

Fitness Instructors Endorsement 1 - 2008

It is hereby agreed and declared that:

Fines and Penalties

W. R. Berkley agrees to provide indemnity in respect of any Fine or Penalty first made against the Insured during the Policy Period which would otherwise be excluded due to the definition of COMPENSATION PROVIDED ALWAYS THAT:

- (a) the breach of professional duty giving rise to the penalty or damages did not arise from gross negligence or any intentional, wilful, reckless or deliberate act, error or omission;
- (b) indemnification is permitted at law; and
- (c) the maximum aggregate amount payable under this extension is \$250,000 which is part of the total Indemnity Limit available under this policy and not in addition.

W. R. Berkley will also indemnify the Insured for any Defence Costs incurred with W. R. Berkley's prior written consent (such consent not to be unreasonably withheld or unreasonably delayed) in the investigation, reporting on, defence or settlement of any Fine or Penalty indemnified by this extension. These Defence Costs are part of and not in addition to the sub limit for this optional extension.

Activities exclusion

W. R. BERKLEY will not indemnify the INSURED for the following activities:

- i. sale or hire of fitness equipment;
- ii. swimming instruction;
- iii. sale of product over the internet;
- iv. for any activities for which the INSURED is not qualified; or
- v. ownership or operation of a fitness facility (which without limiting the foregoing includes a gym) at which other operators apart from the INSURED carry out instruction or members not under the INSURED's instruction attend.

Contractors

Clause 2.2.8 of the policy wording is deleted and of no effect. In addition any claim in connection with any CONTRACTOR working for or on behalf of the INSURED is excluded.

Molestation

W. R. BERKLEY will not indemnify the INSURED for the harassment of, the interference with, the molestation of, the mental abuse of or the physical abuse of or by any persons.

To the extent that any parts of the above endorsement are found to be invalid or unenforceable, the remainder of each part of the endorsement shall remain in full force and effect.

Subject always to all other policy terms, conditions and exclusions which remain unaltered.