **Wrongful Act**, fact, circumstance or situation of which, as of the respective Prior and Pending Date set forth in Item 5. of the Declarations, the **Insured** had knowledge and from which the **Insured** could reasonably expect a **Claim** to arise.
- G. Arising out of, based upon or attributable to the insolvency, conservatorship, receivership, bankruptcy or liquidation of any bank, banking firm, broker, dealer, investment company, investment banker, insurance company, or other entity of a similar nature; or the failure to pay or suspension of payment by any such entity;
- H. To the extent such **Loss** constitutes **Defense Costs** in a **Claim** directly or indirectly by, on behalf of, or for the benefit of any insurance carrier or bond carrier of the **Insured** or any affiliate of the **Insured**, regardless of in whose name such **Claim** is actually made;
- I. For any actual or alleged bodily injury, mental anguish, emotional distress, sickness, disease or death of any person, or damage to or destruction of any tangible property including loss of use thereof; however, this exclusion shall not apply to Part 4 (Workplace Violence Insurance) or to mental anguish or emotional distress under Part 2 (Employment Practices Liability Insurance);
- J. Brought or maintained by, at the behest, or on behalf of the **Organization**;
- K. For any actual or alleged violation of the responsibilities, obligations or duties imposed by **ERISA**; however, this exclusion shall not apply to Part 3 (Fiduciary Liability Insurance);
- L. For a **Wrongful Act** committed or attempted by a **Subsidiary**, **Benefit Plan** or an **Individual Insured** of a **Subsidiary** or **Benefit Plan** before such entity or plan became an **Insured** or after the entity or plan ceased to be an **Insured**;
- M. For service by the **Individual Insured** in any position or capacity in any entity other than the **Organization**, a **Benefit Plan** or an **Outside Entity**, even if the **Organization** directed or requested the **Individual Insured** to serve in such other position or capacity.

Part 8

Common Policy Conditions

I. LIMITS OF LIABILITY

Regardless of the number of **Insureds** involved, **Claims** made or **Workplace Violence Acts** committed, the **Underwriter's** liability under the Policy is limited as follows:

- A. With respect to coverage under Part 1 of this Policy, the **Underwriter's** maximum aggregate liability under Part 1 for all **Damages** on account of all **Claims** made during the **Policy Period**, whether covered under Insuring Agreement A, B or C, shall be the Limit of Liability for each **Policy Period** as set forth in Item 3.(A) of the Declarations.
- B. With respect to coverage under Part 2, Part 3, Part 4, or Part 5 of this Policy, the **Underwriter's** maximum aggregate liability for all **Damages** on account of all **Claims** made, and all **Workplace Violence Acts** taking place, during the **Policy Period** shall be the Limit of Liability for each **Policy Period** as set forth in Item 3.(B), 3.(C), 3.(D) or 3.(E), respectively, of the Declarations.

- C. The **Underwriter's** maximum aggregate liability for all **Damages** on account of all **Claims** first made, and all **Workplace Violence Acts** taking place, during the **Policy Period** under all purchased Parts, combined, shall be the Aggregate Limit of Liability set forth in Item 3.(F) of the Declarations. The Limits of Liability set forth in Item 3.(A), 3.(B), 3.(C), 3.(D) and 3.(E) are sub-limits which do not increase the **Underwriter's** maximum liability as set forth in Item 3.(F).
- D. **Defense Costs** is in addition to and is not part of the Limit of Liability specified in Item 3. of the Declarations. Payment by the **Underwriter** of **Defense Costs** incurred on account of any **Claim** shall not serve to reduce the Limit of Liability stated in Item 3. of the Declarations, but the **Underwriter** is not obligated to pay any **Defense Costs** after the applicable Limit of Liability has been exhausted by payment of **Damages**.
- E. The Limit of Liability for any Extension Period, if applicable, shall be a part of and not in addition to the respective Limit of Liability applicable to the **Policy Period**.

II. RETENTION CLAUSE

- A. The **Underwriter** shall only be liable for that portion of **Loss** arising from each **Claim** or **Workplace Violence Act** which is in excess of the respective Retention stated in Item 4. of the Declarations. Such Retention shall be borne by the **Insured**, uninsured and at their own risk, provided no Retention shall apply to **Loss** incurred by **Individual Insureds** for which the **Organization** is not permitted or required to indemnify the **Individual Insured** or is financially unable to do so. A single Retention shall apply to **Loss** arising from all **Claims** alleging **Interrelated Wrongful Acts** and all related **Workplace Violence Acts**.

III. DEFENSE AND SETTLEMENT

- A. The **Insured** and not the **Underwriter** shall have the responsibility to defend any **Claim**. However, the **Insured** shall have the right, as soon as practicable after a **Claim** is first made, to tender the defense of such **Claim** to the **Underwriter**. Upon written notice to the **Underwriter** of such election by the **Insured** and subject to all of the provisions of this Section III. DEFENSE AND SETTLEMENT, the **Underwriter** shall undertake and manage the defense of such **Claim**, even if such **Claim** is groundless, false or fraudulent.
- B. If the **Insured** has assumed the defense of a **Claim** pursuant to A. above, the **Underwriter** shall advance **Defense Costs** prior to the final disposition of a **Claim**. The **Insured** shall elect counsel of its choice subject to approval by the **Underwriter**, such approval shall not be unreasonably withheld. The **Underwriter** shall not be liable for **Defense Costs** incurred, settlements made or judgments admitted by the **Insured** without the **Underwriter's** prior written consent, which shall not be unreasonably withheld.
- C. The **Underwriter** may investigate and, with the consent of the **Insured**, settle any **Claim** or **Workplace Violence Act** as the **Underwriter** deems expedient, but the **Underwriter** is not obligated to pay any **Loss** after the Limit of Liability has been exhausted.
- D. In the event that a **Claim** is made against the **Insured** or a **Workplace Violence Act** occurs, the **Insured** shall take reasonable measures to protect their interests.
- E. If more than one **Insured** is involved in a **Claim**, the **Underwriter** may, in its sole discretion, appoint separate counsel for one or more of such **Insureds** if there is a material (actual or potential) conflict of interest among any such **Insureds**.
- F. The **Insured** agrees to provide the **Underwriter** with all information, assistance and cooperation which the **Underwriter** reasonably requests and agrees that in the event of a **Claim** or a

Workplace Violence Act, the **Insured** will do nothing that may prejudice the **Underwriter's** position or its potential rights of recovery.

- G. If with respect to any **Claim** the **Insured** refuses to consent to the first settlement acceptable to the claimant which the **Underwriter** recommends to the **Insured** in writing, and elects to further contest the **Claim**, then the **Underwriter's** liability for such **Claim** shall not exceed the amount for which the **Claim** could have been settled, including **Defense Costs** incurred, up to the date of such refusal, plus 50% of covered **Loss** in excess of such first settlement amount, it being a condition of this insurance that the remaining 50% of such **Loss** excess of the first settlement amount shall be borne by the **Insured** at their own risk and be uninsured. Notwithstanding the foregoing, this paragraph shall not apply until the settlement amount exceeds the Retention amount stated in Item 4. of the Declarations.

In addition, if the **Underwriter** recommends a first settlement of a **Claim** within the Policy's applicable Limit of Liability which is acceptable to the claimant, and the **Insured** consents to such settlement, then the **Insured's** applicable Retention for such **Claim** shall be retroactively reduced by ten percent (10%). It shall be a condition to such reduction that the **Insured** must consent to the first settlement amount within thirty (30) days after the date the **Underwriter** recommends to the **Insured** such first settlement amount, or in the case of a first settlement amount which arises from a first settlement offer by the claimant, then within the time permitted by the claimant to accept such first settlement offer, but in all events no later than thirty (30) days after the **Underwriter** recommends to the **Insured** such first settlement offer. If the **Insured** does not consent to the first settlement within the time prescribed above, the applicable Retention amount shall remain the respective amount set forth in Item 4. of the Declarations, even if consent is given to a subsequent settlement.

IV. NOTICE/CLAIM REPORTING PROVISIONS

Notice hereunder shall be given in writing to the **Underwriter** at the following address:

Philadelphia Insurance Companies
One Bala Plaza, Suite 100
Bala Cynwyd, Pennsylvania 19004
Attention: Claims Department

The date of mailing shall constitute the date that such notice was given and proof of mailing shall be sufficient proof of notice. Any notice to the **Underwriter** shall specify the Part(s) of this Policy under which the notice is being given and shall be treated as notice only under such specified Part(s).

- A. In the event that a **Claim** is made against the **Insured** or a **Workplace Violence Act** occurs, the **Insured** shall, as a condition precedent to the obligations of the **Underwriter** under this Policy, give written notice of such **Claim** or **Workplace Violence Act** as soon as practicable to the **Underwriter** during this **Policy Period**, or, if applicable, during any Extension Period, but, not later than 60 days after the expiration date of this Policy or any Extension Period, if applicable.
- B. If during this **Policy Period** an **Insured** first becomes aware of any circumstances which may subsequently give rise to a **Claim** being made against any **Insured** for a specific alleged **Wrongful Act**, and as soon as practicable thereafter, but before the expiration or cancellation of this Policy, gives written notice to the **Underwriter** of the circumstances and the reasons for anticipating such a **Claim**, with full particulars as to the **Wrongful Act**, dates and persons involved, then any **Claim** which is subsequently made against the **Insured** arising out of such **Wrongful Act** will be considered made during this **Policy Period**.

- C. All **Loss** arising out of the same **Wrongful Act** and all **Interrelated Wrongful Acts**, or the same or related **Workplace Violence Acts**, shall be deemed one **Loss** on account of one **Claim** or one **Workplace Violence Act**. Such **Claim** or **Workplace Violence Act** shall be deemed to be first made or to have first occurred when the earliest of such **Claims** or **Workplace Violence Acts** were first made or first occurred.

V. CANCELLATION AND NON-RENEWAL

- A. The **Underwriter** may not cancel this Policy except for failure to pay premium when due, in which case 10 days written notice shall be given to the **Parent Organization** for such cancellation to be effective.
- B. The **Parent Organization** may cancel this Policy for itself and all other **Insureds** by surrender of this Policy to the **Underwriter** or any of its authorized agents or by mailing to the **Underwriter** written notice stating when thereafter the cancellation shall be effective. If the **Parent Organization** cancels, earned premium shall be computed in accordance with the customary short rate table procedure.
- C. The **Underwriter** shall not be required to renew this Policy; however, written notice of the **Underwriter's** intent to non-renew this Policy shall be sent to the **Parent Organization** at least 30 days prior to expiration of the **Policy Period**.

VI. REPRESENTATIONS AND SEVERABILITY

- A. The **Insured** represents that the particulars and statements contained in the **Application** are true and agrees that (1) those particulars and statements are the basis of this Policy and are to be considered as incorporated into and constituting a part of this Policy; (2) those particulars and statements are material to the acceptance of the risk assumed by the **Underwriter** under this Policy; and (3) this Policy is issued in reliance upon the truth of such representations.
- B. Except for material facts or circumstances known to the **Individual Insured** signing the **Application**, no statement in the **Application** or knowledge or information possessed by any **Insured** shall be imputed to any other **Individual Insured** for the purpose of determining the availability of coverage.

VII. SUBROGATION

In the event of any payment under this Policy, the **Underwriter** shall be subrogated to the extent of such payment to all of the **Insured's** rights of recovery. The **Insured** shall execute and deliver such instruments and papers and do whatever else is necessary to secure such rights and shall do nothing to prejudice or compromise such rights without the **Underwriter's** express written consent.

VIII. EXTENSION PERIOD

- A. If the **Underwriter** refuses to renew this Policy the following will apply:

For no additional premium, the **Underwriter** will provide a 60 day extension of the coverage granted under Parts 1, 2, 3, and 5 of this Policy for any **Claim** first made against the **Insured** during the 60 days after the non-renewal date, but only with respect to any **Wrongful Act** committed before such non-renewal date and otherwise covered by this Policy (the "Automatic Extension"). This Automatic Extension shall not apply if the **Insured** has purchased similar insurance from the **Underwriter** or any other insurer covering such **Claim**.

Upon expiration of the Automatic Extension, the **Parent Organization** shall have the right, upon payment of an additional 50%, 75%, or 100% of this Policy's annual premium to an extension of

the coverage granted by this Policy for any **Claim** first made against the **Insured** during the twelve (12) months, twenty-four (24) months, or thirty-six (36) months, respectively, after the expiration of the Automatic Extension, but only with respect to **Wrongful Acts** committed before the non-renewal date and otherwise covered by this Policy (the "Extension Period"); provided however, that the request for this Extension Period must be made to the **Underwriter** in writing and payment of the additional premium must be made prior to the expiration of the Automatic Extension. In the event similar insurance is in force covering any **Claims** first made during this Extension Period, coverage provided by this Policy shall be excess over any such other insurance.

- B. If the **Parent Organization** cancels or does not renew this Policy or the **Underwriter** cancels for nonpayment of premium, the following will apply:

The **Parent Organization** shall have the right, upon payment of an additional 50%, 75%, or 100% of this Policy's annual premium, to an extension of the coverage granted under Parts 1, 2, 3 and 5 of this Policy for any **Claim** first made against the **Insured** during the twelve (12) months, twenty-four (24) months, or thirty-six (36) months, respectively, after the date of such cancellation or non-renewal, but only with respect to any **Wrongful Acts** committed before the date of such cancellation or non-renewal and otherwise covered by this Policy (the "Extension Period"); provided however, that the request for this Extension Period must be made to the **Underwriter** in writing and payment of the additional premium must be made within 60 days following the date of such cancellation or non-renewal. In the event similar insurance is in force covering any **Claims** first made during this Extension Period, coverage provided by this Policy shall be excess over any such other insurance.

If the **Underwriter** cancels for the non-payment of premium, the **Parent Organization** may purchase the Extension Period only after any earned premium due to the **Underwriter** is paid within 10 days after the date of cancellation or Policy expiration, whichever comes first.

- C. All premium paid with respect to an Extension Period shall be deemed fully earned as of the first day of the Extension Period. For the purpose of this Section VIII., any change in premium or terms on renewal shall not constitute a refusal to renew.

IX. CHANGES

Except by written endorsement issued to the **Insured** forming a part of this Policy, nothing shall effect a change in or addition to the provisions of this Policy. Furthermore, under no circumstances shall the **Underwriter** be deemed to have waived or be estopped from asserting any right under this Policy, at law, or in equity respecting any **Claim** or **Workplace Violence Act**, except as stated in writing by the **Underwriter's** authorized Claims Department representative.

X. ASSIGNMENT

Assignment of interest in this Policy shall not bind the **Underwriter** until the **Underwriter's** consent is endorsed hereon.

XI. AUTHORIZATION CLAUSE AND NOTICES

By acceptance of this Policy, the **Insured** agrees that the **Parent Organization** shall act on behalf of any **Insured** with respect to the giving and receiving of any return premiums and notices that may become due under this Policy. Notice to the **Parent Organization** shall be directed to the individual named in the **Application**, or such other person as shall be designated by the **Parent Organization** in writing. Such notice shall be deemed to be notice to any **Insured**. The **Parent Organization** shall be the agent of any **Insured** to effect changes in this Policy.

XII. OTHER INSURANCE

If the **Insured** has any other insurance for **Claims** or **Workplace Violence Acts** covered hereunder, the insurance provided by this Policy shall be excess over such other insurance, regardless of whether such other insurance is collectible or designated as primary or excess.

XIII. TERMS OF POLICY CONFORMED TO STATUTE

Terms of this Policy which are in conflict with the statutes of any state in which this Policy is issued are hereby amended to conform to such statutes.

XIV. ACCEPTANCE

This Policy embodies all agreements existing between the parties hereunder or any of their agents relating to this insurance.

XV. ACTION AGAINST THE UNDERWRITER; ARBITRATION

- A. No person or entity shall have any right under this Policy to join the **Underwriter** as a party to any action against the **Insured** to determine the **Insured's** liability, nor shall the **Underwriter** be impleaded by the **Insured** or their legal representatives. Bankruptcy or insolvency of the **Insured** or their successors in interest shall not relieve the **Underwriter** of its obligations hereunder.
- B. Any dispute relating to this Policy or the alleged breach, termination or invalidity thereof, which cannot be resolved through negotiations between any **Insured** and the **Underwriter**, shall be submitted to binding arbitration. The rules of the American Arbitration Association shall apply except with the respect to the selection of the arbitration panel. The panel shall consist of one arbitrator selected by such **Insured**, one arbitrator selected by the **Underwriter** and a third independent arbitrator selected by the first two arbitrators.

XVI. CHANGE IN OWNERSHIP OR CONTROL

- A. If after the inception of the **Policy Period**:
1. The **Organization** merges into or consolidates with another entity such that the other entity is the surviving entity; or
 2. Another entity or person or group of entities and/or persons acting in concert acquires more than fifty percent (50%) of the assets of the **Organization**; or
 3. Another entity or person or group of entities and/or persons acting in concert acquires the right to elect or select a majority of the **Organization's** directors or trustees;
- (1., 2., and 3. above, hereinafter referred to as the "Merger"), then coverage under Parts 1, 2, 3, and 5 of this Policy shall remain in force, but only for **Claims** made during the **Policy Period** (or the Extension Period, if purchased) for **Wrongful Acts** committed prior to the effective date of the Merger and only if the following conditions are met:
1. The **Insured** provides written notice of the Merger to the **Underwriter** within 45 days of the effective date of such Merger; and
 2. The **Insured** provides the **Underwriter** with such information as the **Underwriter** deems necessary.

If **Insured** fails to meet conditions 1. and 2. above, this Policy shall be deemed cancelled by the **Underwriter** as of the effective date of the Merger and the **Underwriter** shall return any unearned premium on a pro rata basis. The **Insured** shall have the right to purchase the Extension Period.

Coverage under Part 4 of this Policy shall cease with respect to any **Workplace Violence Act** occurring after the effective date of the Merger.

B. If after the inception of the **Policy Period**:

1. The **Organization** acquires or assumes more than fifty percent (50%) of the assets, liabilities, or equity of, or merges with any for profit entity or creates a for profit subsidiary, no coverage shall be afforded under this Policy for **Claims** arising out of, based upon or attributable to such transaction unless all of the following conditions are met:
 - a. The **Underwriter** receives from the **Parent Organization** full details of such transaction; and
 - b. The **Underwriter**, at its sole discretion, agrees by written endorsement to this Policy to provide coverage to the for profit entity upon such terms, conditions and limitations as it may require.

XVII. TERRITORY AND VALUATION

This Policy shall extend to any **Wrongful Act** committed or any **Workplace Violence Act** occurring anywhere in the world.

All premiums, limits, retentions, **Loss** and other amounts under this Policy are expressed and payable in the currency of the United States of America. If judgment is rendered, settlement is denominated or another element of **Loss** under this Policy is stated in a currency other than United States of America dollars, payment under this Policy shall be made in United States dollars at the rate of exchange published in The Wall Street Journal on the date the final judgment is reached, the amount of the settlement is agreed upon or the other element of **Loss** is due, respectively.

XVIII. TWO OR MORE COVERAGE PARTS OR POLICIES ISSUED BY THE UNDERWRITER

It is the **Underwriter's** stated intention that the various coverage parts or policies issued to the **Parent Organization** by the **Underwriter**, or any affiliated company, do not provide any duplication or overlap of coverage for the same **Claim** or **Workplace Violence Act**. Notwithstanding the other insurance provision, if this Policy and any other policy issued to the **Parent Organization** by the **Underwriter**, or any affiliated company, apply to the same **Wrongful Act, Workplace Violence Act**, professional incident, occurrence, offense, accident or **Loss**, then the maximum Limit of Liability under all such policies combined shall not exceed the highest applicable Limit of Liability under any one policy.

XIX. ALLOCATION

If both **Loss** covered by this Policy and **Loss** not covered by this Policy are incurred either because a **Claim** includes both covered and uncovered matters, or because a **Claim** is made against both the **Individual Insured** and/or the **Organization**, and others, the **Insured** and the **Underwriter** shall use their best efforts to agree upon a fair and proper allocation of such amount between covered **Loss** and uncovered **Loss**. Any such allocation shall be based upon the relative legal exposures of the parties to covered and uncovered matters.

IN WITNESS WHEREOF, the **Underwriter** has caused this Policy to be signed by its President and Secretary, but the same shall not be binding upon the **Underwriter** unless signed by an authorized representative of the **Underwriter**.



John W. Glomb, Jr.
President & CEO



Secretary

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT
CAREFULLY.**

SHARED LIMITS ENDORSEMENT

This endorsement modifies and is subject to the insurance provided under the following:

FLEXIPLUS FIVE

It is agreed the combined/shared Limit of Liability available for any **Claim** under Part(s) 1 and any **Claim** under Part(s) 2 shall be \$ 1,000,000.

Notwithstanding the foregoing, the Limit of Liability available for any **Claim** under a coverage Part shall also be subject to such Parts Limit of Liability as stated in Item 3 of the Declarations.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT
CAREFULLY.**

**PROFESSIONAL SERVICES EXCLUSION (SUPERVISION
CARVE-OUT)**

This endorsement modifies and is subject to the insurance provided under the following:

FLEXIPLUS FIVE

The Policy is amended as follows:

With respect to coverage under Part 1, the **Underwriter** shall not be liable to make any payment for **Loss** in connection with any **Claim** made against the **Insured** based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving the **Insured's** performance of or failure to perform professional services for others.

Provided, however, that the foregoing shall not be applicable to any derivative action **Claim** alleging failure to supervise those who performed or failed to perform such professional services.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ABUSE EXCLUSION WITH WORKPLACE HARASSMENT CARVEBACK

This endorsement modifies insurance provided under the following:

FLEXI PLUS FIVE

The Policy is amended as follows:

1. The Underwriter shall not be liable to make any payment for **Loss** in connection with any **Claim** based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving the actual or alleged **Abusive Acts** of any person(s).
2. The Underwriter shall not be liable to make any payment for **Loss** in connection with any **Claim** based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving the actual and/or alleged negligent hiring, retention, employment, assignment, placement, training, supervision, oversight, evaluation, assessment, discipline and/or investigation of any person(s) who actually or allegedly committed **Abusive Acts**.

For purposes of this Exclusion, **Abusive Acts** means any actual or alleged:

- a) Sexual abuse;
- b) Sexual harassment;
- c) Sexual assault;
- d) Sexual molestation;
- e) Sexual exploitation;
- f) Physical abuse, harm, assault or battery; or
- g) Psychological or mental abuse or neglect

However, paragraphs 1. and 2. above of this Exclusion shall not apply to the following:

1. **Claims** involving actual and/or alleged acts of harassment committed against an **Individual Insured** occurring in the workplace or in the course of employment or service with the **Organization**.
2. **Claims** involving an **Insured's** actual and/or alleged acts of harassment against a non-**Insured** person(s) in the course, scope or process of their application or interview for employment or service with the **Organization**.

All other terms and conditions remain the same.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**AMENDMENT OF EXCLUSIONS**

This endorsement modifies insurance provided under the following:

FLEXI PLUS FIVE

With regard to Part 1 (**DIRECTORS & OFFICERS LIABILITY INSURANCE**), the **Underwriter** shall not be liable to make any payment for **Loss** in connection with any **Claim** for any actual or alleged violation(s) of any of the responsibilities, obligations or duties imposed by the Employee Retirement Income Security Act of 1974, the Fair Labor Standards Act (except the Equal Pay Act), the National Labor Relations Act, the Worker Adjustment and Retraining Notification Act, the Consolidated Omnibus Budget Reconciliation Act, the Occupational Safety and Health Act, any rules or regulations of the foregoing promulgated thereunder, and amendments thereto or any similar federal, state, local or foreign statutory law or common law; provided, however, this exclusion shall not apply to a **Claim** for retaliation; provided, further, however, there is no coverage provided under this policy for any **Claim** related to, arising out of, based upon, or attributable to the refusal, failure or inability of any **Insured(s)** to reimburse **Employee(s)** for any business or personal expenses, or to pay **Earned Wages** (as opposed to tort-based back pay or front pay damages) or for improper payroll deductions taken by any **Insured(s)** from any **Employee(s)** or purported **Employee(s)**, including, but not limited to, (i) any unfair business practice claim alleged because of the failure to pay **Earned Wages**, or (ii) any **Claim** seeking **Earned Wages** because any **Employee(s)** or purported **Employee(s)** were improperly classified or mislabeled as "exempt."

Part 2 (**EMPLOYMENT PRACTICES LIABILITY INSURANCE**), section III (EXCLUSIONS), item B. is replaced by:

- B. for any actual or alleged violation(s) of any of the responsibilities, obligations or duties imposed by the Employee Retirement Income Security Act of 1974, the Fair Labor Standards Act (except the Equal Pay Act), the National Labor Relations Act, the Worker Adjustment and Retraining Notification Act, the Consolidated Omnibus Budget Reconciliation Act, the Occupational Safety and Health Act, any rules or regulations of the foregoing promulgated thereunder, and amendments thereto or any similar federal, state, local or foreign statutory law or common law; provided, however, this exclusion shall not apply to a **Claim** for **Retaliation**; provided, further, however, there is no coverage provided under this policy for any **Claim** related to, arising out of, based upon, or attributable to the refusal, failure or inability of any **Insured(s)** to reimburse **Employee(s)** for any business or personal expenses, or to pay **Earned Wages** (as opposed to tort-based back pay or front pay damages) or for improper payroll deductions taken by any **Insured(s)** from any **Employee(s)** or purported **Employee(s)**, including, but not limited to, (i) any unfair business practice claim alleged because of the failure to pay **Earned Wages**, or (ii) any **Claim** seeking **Earned Wages** because any **Employee(s)** or purported **Employee(s)** were improperly classified or mislabeled as "exempt."

Part 6 (**COMMON POLICY DEFINITIONS**), is supplemented by:

Earned Wages means wages or overtime pay for services rendered.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**PRO-PAK ELITE ENHANCEMENT**

This endorsement modifies insurance provided under the following:

FLEXIPLUS FIVE**I. DIRECTORS & OFFICERS COVERAGE ENHANCEMENTS**

Part 1 Not-for-Profit Organization Directors & Officers Liability Insurance is amended as follows:

A. DELETION OF PRODUCTS AND SERVICES EXCLUSIONS

Section III. EXCLUSIONS, Item B., Paragraphs 3. and 4. are deleted in their entirety.

B. SIDE-A SEPARATE LIMIT

1. The **Underwriter** shall provide an additional Limit of Liability under Part 1 Not-for-Profit Directors & Officers Liability Insurance, Section I, Insuring Agreements, paragraph A, in an amount not to exceed \$1,000,000, which amount is in addition to and not part of the Limit of Liability set forth in ITEM 3.(A) of the Declarations. This additional Limit of Liability applies solely to **Loss** resulting from any **Claim** against any officers and directors and arising from a **D&O Wrongful Act** to which Insuring Agreement A. is applicable
2. The **Underwriter** shall not be entitled under any circumstances to rescind the coverage granted by Part 1 Not-for-Profit Directors & Officers Liability Insurance, Section I. INSURING AGREEMENTS, paragraph A.

C. BREACH OF CONTRACT SIDE-A CARVEBACK

Section III. EXCLUSIONS, Item C. will not apply to **Claims** with respect to coverage provided under Section I. INSURING AGREEMENTS, Item A.

D. ORDER OF PAYMENTS

It is further understood and agreed that if a **Loss** shall be payable under more than one of the INSURING AGREEMENTS in Part 1 Not-for-Profit Organization Directors & Officers Liability Insurance, then the **Underwriter** shall, to the maximum extent practicable and subject at all times to the **Underwriter's** Limits of Liability specified in the Declarations, pay such **Loss** as follows:

1. First, the **Underwriter** shall pay that **Loss**, if any, which the **Underwriter** may be liable to pay on behalf of the **Individual Insureds** Section I. INSURING AGREEMENTS, Item A.;
2. Second, the **Underwriter** shall pay that **Loss**, if any, which the **Underwriter** may be liable to pay on behalf of the **Organization** for **Claims** made against **Individual Insureds** and indemnified by the **Organization** under Section I. INSURING AGREEMENTS, Item B.;
3. Third, the **Underwriter** shall make such other payments which the **Underwriter** may be liable to pay on behalf of the **Organization** for **Claims** made against the **Organization** under Section I. INSURING AGREEMENTS, Item C.

E. AMENDMENT TO THE DEFINITION OF D&O WRONGFUL ACT

Part 1 Not-for-Profit Directors & Officers Liability Insurance, Section II, Definitions, paragraph A is amended as follows:

1. Act, error, omission, misstatement, misleading statement, neglect, breach of duty or **Personal & Advertising Injury** committed or attempted by an **Individual Insured** in his/her capacity as an **Individual Insured** or any other matter claimed against any **Individual Insured** solely by reason of his or her status as an **Individual Insured**; or
2. Act, error, omission, misstatement, misleading statement, neglect, breach of duty or **Personal & Advertising Injury** committed or attempted by an **Individual Insured** while serving as a director, officer, governor or trustee of any **Outside Entity** if such service is at the request or direction of the **Organization**

However, **D&O Wrongful Act** does not include an **Employment Practice Act, Fiduciary Liability Act, or Internet Liability Act.**

F. AMENDMENT OF THE DEFINITION OF OUTSIDE ENTITY

Part 1 Not-for-Profit Directors & Officers Liability Insurance, Section II, Definitions, paragraph B, Item 1. is deleted in its entirety and replaced by the following:

1. Any not-for-profit entity, community chest, fund or foundation that is exempt from federal income tax as an entity described in Section 501(c)(3), 501(c)(4), 501(c)(7) or 501(c)(10) of the Internal Revenue Code of 1986, as amended, or any other entity organized for religious or charitable purpose under any non-profit organization act or statute; or

G. DELETION OF PRESUMPTIVE INDEMNIFICATION

Section IV, PRESUMPTIVE INDEMNIFICATION. is deleted in its entirety.

II. EMPLOYMENT PRACTICES LIABILITY COVERAGE ENHANCEMENTS

Part 2 Employment Practices Liability Insurance is amended as follows:

This section only applies if a Limit of Liability is specified for Employment Practices Liability Insurance on the Declarations Page.

A. AMENDMENT OF THE DEFINITION OF EMPLOYMENT PRACTICE ACT

Section II. DEFINITIONS, Item A. **Employment Practice Act** is deleted in its entirety and replaced by the following:

Employment Practice Act means any actual or alleged:

1. Wrongful dismissal, discharge or termination of employment;
2. Breach of a written or oral employment contract or implied employment contract;
3. Employment related misrepresentation;
4. Wrongful failure to promote;
5. Violation of employment discrimination laws (including harassment);
6. Wrongful deprivation of a career opportunity;

7. Employment related wrongful discipline;
8. Negligent employee evaluation, training or supervision;
9. Employment related invasion of privacy or violation of employee privacy;
10. Employment related defamation (including libel and slander);
11. Workplace harassment of any kind, including sexual;
12. Hostile work environment;
13. Constructive discharge of employment;
14. Employment related retaliation
15. Employment related humiliation;
16. Wrongful demotion;
17. Negligent reassignment;
18. Negligent hiring or retention;
19. Failure to grant tenure;
20. Failure to provide or enforce consistent employment policies and procedures;
21. Failure to employ;
22. Workplace bullying;
23. Violation of any federal, state or local civil rights laws; and
24. Acts described in 1. through 23. above, arising from the use of the **Organization's** internet, e-mail, blog, telecommunication or similar systems, including communications on a **Social Media Network**, and committed or attempted by an **Individual Insured** in his/her capacity as an **Individual Insured** or by the **Organization**

Solely with respect to any **Claim** brought by or on behalf of any **Third Party, Employment Practice Act** means any actual or alleged wrongful failure to employ, discrimination, harassment or violation of such **Third Party's** civil rights in relation to such wrongful failure to employ, discrimination or harassment, whether direct, indirect, or unintentional, committed by **an Individual Insured** in his/her capacity as an **Individual Insured** or by the **Organization**

Section II. DEFINITIONS is amended to include the following:

Social Media Network shall mean a web-based service that allows an individual to:

1. Construct a public or semi-public profile within a system; or
2. Articulate a list of other users with whom they share a connection; or
3. View and traverse their list of connections and those made by others within the network.

B. AMENDMENT OF THE DEFINITION OF THIRD PARTY

Section II. DEFINITIONS, Item B. **Third Party** is deleted in its entirety and replaced by the following:

Third Party means any natural person who is not an **Individual Insured**.

C. RETALIATORY TREATMENT CARVEBACK FOR LABOR DISPUTES

Section III. EXCLUSIONS, Item C. is amended by the addition of the following:

However, this exclusion shall not apply to any **Claim** for retaliatory treatment against any **Individual Insured** who is participating in the above labor actions.

III. FIDUCIARY LIABILITY COVERAGE ENHANCEMENTS

Part 3 Fiduciary Liability Insurance is amended as follows:

This section only applies if a Limit of Liability is specified for Fiduciary Liability Insurance on the Declarations Page.

A. BROADENED FIDUCIARY LIABILITY INSURING AGREEMENT

Section I. INSURING AGREEMENTS, is deleted and replaced with the following:

- A. The **Underwriter** will pay on behalf of the **Insured**, **Loss** from **Claims** made against the **Insured** during the **Policy Period** (or, if applicable, during the Extension Period), and reported to the **Underwriter** pursuant to the terms of this Policy, for a **Fiduciary Liability Act**. This coverage will not apply to any **Claims** arising out of any alleged violation of Title II of the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and amendments to such law or regulations promulgated under such law concerning privacy of health information or arising out of **Managed Care** liability.

The **Underwriter** will pay on behalf of the **Insured**, in an amount not to exceed \$250,000, any **Voluntary Compliance Fee** incurred with respect to a **Voluntary Compliance Notice**. Such amount shall be subject to the Retention stated in Item 4. (C) of the Declarations Page and shall be part of and not in addition to the Limit of Liability stated in Item 3. (C) of the Declarations Page. This Insuring Agreement shall not apply to any **Voluntary Compliance Fee** incurred with respect to any **Insured's** participation in any **Voluntary Compliance Program** initiated prior to the inception of this Policy.

- B. The **Underwriter** will pay on behalf of the **Insured**, **Loss** from **Claims** made against the **Insured** during the **Policy Period** (or, if applicable, the Extended Reporting Period), for a **Fiduciary Liability Act** arising from any alleged violation of Title II of the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and amendments to such law or regulations promulgated under such law concerning privacy of health information. Coverage under this paragraph is subject to a sublimit of liability of \$250,000. Said sublimit will be part of and not in addition to the Limit of Liability, as set forth in Item 3(C) of the Declarations.
- C. The **Underwriter** will pay on behalf of the **Insured**, **Defense Costs** from **Claims** made against the **Insured** during the **Policy Period** (or, if applicable, the Extended Reporting Period) for a **Fiduciary Liability Act** in connection with **Managed Care** liability solely as regards any **Managed Care** plans sponsored solely by the **Organization** and insured and administered by an outside insurance carrier. Coverage under this paragraph is subject to a sublimit of liability

of \$250,000. Said sublimit will be part of and not in addition to the Limit of Liability, as set forth in Item 3(C) of the Declarations.

For the purposes of this coverage, **Managed Care** will mean any plan providing comprehensive medical care to plan members on the basis of a prepaid contract and which by virtue thereof limits the choices of medical care and service providers available to plan members.

B. AMENDMENT OF THE DEFINITION OF BENEFIT PLAN

Section II. DEFINITIONS, Item B. **Benefit Plan** is deleted in its entirety and is replaced by the following:

Benefit Plan means:

1. Any **Welfare Benefit Plan** which was, is now or becomes sponsored by the **Organization** solely for the benefit of the **Individual Insureds** of the **Organization**;
2. Any **Pension Benefit Plan** which was, on or prior to the effective date of this Policy, sponsored by the **Organization** solely for the benefit of the **Individual Insureds** of the **Organization**, provided that coverage was available with respect to such **Pension Benefit Plan** under any policy of which this Policy is a renewal or replacement and such **Pension Benefit Plan** has been reported in writing to the **Underwriter** as part of the **Application**;
3. Any **Pension Benefit Plan** created or acquired (through merger, consolidation or otherwise) during the **Policy Period** by the **Insured** solely for the benefit of the **Individual Insureds** of the **Organization**,
4. Any government-mandated benefit program for workers compensation, unemployment, social security or disability benefits for **Individual Insureds** of the **Organization**.

However, **Benefit Plan** does not include any multi-employer plan or any employee stock ownership plan unless said plan is added by specific written endorsement to this Policy.

Coverage for **Benefit Plans** which are sold, terminated or spun-off during or prior to the **Policy Period** shall apply only with respect to any **Fiduciary Liability Act** occurring prior to the date of such sale or spin-off, or in the case of termination, prior to the final date of asset distribution of such **Benefit Plan**.

C. AMENDMENT OF THE DEFINITION OF LOSS

Part 6 Common Policy Definitions, Item I. **Loss** is amended by the addition of the following:

Loss means any penalties or other awards imposed by the Pension Ombudsman of England or Occupational Pensions Regulatory Authority of England pursuant to the English Pension Scheme Act 1933, the English Pensions Act 1995, the UK Pensions Act 2004, as amended, and any rules and regulations promulgated thereunder, provided always that no part of the premium for this Policy attributable to this exception has been funded, paid or reimbursed from the funds or assets of any pension scheme insured under this Policy.

D. VOLUNTARY COMPLIANCE FEE COVERAGE

Part 6 Common Policy Definitions, Item D. **Defense Cost** is amended by the addition of the following:

- d. **Voluntary Compliance Fee.**

Part 6 Common Policy Definitions is amended by the addition of the following:

Voluntary Compliance Fee means any costs of corrections, fees, penalties or sanctions imposed by law under a **Voluntary Compliance Program** that any **Insured** becomes legally obligated to pay as a result of a **Fiduciary Wrongful Act**, but shall not include any other costs, charges, expenses, fees, penalties, sanctions, assessments, damages, taxes or matters that may be deemed to be uninsurable under the law pursuant to which this Policy shall be construed.

Voluntary Compliance Notice means any written notice given to the **Underwriter** indicating an **Insured's** intent to participate in a **Voluntary Compliance Program** during the **Policy Period**.

Voluntary Compliance Program means any voluntary compliance resolution program or similar voluntary settlement program administered by the Internal Revenue Service or Department of Labor of the United States, including, but not limited to, the Employee Plans Compliance Resolution System, the Self Correction Program, the Audit Closing Agreement Plan, the Delinquent Filer Voluntary Compliance program and the Voluntary Fiduciary Correction program.

E. AMENDMENT OF THE DEFINITION OF FIDUCIARY LIABILITY INSURANCE TO INCLUDE STATUS PROVISION AND SETTLOR EXTENSION

Section II. DEFINITIONS, C. **Fiduciary Liability Act** is deleted and replaced by the following:

1. Breach by an **Insured** of the responsibilities, obligations or duties imposed upon fiduciaries of any **Benefit Plan** by **ERISA** or any matter claimed against any **Individual Insured** solely by reason of his or her status as an Individual Insured.; or
2. Negligent act, error or omission by an **Insured** solely in the **Administration** of any **Benefit Plan**; or
3. Any actual or alleged act, error or omission by an **Insured** in a settlor capacity as respects a **Benefit Plan**.

However, **Fiduciary Liability Act** does not include a **D&O Wrongful Act**, **Employment Practice Act** or an **Internet Liability Act**.

F. BENEFITS DUE EXCLUSION

Section III. EXCLUSIONS Item B is deleted in its entirety and replaced with the following:

- B. to the extent such **Loss** constitutes benefits due or to become due under a **Benefit Plan** or benefits which would be due under a **Benefit Plan** if its terms complied with all applicable law; however, this exclusion shall not apply to **Defense Costs** or to coverage for settlement and judgment costs for investment loss;

G. DELETION OF FAILURE TO MAINTAIN INSURANCE EXCLUSION

Section III. EXCLUSIONS, C. is deleted in its entirety.

IV. AMENDMENT OF DEFINITIONS

Part 6 Common Policy Definitions, is amended as follows:

A. AMENDED DEFINITION OF APPLICATION

Item A. Application is deleted in entirety and replaced by the following:

Application means the **Application** for this **Policy**, including any material submitted therewith; and any representation provided to the **Underwriter** in the **Application(s)** within the past 12 months of the effective date of this **Policy** for which this **Policy** is a direct or indirect renewal or replacement, all of which will be deemed a part of this **Policy** as if physically attached hereto.

B. DEFINITION OF CLAIM BROADENED

A. Item B. Claim is deleted in its entirety and replaced by the following:

Claim means for the purposes of Parts 1, 2, 3 and 5:

1. Any written demand for monetary or non-monetary relief (including injunctive); or
2. Any civil proceeding, including any appeals therefrom, commenced by the filing, notice or service of complaint, pleading, summons or similar document; or
3. Any criminal proceeding, including any appeals therefrom, commenced by the return of an indictment or the filing of notice of charges or similar document; or
4. Any formal administrative, judicial, regulatory or tribunal proceeding, including any proceeding before the Equal Employment Opportunity Commission or any similar governmental agency, commenced by the filing of notice of charges, formal investigative order, service of summons, subpoena or similar document; or
5. Any arbitration, mediation or similar alternative dispute resolution proceeding commenced by receipt of a demand for such proceeding,
6. Solely with respect to Part 3 (Fiduciary Liability Insurance) a written notice of commencement of an investigation by the Department of Labor or the Pension Benefit Guaranty Corporation;

Against an **Insured** for a **Wrongful Act**, including any appeal therefrom; or
7. Any written request to toll or waive any statute of limitations applicable to any actual or potential suit or cause of action against an **Insured**.
8. An official request for **Extradition**;
9. Solely when used in reference to the coverage provided by Part 1 Not-for-Profit Directors & Officers Liability Insurance, Section I, any service of a subpoena or similar written request upon an **Individual Insured** compelling witness testimony or document production in connection with the matters described in Paragraphs B.1. through B.8. above or with any equivalent action against an **Organization** or **Outside Entity**, in which case, the **Underwriter** will pay the **Defense Costs** incurred solely by such **Individual Insured** in responding to such subpoena or written request.

However, **Claim** shall not include a labor or grievance proceeding pursuant to a collective bargaining agreement.

A **Claim** shall be considered made when an **Insured** first receives notice of the **Claim**.

For B.8. above, the following is added to **Part 1, II. Definitions**

Extradition means any formal process by which an **Individual Insured** located in any country is surrendered to any other country for trial or otherwise to answer any criminal accusation, or the execution of a warrant for the arrest of an **Individual Insured** where such execution is an element of **Extradition**.

C. AMENDED DEFINITION OF DAMAGES

Solely with respect to Parts 1, 2, 3 and 5, Item C. **Damages** is deleted in its entirety and replaced by the following:

Damages means a monetary judgment, award or settlement, including punitive and exemplary damages or multiple portion thereof,

Punitive and exemplary damages, or multiple portion thereof are covered only:

1. To the extent that no Individual Insured is indemnified for punitive damages assessed as result of his/her own misconduct; and
2. To the extent such punitive and exemplary damages or multiple portion thereof, are insurable under applicable law of any jurisdiction which has a substantial relationship to the Insured or to the Claim seeking such damage, and which is most favorable to the insurability of such damage.

With respect to Part 4 Workplace Violence, Damage means Violence Damage (unamended).

D. DEFINITION OF DEFENSE COST BROADENED TO INCLUDE PRE AND POST JUDGEMENT INTEREST

Item D. **Defense Cost** will also mean any pre-judgment interest and post-judgment interest on the portion of any judgment for which the **Underwriter** is liable under this Policy, until the **Underwriter** has tendered or deposited in court or otherwise, such judgment amount for which the **Underwriter** is liable. Payment of any pre-judgment and post-judgment interest of any judgment for which the Underwriter is liable does not reduce any Limit of Liability under this policy.

E. AMENDED DEFINITION OF INDIVIDUAL INSURED

Item F. **Individual Insured** 1. is deleted in its entirety and replaced with the following:

1. Any individual who has been, now is or will become a director, officer, governor, trustee, equivalent executive, employee (whether salaried or not), volunteer, intern, management committee member, risk manager, in-house counselor member of the Board of Managers of the **Organization**, or, solely with respect to Part 3 (Fiduciary Liability Insurance), a director, officer, governor, trustee or employee (whether salaried or not) of any Benefit Plan. Solely in regard to Parts 1 and 3, **Individual Insured** includes member of an Advisory Board; any past employee, director, officer, governor, trustee, volunteer, management committee member, risk manager, in-house counsel, member of the Board of Managers of the **Organization** retained as a fiduciary or plan consultant to the **Benefit Plan**; provided that for the purpose of determining the **Organization's** indemnification obligation to any such consultants, each consultant shall be deemed a director or officer of the **Organization**. Accordingly, the **Organization** shall be deemed to have granted indemnification to each consultant to the fullest extent permitted by statutory or common law to the same extent as any director or officer of the **Organization**.

F. DEFINITION OF INDIVIDUAL INSURED BROADENED TO INCLUDE DOMESTIC PARTNER

Item F. **Individual Insured** will also mean the lawful spouse or **Domestic Partner** of a director, officer, governor, trustee, or equivalent executive of the **Organization**, but only for actual or alleged Wrongful Acts of such person for which such spouse or **Domestic Partner** may be liable as the spouse or **Domestic Partner** of such person. **Domestic Partner** means any person who qualifies as a domestic partner under the provisions of any federal, state or local statute or regulation, or under the terms and provisions of any employee benefit or other program established by the **Organization**; provided that no coverage is afforded by this section shall apply with respect to any **Loss** arising from an act, error or omission by an **Insured Individual's** spouse, domestic partner, estate, heirs, legal representatives or assigns.

G. DEFINITION OF INDIVIDUAL INSURED BROADENED TO INCLUDE LEGAL REPRESENTATIVES AND/OR ASSIGNS

Item F. **Individual Insured** will also mean the estate, heirs, legal representatives or assigns of a deceased director or officer, or the legal representatives or assigns of such a person who is incompetent, but only for **Wrongful Acts** of the person described in Item E. 1. above which, in the absence of such death or incompetence, would have been covered by this Policy;

H. DEFINITION OF INDIVIDUAL INSURED BROADENED TO INCLUDE INTERNATIONAL EQUIVALENT

With respect to an **Organization** chartered outside the United States of America, **Item F. Individual Insured** will also mean any individual who has been, now is or shall become a person serving in a position with such **Organization** that is equivalent to any position described in Item E. 1. above.

I. DEFINITION OF INDIVIDUAL INSURED BROADENED TO INCLUDE INDEPENDENT CONTRACTOR

With respect to **Claims** brought under Part 2 Employment Practices Liability Insurance, **Item F. Individual Insured** will also mean any independent contractor working on behalf of the **Organization**. Such individual shall be deemed an **Individual Insured** only if and to the extent that the **Organization** provides indemnification to such individual for services rendered as if they were rendered by an actual **Individual Insured** of the **Organization**, and provided further that such individual(s) have been identified by the **Organization** to the **Underwriter**. This **Policy** does not cover any **Loss** which any **Insured** is obligated to pay an independent contractor for overtime pay, vacation pay, employee benefit, or any compensation for services rendered.

J. DEFINITION OF INDIVIDUAL INSURED BROADENED TO INCLUDE APPLICANT

With respect to **Claims** brought under Part 2 Employment Practices Liability Insurance, **Item F. Individual Insured** will also mean any applicant for employment with the **Organization**.

K. AMENDED DEFINITION OF LOSS

Item I. **Loss** is deleted in its entirety and replaced by the following:

- I. **Loss** means:
 - 1. **Damages**;
 - 2. **Defense** Costs;

but **Loss** does not include:

- a. fines or penalties imposed by law except fines and penalties assessed against an **Insured** pursuant to 15 U.S.C. 78dd-2(g)(2)(B) (the Foreign Corrupt Practices Act); provided that such violation is neither intentional or willful and such fines and penalties are insurable under the law of jurisdiction in which such fines or penalties are assessed; and solely with respect to Part 3 (Fiduciary Liability Insurance), **Loss** includes:
 1. fines or penalties imposed under Section 502 (i) and (l) of ERISA;
 2. civil money penalties imposed upon an **Insured** for such **Insured's** violation of the privacy provisions of the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), as amended;
 3. civil fines and penalties imposed upon an **Insured** for violations of the Pension Protection Act of 2006 ("PPA");
 4. civil fines and penalties imposed upon an **Insured** as a fiduciary under Section 502(c) of ERISA, as amended (including, any amendments pursuant to Section 507 of Title V of the Pension Protection Act of 2006);
 5. civil fines and penalties imposed upon an **Insured** for violation of the Patient Protection and Affordable Care Act ("PPACA") and the Health and Education Reconciliation Act of 2010, as amended, and any rules or regulations promulgated thereunder;
 6. with respect to covered judgments, the fifteen percent (15%) or less tax penalty imposed upon an **Insured** under Section 4975 of the Internal Revenue Code of 1986;
 7. Provided that with regards to the above items 1. through 6., the **Underwriter's** maximum aggregate limit of liability for all such fines and penalties on account of all **Claims** first made during the **Policy Period** shall be \$250,000, which amount is part of, and not in addition to, the Maximum Aggregate Limit of Liability set forth in Item 3(C) of the Declarations; solely with respect to the fines and penalties described in items 1. through 6., no Retention shall apply.
- b. taxes; or
- c. matters deemed uninsurable under the law to which this Policy will be construed; or
- d. any amounts other than **Defense Costs**, which an **Insured** is obligated to pay as a result of a **Claim** seeking relief or redress in any form other than monetary damages; or
- e. any costs other than **Defense Costs** associated with any accommodation required pursuant to the American With Disabilities Act (removed Civil Rights Act of 1964) and the rules or regulations promulgated thereunder, amendments thereto, or similar provisions of any federal, state or local law or common law.

Loss means any penalties or other awards imposed by the Pension Ombudsman of England or Occupational Pensions Regulatory Authority of England pursuant to the English Pension Scheme Act 1933, the English Pensions Act 1995, the UK Pensions Act 2004, as amended, and any rules

and regulations promulgated thereunder, provided always that no part of the premium for this Policy attributable to this exception has been funded, paid or reimbursed from the funds or assets of any pension scheme insured under this Policy.

Loss will also include fines and penalties resulting from a **Claim** provided that they are brought:

1. Seeking coverage for an **Excess Benefit Transaction Excise Tax**; or
2. Alleging violations of the Emergency Medical Treatment and Active Labor Act (EMTALA), 42 U.S.C. 1396dd, et seq., and any other similar state or local statute.

The foregoing is subject to the following provisions:

- a. The Limit of Liability specified in the Declarations is replaced by \$100,000 per **Claim** and \$100,000 for all **Claims** in the **Policy Period**. This Limit of Liability will apply to the total of all **Loss** and **Defense Cost** combined, even if this Policy is endorsed to provide **Defense Cost** in addition to the Limit of Liability.

This inclusion of **Defense Cost** within the Limit of Liability, for all coverage provided by Item I. **Loss** above, will supersede any provision to the contrary.

The **Underwriter** will not be liable for **Damages** arising out of an **Excess Benefit Transaction Excise Tax**, as provided herein, for amounts exceeding \$10,000 that an **Individual Insured** is obligated to pay as a result of a **Claim**.

- b. Coverage will exist if and only to the extent that indemnification is provided by the **Organization** to any **Insured** for any **Excess Benefit Transaction Excise Tax**.
- c. The **Underwriter** will not be liable to make payment for any **Loss** or **Defense Cost** in connection with any **Claim** for any excise tax imposed by the Internal Revenue Service on any Disqualified Person for any **Excess Benefit Transaction**.
- d. **Excess Benefit Transaction** means an "excess benefit transaction" as that term is defined in the Taxpayer Bill of Rights 2, P.L. 104-168.
- e. **Excess Benefit Transaction Excise Tax** means any excise tax imposed by the Internal Revenue Service on an **Individual Insured** as a result of the **Individual Insured's** participation in an **Excess Benefit Transaction**. **Excess Benefit Transaction Excise Tax** means any excise tax imposed by the Internal Revenue Service on an **Individual Insured** as a result of the **Individual Insured's** participation in an **Excess Benefit Transaction**.

L. DEFINITION OF ORGANIZATION BROADENED TO INCLUDE DEBTOR IN POSSESSION

Item J. **Organization** will also mean:

4. Any entity or person as a debtor in possession within the meaning of the United States Bankruptcy Code or similar legal status under foreign law.

M. AMENDED DEFINITION OF SUBSIDIARY

Item M. **Subsidiary** is deleted in its entirety and replaced by the following:

Subsidiary means:

1. Any not-for-profit entity for which, on or before the inception of the **Policy Period**, the **Parent Organization** has the right to elect or select a majority of the directors or trustees, provided such entity is identified as a **Subsidiary** in the **Application**;
2. Any not-for-profit entity for which, after the inception of the **Policy Period**, the **Parent Organization** has the right to elect or select a majority of the directors or trustees, and whose assets total less than 50% of the total consolidated assets of the **Parent Organization** as of the inception date of this **Policy Period**. The **Parent Organization** shall provide the **Underwriter** with full particulars of the new **Subsidiary** before the end of the **Policy Period**;
3. Any not-for-profit entity for which, after the inception of the **Policy Period**, the **Parent Organization** has the right to elect or select a majority of the directors or trustees, and whose assets total 50% or more of the total consolidated assets of the **Parent Organization** as of the inception date of this **Policy Period**; but only upon the condition that before the end of the **Policy Period** or within 90 days from having the right to elect or select a majority of the directors or trustees, whichever is lesser, the **Parent Organization** shall have provided the **Underwriter** with full particulars and agreed to any additional premium and/or amendment of the provisions of this Policy; Further, coverage as shall be afforded to the new **Subsidiary** is conditioned upon the **Parent Organization** paying when due any additional premium required by the **Underwriter** relation to such new **Subsidiary**.
4. Any not-for-profit entity for which, on or before the inception of the **Policy Period**, the **Parent Organization** has the right to elect or select a majority of the directors or trustees, provided such entity is identified as an Affiliate in the **Application**.

N. DEFINITION OF POLICY PERIOD BROADENED

Item L. **Policy Period** is amended to include that if the calendar date upon which this Policy is scheduled to expire is a "Weekend" or "National Holiday" then this Policy's expiration date is automatically extended to the next day immediately following the "Weekend" or "National Holiday".

For the purpose of clause N. above, the following applies:

1. "Weekend" shall mean the calendar days of Saturday and Sunday.
2. "National Holiday" shall mean the calendar days designated as such by the United States Federal Government per U.S. Federal law (5 U.S.C. 6103).

V. AMENDMENT OF EXCLUSIONS

Part 7 Common Policy Exclusions, is amended as follows:

A. SEVERABILITY OF EXCLUSIONS FOR INDIVIDUAL INSUREDS

The following wording is included under the Common Policy Exclusions:

In determining whether any of the following Exclusions apply, the Wrongful Act of any Individual Insured shall not be imputed to any other Insured.

B. AMENDMENTS TO EXCLUSIONS A AND B

EXCLUSION A. is deleted in its entirety and replaced with the following:

- A. Arising out of, based upon or attributable to such **Insured** gaining any profit, remuneration or advantage to which they were not legally entitled; however, this exclusion shall only apply if a final and non-appealable judgment or adjudication in the underlying action establishes the **Insured** committed such act or omission;

EXCLUSION B. is deleted in its entirety and replaced with the following:

- B. Arising out of, based upon or attributable to any deliberately dishonest or fraudulent act or omission or any criminal act or omission by such **Insured**; however, this exclusion shall only apply if a final and non-appealable judgment or adjudication in the underlying action establishes the **Insured** committed such act or omission; This exclusion shall not apply to a **Workplace Violence Act** under Part 4 (Workplace Violence Insurance);

C. SIDE-A POLLUTION CARVEBACK

EXCLUSION C. will not apply to **Claims** with respect to coverage provided under Part 1 Not-for-Profit Organization Directors & Officers Liability Insurance, Section I. INSURING AGREEMENTS, Item A.

D. DELETION OF EXCLUSIONS D, G AND H

EXCLUSION D., **EXCLUSION G.**, and **EXCLUSION H.** are deleted in their entirety.

E. AMENDMENT OF EXCLUSION F

EXCLUSION F. is deleted in its entirety and replaced by the following:

- F. Arising out of, based upon or attributable to:
 - a. Any litigation or written demand against an **Insured** pending on or before the respective Prior and Pending Date set forth in Item 5. of the Declarations, or the same facts as alleged in such prior litigation; or
 - b. Any **Wrongful Act**, fact, circumstance or situation which has been the subject of any written notice given under any other policy of insurance, with a similar type of coverage, prior to inception of this Policy;

F. AMENDMENT OF EXCLUSION J

EXCLUSION J. is deleted in its entirety and replaced by the following:

J. Brought or maintained by, at the behest, or on behalf of the **Organization** except a derivative action **Claim** by any person who is not a past or present director, officer, governor, trustee, equivalent executive, management committee member, or member of the Board of Managers of the **Organization** and who brings or maintains the **Claim** without the solicitation, assistance or participation of such persons; provided, however that this exclusion shall not apply to a **Claim** brought or maintained by or on behalf of a bankruptcy or insolvency receiver, trustee, examiner, conservator, liquidator or rehabilitator, creditor committee, foreign jurisdiction, debtor-in-possession for the **Organization** or any assignee of such receiver, trustee, examiner, conservator, liquidator or rehabilitator;

Item J. will not apply to any **Claim** brought by a creditor committee, foreign jurisdiction or debtor in possession or as a derivative action, or similar action, on behalf of the **Organization**, provided the **Claim** is brought without the assistance of any current or former director, officer, governor, trustee

or equivalent executive of the **Organization** who has served in such capacity within one (1) year immediately preceding the date the **Claim** is first made.

VI. AMENDMENT OF CONDITIONS

Part 8 Common Policy Conditions, is amended as follows:

A. AGGREGATE RETENTION

Section II. RETENTION CLAUSE is deleted in its entirety and replaced with the following:

- A. The **Underwriter** shall only be liable for that portion of **Loss** arising from each **Claim** or **Workplace Violence Act** which is in excess of the respective Retention stated in Item 4. of the Declarations Page. Such Retention shall be borne by the **Insured**, uninsured and at their own risk, provided no Retention shall apply to **Loss** incurred by **Individual Insureds** for which the **Organization** is not permitted or required to indemnify the **Individual Insured** or is financially unable to do so. A single Retention shall apply to **Loss** arising from all **Claims** alleging **Interrelated Wrongful Acts** and all related **Workplace Violence Act**

During the **Policy Period** an "Aggregate Retention" will apply for each coverage Part. The "Aggregate Retention" will be triple (3 times) the amount of the Retention(s) stated in Item 4. of the Declarations Page.

B. MODIFICATION OF CONSENT TO SETTLE

Section III. DEFENSE AND SETTLEMENT, Item G. is deleted in its entirety and replaced by the following:

If with respect to any **Claim** the **Insured** refuses to consent to the first settlement acceptable to the claimant which the **Underwriter** recommends to the **Insured** in writing, and elects to further contest the **Claim**, then the **Underwriter's** liability for such **Claim** shall not exceed the amount for which the **Claim** could have been settled, including **Defense Cost** incurred, up to the date of such refusal, plus 85% of covered **Loss** in excess of such first settlement amount, it being a condition of this insurance that the remaining 15% of such **Loss** in excess of the first settlement amount shall be borne by the **Insured** at their own risk and be uninsured. Notwithstanding the foregoing, this paragraph shall not apply until the settlement amount exceeds the Retention amount stated in Item 4 of the Declarations Page.

In addition, if the **Underwriter** recommends a first settlement of a **Claim** within the Policy's applicable Limit of Liability which is acceptable to the claimant, and the **Insured** consents to such settlement, then the **Insured's** applicable Retention for such **Claim** shall be retroactively reduced by ten percent (10%). It shall be a condition to such reduction that the **Insured** must consent to the first settlement amount within thirty (30) days after the date the **Underwriter** recommends to the **Insured** such first settlement amount, or in the case of a first settlement amount which arises from a first settlement offer by the claimant, then within the time permitted by the claimant to accept such first settlement offer, but in all events no later than thirty (30) days after the **Underwriter** recommends to the **Insured** such first settlement offer. If the **Insured** does not consent to the first settlement within the time prescribed above, the applicable Retention amount shall remain the respective amount stated in Item 4. of the Declarations Page, even if consent is given to a subsequent settlement.

C. MODIFICATIONS TO NOTICE/CLAIM REPORTING PROVISIONS

Section IV. NOTICE/CLAIM REPORTING PROVISIONS, paragraphs A. and B. are deleted and replaced by the following:

- A. In the event that a **Claim** is made against the **Insured** or a **Workplace Violence Act** occurs, the **Insured** shall, as a condition precedent to the obligations of the **Underwriter** under this Policy, give written notice of such **Claim** or **Workplace Violence Act** to the **Underwriter** as soon as practicable after the Chief Executive Officer, Executive Director, Chief Financial Officer, Chief Operating Officer, General Counsel, Risk Manager, Human Resources Manager or any person in an equivalent position first becomes aware of such **Claim**, but, not later than 90 days after the expiration date of this Policy, Extension Period, or Run-Off Policy, if applicable.
- B. If during this **Policy Period** the Chief Executive Officer, Executive Director, Chief Financial Officer, Chief Operating Officer, General Counsel, Risk Manager, Human Resources Manager or any person in an equivalent position first becomes aware of any circumstances which may subsequently give rise to a **Claim** being made against any **Insured** for a specific alleged **Wrongful Act**, and as soon as practicable thereafter, but before the expiration or cancellation of this Policy, gives written notice to the **Underwriter** of the circumstances and the reasons for anticipating such a **Claim**, with full particulars as to the **Wrongful Act**, dates and persons involved, then any **Claim** which is subsequently made against the Insured arising out of such **Wrongful Act** will be considered made during this **Policy Period**.

D. AMENDMENT OF SEVERABILITY

Section VI. REPRESENTATIONS AND SEVERABILITY is deleted in its entirety and replaced by the following:

- A. In granting coverage to any **Insured** under this Policy, the **Underwriter** has relied upon the declarations and statements in the written **Application(s)** for this Policy. Such declarations and statements are the basis of the coverage under this Policy and shall be considered as incorporated in and constituting part of this Policy.
- B. Any written **Application(s)** shall be construed as a separate **Application(s)** for coverage by each **Insured**. With respect to the declarations and statements in such **Application(s)**:
- a. No fact pertaining to, or knowledge possessed by any **Individual Insured** shall be imputed to any other **Individual Insured** for the purpose of determining if coverage is available; and
 - b. Only facts pertaining to, and knowledge possessed by the Chief Financial Officer, General Counsel, President, Executive Director or Chairperson of any part of the **Organization** or any other individual signing such **Application(s)** shall be imputed to the **Organization** for the purpose of determining if coverage is available.

E. AUTOMATIC UNLIMITED REPORTING PERIOD FOR FORMER DIRECTORS & OFFICERS

Section VIII. EXTENSION PERIOD is amended by the addition of the following:

If the **Parent Organization** cancels or does not renew this Policy for a reason other than being sold, acquired or bankrupt, any former director, officer, governor, trustee, or equivalent executive of the **Parent Organization** who was not serving in the capacity as a director, officer, governor, trustee, or equivalent executive of the **Parent Organization** at the time of the cancellation or non-renewal shall be provided an "Unlimited Extension Period" to report any **Claim** which may be first made against such former director, officer, governor, trustee, or equivalent executive after the date of such cancellation or non-renewal, but only with respect to any **Wrongful Act** committed before the date of such cancellation or non-renewal.

However, this "Unlimited Extension Period" shall only be afforded if no other Directors and Officers Liability policy, or policy providing essentially the same type of coverage, or Extension Period other than B. above, is in effect at the time the **Claim** is made.

F. STATE AMENDATORY LIBERALIZATION

In consideration of the premium charged, it is hereby understood and agreed that in the event that there is an inconsistency between a state amendatory attached to this policy and any term or condition of this policy, then it is understood and agreed that, where and to the extent permitted by law, the Insurer shall apply those terms and conditions of either the amendatory or the policy which are more favorable to the Insured.

G. BROADENED OTHER INSURANCE CLAUSE

SECTION XII. OTHER INSURANCE is deleted in its entirety and replaced with the following:

If the Insured has any other insurance for **Claims** covered under Part 1 Directors & Officers and Part 3 Fiduciary Liability, the insurance provided by this Policy shall share proportionately with other valid and collectible insurance, regardless of whether such other insurance is designated as primary or excess.

In event of a **Claim** against the **Insured** arising out of serving in his/her capacity as a director, officer, governor or trustee of an **Outside Entity**, coverage as is afforded by this policy shall be specifically excess of indemnification provided by such **Outside Entity** and any insurance provided to such **Outside Entity**.

With respect to coverage afforded under Part 2 Employment Practices Liability, **Claims** arising out of an **Employment Practices Act** shall be primary. However, in the event of a **Claim** against the **Insured** arising out of an **Employment Practices Act** against or committed by a leased employee, temporary employee, **Independent Contractor**, or **Third Party**, coverage as is afforded by this policy shall be specifically excess of other valid and collectible insurance, regardless of whether such other insurance is designated as primary or excess

H. FULL ALLOCATION

Part 8, COMMON POLICY CONDITIONS, Section XIX. ALLOCATION is deleted in its entirety and replaced with the following:

In the event that the **Insured** tenders the defense of a **Claim** to the **Underwriter** and both **Loss** covered by this Policy and **Loss** not covered by this Policy are incurred either because a **Claim** includes both covered and uncovered matters, or because a **Claim** is made against both the **Individual Insured** and/or the **Organization**, and others, then coverage shall apply as follows:

- (1) **Defense Costs**: one hundred percent (100%) of reasonable and necessary **Defense Costs** incurred by such **Insured** from such **Claim** will be considered covered **Loss**; and
- (2) **Loss** other than **Defense Costs**: all remaining **Loss** incurred by such **Insured** from such **Claim** will be allocated between covered **Loss** and uncovered **Loss** based upon the relative legal exposures of the parties to such matters.

This endorsement shall not apply to any **Claim** for violation of the Fair Labor Standards Act (FLSA) or any similar federal, state, local or foreign statutory law or common law or regulation governing or related to wage and hour practices, including but not limited to, (i) any unfair business practices alleged because of the failure or inability of any **Insured(s)** to reimburse **Employee(s)** for any business or personal expenses, or pay **Earned Wages**, or (ii) seeking

Earned Wages because any **Employee(s)** status was misclassified or mislabeled, or (iii) any dispute involving the distribution or pooling of tip monies.

Earned Wages means wage compensation or overtime pay for services rendered.

All other terms of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BREACH OF CONTRACT WITH LIABILITY OBLIGATION CARVEBACK

This endorsement modifies insurance provided under the following:

FLEXI PLUS FIVE

Part 1 Not-for-Profit Organization Directors & Officers Liability Insurance, Section III. EXCLUSIONS, Item C. is deleted in its entirety and replaced with the following:

- C. Arising out of, based upon or attributable to any actual or alleged liability under any written or oral agreement; however, this exclusion shall not apply to liability which would have attached even in the absence of such contract or agreement.

All other terms and conditions remain the same.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BIOMETRIC INFORMATION CLAIM EXCLUSION

This endorsement modifies insurance provided under the following:

FLEXI PLUS FIVE

This endorsement modifies Part 1 and Part 2 of your Policy.

- I. The following DEFINITIONS are added to **Part 1, II. DEFINITIONS** and **Part 2, II. DEFINITIONS** as follows:

Biometric Information means any information used to identify a natural person based on an anatomical scan or any record of biological pattern or characteristic, including but not limited to such natural person's retina or iris scan, fingerprint, voiceprint or any record of hand or face geometry.

Biometric Information does not include any information that is protected or regulated pursuant to the Health Insurance Portability and Accountability Act of 1996.

Biometric Information Claim means a **Claim** brought or maintained against an **Insured** for a violation of any federal, state or local law that regulates or restricts the collection, storage, use and/or disposal of **Biometric Information**, including violations of any required notifications, disclosures or authorizations related to such **Biometric Information**.

- II. **Part 1, III. EXCLUSIONS** and **Part 2, III. EXCLUSIONS** are amended to include the following:

Based upon, arising from, or in any way related to **Biometric Information** and/or any **Biometric Information Claim**.

All other terms of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ILLINOIS AMENDATORY ENDORSEMENT

This endorsement modifies insurance provided under the following:

FLEXIPLUS FIVE

1. Under Part 7, Common Policy Exclusions – Section D and Section E are deleted and replaced with the following:

D. arising out of, based upon or attributable to any bodily injury or property damage regarding tobacco smoke or asbestos including, without limitation, the use, exposure, presence, existence, detection, removal, elimination or avoidance of tobacco smoke or asbestos to any persons and in any environment, building or structure;

E. arising out of, based upon or attributable to the radioactive, toxic, or explosive properties of nuclear material which includes Source Material, Special Nuclear Material and ByProduct Material as those terms are defined in the Atomic Energy Act of 1954 and any amendments thereto and any similar provisions of any federal, state or local statutory or common law;

2. Under Part 8, Common Policy Conditions - Section V. CANCELLATION AND NON-RENEWAL is amended as follows:

Paragraph C. is deleted and replaced with the following:

C. The **Underwriter** shall not be required to renew this Policy; however, written notice of the **Underwriter's** intent to: (1) non-renew this Policy; or (2) renew directly to the **Parent Organization** with a renewal increase of 30% or more, or with a change in deductible or coverage that materially alters the policy, shall be sent to the **Parent Organization** at least 60 days prior to expiration of the **Policy Period**.

3. Under Part 8. Common Policy Conditions – Section XII. OTHER INSURANCE is deleted and replaced with the following:

If the **Insured** has any other insurance for **Claims** or **Workplace Violence Acts** covered hereunder, the insurance provided by this Policy shall share proportionately with any other valid or collectible insurance contract.

4. The following applies to Item F **Individual Insured** under Part 6. Common Policy Definitions:

If the definition of an **Individual Insured** is amended to include a lawful domestic partner of a director, officer, governor, trustee, or equivalent executive of the **Organization**, but only for actual or alleged **Wrongful Acts** of such executive for which such domestic partner may be liable as the domestic partner of such executive, **Individual Insured** will also include a party to a civil union with a director, officer, governor, trustee, or equivalent executive of the **Organization**, but only for actual or alleged **Wrongful Acts** of such executive for which the party to a civil union may be liable due to the civil union.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

DIRECTORS AND OFFICERS LIABILITY

If aggregate insured losses attributable to terrorist acts certified under the federal Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism subject to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

1. 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
2. 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.
3. The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any loss which would otherwise be excluded under this Policy.