

**This Declaration Page is attached to and forms part of certificate provisions (Form SLC-3).**

Previous No.      <f1>                      Authority Ref. No.                      Certificate No.      <<f2>>

**MISCELLANEOUS MEDICAL  
PROFESSIONAL AND GENERAL LIABILITY INSURANCE POLICY  
CLAIMS MADE AND REPORTED COVERAGE**

**1. INSURED:**

(a) **Named Insured:**                      <f3> <f4>  
(b) **Named Insured's Address:**              <f5> <f6>  
   <f7>, <f8> <f9>

**2. POLICY PERIOD:**

From: <f10> to <f11> both days at 12:01 A.M. Local Standard Time at the **Named Insured's** address shown in Item 1(b) of the Declarations.

**3. DESCRIPTION OF OPERATIONS:**

<f12>

**4. LIMIT OF LIABILITY:**

Professional Liability:                      \$<f13> Each **Claim**  
Professional Liability Aggregate Limit of Liability: \$<f14>  
General Liability:  
  Bodily Injury/Property Damage:              \$<f15> Each **Claim**  
  Personal/Advertising Injury:                  \$<f16> Each **Claim**  
  Products/Completed Operations:              \$<f17> Aggregate  
  Fire Damage:                                  \$<f18> Any One Fire  
  Medical Payments:                              \$<f19> Any One Person  
General Liability Aggregate Limit of Liability: \$<f58>  
Combined Policy Aggregate Limit of Liability: \$<f20>

**5. SELF-INSURED RETENTION:**

\$<f21> Each **Claim**

**6. RETROACTIVE DATE:**

<f22> - Professional Liability  
<f23> - General Liability

**7. PREMIUM FOR THIS POLICY:**

<f50>

**8. ENDORSEMENTS ATTACHING TO THE POLICY:**

Policy form **P1861MM-0114** and Application form and Warranty Statement dated <f26> and all its attachments are hereby attached and made a part of this policy. **Wherever in any of the forms, clauses or conditions of this insurance the word "Policy" appears, this shall be deemed to be "Certificate"**.

Form Numbers of Endorsements attached at policy issuance: E1861A-0914, E1861B-0914  
**Insurance is effected with certain UNDERWRITERS AT LLOYD'S, LONDON (100%)**

**9. NOTIFICATION OF CLAIM TO:**

NAS Insurance Services, LLC  
16501 Ventura Blvd., Suite 200  
Encino, CA 91436

**10. SERVICE OF SUIT:**

FLWA Service Corp.  
c/o Foley & Lardner LLP  
555 California Street, Suite 1700  
San Francisco, CA 94104-1520

**Dated** <f25>

**NAS INSURANCE SERVICES, LLC**

By: \_\_\_\_\_ **S P E C I M E N**  
Correspondent

**MISCELLANEOUS MEDICAL  
PROFESSIONAL AND GENERAL LIABILITY INSURANCE POLICY  
CLAIMS MADE AND REPORTED COVERAGE**

THIS IS A CLAIMS MADE AND REPORTED POLICY. COVERAGE IS ONLY PROVIDED FOR CLAIMS: (1) FIRST MADE AGAINST THE INSURED DURING THE POLICY PERIOD OR ANY APPLICABLE EXTENDED REPORTING PERIOD; (2) REPORTED TO UNDERWRITERS NO LATER THAN SIXTY (60) DAYS AFTER THE CLAIMS ARE FIRST MADE; AND (3) ARISING FROM PROFESSIONAL SERVICES WHICH WERE RENDERED OR GENERAL LIABILITY INCIDENTS WHICH OCCURRED SUBSEQUENT TO THE RETROACTIVE DATE AND PRIOR TO THE EXPIRATION OF THE POLICY PERIOD.

To have coverage for any **Claim** which may be covered under this policy, an **Insured** must properly report the **Claim** to Underwriters. Unless an **Insured** has properly reported within sixty (60) days from the date the **Claim** was made, there is no coverage for any **Claim** (or for resulting **claims**) first reported more than sixty (60) days after the **Claim** was made. If a **Claim** is covered by the policy and it is properly reported, coverage for it (and resulting claims and lawsuits) continues forever, subject to the applicable limit of liability, unless an **Insured** delays in reporting a resulting lawsuit to Underwriters, or if an **Insured** fails to meet his or her other obligations under the policy. The reporting date shall be the first day the Underwriters receive a report of a **Claim** from an **Insured**. Each **claim** is governed by the policy in effect on its reporting date.

A **claim** is not necessary before a **Professional Liability Incident** or **General Liability Incident** may be reported. If an **Insured** first becomes aware of a **Professional Liability Incident** or **General Liability Incident** during the **Policy Period** which reasonably might give rise to a **Claim**, such **Professional Liability Incident** or **General Liability Incident** must be reported to Underwriters during the **Policy Period**, pursuant to Condition 1, B, in order to have coverage for any resulting **Claim**. A report of a **Professional Liability Incident** or **General Liability Incident** from a source other than an **Insured** under this policy does not trigger coverage.

This Policy is divided into two coverage Sections, Professional Liability (Coverage Section 1) and General Liability (Coverage Section 2). The following Insuring Agreements, Conditions, Definitions and Exclusions apply to both Sections and, unless noted otherwise, any Endorsements to this Policy.

In consideration of the payment of the premium and the Self Insured Retention, and in reliance upon the representations in the **Named Insured's** completed and signed application and any materials submitted therewith, and subject to the Insuring Agreements, Conditions, Definitions and Exclusions of this Policy, Underwriters agree with the **Insured** as follows:

**I. INSURING AGREEMENTS**

**1. COVERAGE - CLAIMS MADE AND REPORTED**

**Section 1 - Professional Liability**

Subject to the Professional Liability Limits of Liability specified in Item 4 of the Declarations, Underwriters agree to pay those sums in excess of the Self Insured Retention that an **Insured** becomes legally obligated to pay as **Damages**, and related **Defense Expenses**, because of a **Claim** arising out of a **Professional Liability Incident** that occurs on or after the Retroactive

Date set forth in Item 6 of the Declarations and before the expiration of the **Policy Period**, provided that the **Claim** is first made against the **Insured** during the **Policy Period** (or any applicable **extended reporting period**) and reported to Underwriters no later than sixty (60) days after the **Claim** is first made.

## **Section 2 - General Liability**

### **A. Bodily Injury and Property Damage**

Subject to the General Liability Limits of Liability specified in Item 4 of the Declarations, Underwriters agree to pay those sums in excess of the Self Insured Retention that an **Insured** becomes legally obligated to pay as **Damages**, and related **Defense Expenses**, because of a **Claim** for **Bodily Injury** or **Property Damage** caused by a **General Liability Incident** that occurs on or after the Retroactive Date set forth in Item 6 of the Declarations and before the expiration of the **Policy Period**, provided that the **Claim** for **Bodily Injury** or **Property Damage** is first made against the **Insured** during the **Policy Period** (or any applicable **extended reporting period**) and reported to Underwriters no later than sixty (60) days after the **Claim** is first made.

### **B. Personal and Advertising Injury**

Subject to the General Liability Limits of Liability specified in Item 4 of the Declarations, Underwriters agree to pay those sums in excess of the Self Insured Retention that an **Insured** becomes legally obligated to pay as **Damages**, and related **Defense Expenses**, because of a **Claim** for **Personal Injury** or **Advertising Injury** caused by a **General Liability Incident** that occurs on or after the Retroactive Date set forth in Item 6 of the Declarations and before the expiration of the **Policy Period**, provided that the **Claim** for **Personal Injury** or **Advertising Injury** is first made against the **Insured** during the **Policy Period** (or any applicable **extended reporting period**) and reported to Underwriters no later than sixty (60) days after the **Claim** is first made.

This Policy only applies to **Personal Injury** if caused by an offense arising out of the conduct of the **Named Insured's** business, excluding advertising, publishing, broadcasting or telecasting done by, or for the benefit of, the **Named Insured**.

This Policy only applies to **Advertising Injury** if caused by an offense committed in the course of advertising the **Named Insured's** goods, products or services.

### **C. Medical Payments**

If Medical Payments coverage is purchased, Underwriters will pay medical expenses as described below for **Bodily Injury** caused by an accident:

- A. On premises the **Named Insured** owns or rents;
- B. On ways next to premises the **Named Insured** owns or rents; or
- C. Because of the **Named Insured's** operations;

Provided that:

- A. The accident takes place in the Coverage Territory and occurs during the **Policy Period**; A **claim** for **damages** must first be made against an **Insured** during the period of **Policy**

**Period** and reported to Underwriters no later than sixty (60) days after the **Claim** is first made.

- B. The medical expenses are incurred and reported to Underwriters within one year of the date of the accident; and
- C. The injured person submits to examination, at Underwriters' expense, by physicians of Underwriters' choice as often as Underwriters reasonably require.

Underwriters will make these payments regardless of fault. These payments will not exceed the applicable Limit of Liability, as set forth in Item 4 of the Declarations. Underwriters will pay reasonable expenses for:

- A. First aid administered at the time of an accident;
- B. Necessary medical, surgical, x-ray and dental services, including prosthetic devices; and
- C. Necessary ambulance, hospital, professional nursing and funeral services.

Underwriters will not pay medical expenses for **bodily injury**:

- A. To any **Insured**.
- B. To a person hired to do work for or on behalf of any **Insured** or a tenant of any **Insured**.
- C. To a person injured on that part of premises the **Named Insured** owns or rents which such person normally occupies.
- D. To a person, whether or not an **Employee** of any **Insured**, if benefits for the **Bodily Injury** are payable or must be provided under a workers' compensation or disability benefits law or a similar law.
- E. To a person injured while taking part in athletics.
- F. Due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, rebellion or revolution.
- G. Excluded under Section 2 – General Liability.

## 2. DEFENSE, SETTLEMENT, INVESTIGATION

Underwriters have the right and duty to defend any **Claim** against an **Insured** seeking **Damages** which are payable under the terms of this Policy, even if any of the allegations of the **Claim** are groundless, false or fraudulent. Underwriters have the right to appoint an attorney to defend any **claim** against the **Insured**. Underwriters have the right, in their sole discretion, to effect any settlement they deem prudent.

Underwriters will pay **Defense Expenses** as part of, and not in addition to, the applicable Limit of Liability. Underwriters' duty to defend any **claim** ends, and Underwriters may withdraw from the defense, after the applicable Limit of Liability of this Policy has been exhausted by the payment of **Damages** or **Defense Expenses**, or both.

## 3. COVERAGE TERRITORY

With regard to Professional Liability (Section 1), this Policy shall apply to **Claims** brought against the **Insured** in the United States of America (including its territories and possessions) as a result of **Professional Services** provided anywhere in the world.

With regard to General Liability (Section 2), this Policy shall apply to **Claims** brought against the **Insured** in the United States of America (including its territories and possessions) as a result of **General Liability Incidents** which occur in:

- A. The United States of America (including its territories and possessions), Puerto Rico and Canada;
- B. International waters or airspace, provided the **General Liability Incidents** do not occur in the course of travel or transportation to or from any place not included in 3.A. above; or
- C. All parts of the world if:
  - i) The **Bodily Injury** or **Property Damage** arises out of:
    - (a) Goods or products made or sold by an **Insured** in the territory described in 3 (A) above; or
    - (b) The activities of a person whose home is in the territory described in 3.A. above, but is away for a short time on the **Named Insured's** business.

#### 4. LIMITS OF LIABILITY

##### Section 1 - Professional Liability

The Limits of Liability for Professional Liability (Coverage Section 1) are as stated in Item 4 of the Declarations. The Each **Claim** Limit of Liability for Coverage Section 1 is the most Underwriters will pay as **Damages** or **Defense Expenses**, or both, arising out of any one **Claim** for a **Professional Liability Incident** made during the **Policy Period**, regardless of the number of persons or organizations making **Claims**, or the number of **Insureds** against whom **Claims** are made. The Professional Liability Aggregate Limit of Liability stated in Item 4 of the Declarations is the most Underwriters will pay as **Damages** or **Defense Expenses**, or both, for the sum of all **Claims** made during the **Policy Period** under that Coverage Section of the Policy, regardless of the number of **Claims** made, persons or organizations making **Claims**, or the number of **Insureds** against whom **Claims** are made.

It is agreed that any **Claims** relating to **Bodily Injury** sustained by any client, patient or resident of the **Named Insured** arising out of circumstances that would otherwise be insured under Coverage Section 2, General Liability, shall be deemed to be **Professional Liability Incidents** and subject to the Limits of Liability applicable to Coverage Section 1, Professional Liability.

##### Section 2 - General Liability

The Limits of Liability for General Liability (Coverage Section 2) are as stated in Item 4 of the Declarations, and the rules below fix the most Underwriters will pay regardless of the number of **Claims** made, persons or organizations making **Claims**, or the number of **Insureds** against whom **Claims** are made.

- A. The General Liability Aggregate Limit of Liability, as stated in Item 4 of the Declarations, is the most Underwriters will pay for the sum of:
  - i) **Damages** and **Defense Expenses** under Insuring Agreement A. for **Bodily Injury** and **Property Damage**, except **Damages** and **Defense Expenses** because

of **Bodily Injury** and **Property Damage** included in the **Products and Completed Operations Hazard**;

- ii) **Damages and Defense Expenses** under Insuring Agreement B. for **Personal and Advertising Injury**; and
  - iii) Medical Payments under Insuring Agreement C.
- B. The **Products and Completed Operations Hazard** Aggregate Limit is the most Underwriters will pay under Insuring Agreement A for **Damages and Defense Expenses**, or both, because of **Bodily Injury** and **Property Damage** included in the **Products and Completed Operations Hazard**.
- C. Subject to paragraph A or paragraph B above, whichever applies, the each **Claim** Limit of Liability for General Liability is the most Underwriters will pay for the sum of **Damages and Defense Expenses**, or both, arising out of any one **Claim** made during the **Policy Period** under Insuring Agreements A and B.
- D. Subject to paragraph C above, the Fire Damage Limit of Liability, if shown in Item 4 of the Declarations, is the most Underwriters will pay under Insuring Agreement A for **Damages** because of **Property Damage** to premises rented by, or leased to, the **Named Insured**, arising out of any one fire.
- E. Subject to paragraph C above, the Medical Payments Limit, if shown in Item 4 of the Declarations, is the most Underwriters will pay under Insuring Agreement C for all medical payments because of **Bodily Injury** sustained by any one person.

#### **Combined Policy Aggregate Limit of Liability**

The Combined Policy Aggregate Limit of Liability stated in Item 4 of the Declarations is the total limit applicable for all **Damages or Defense Expenses**, or both, arising out of all **Claims** made during the **Policy Period** (including any applicable **extended reporting period**), regardless of the number of **Claims** made, persons or organizations making **Claims**, or the number of **Insureds** against whom **Claims** are made. The Combined Policy Aggregate Limit of Liability stated in Item 4 of the Declarations is shared by both the Professional Liability (Coverage Section 1) and the General Liability (Coverage Section 2) sections of the Policy.

#### **5. SELF INSURED RETENTION**

Underwriters shall only be liable to make payment in excess of the Self Insured Retention specified in Item 5. of the Declarations of this Policy. Underwriters shall have no obligation to make any payment until the Self Insured Retention has been exhausted by the actual payment of **Damages or Defense Expenses**, or both, in respect of a **Claim** otherwise covered by this Policy.

The **Insured** shall bear all **Damages or Defense Expenses**, or both, incurred until such time as the Self Insured Retention is exhausted. The Self Insured Retention shall only be reduced or exhausted by the actual payment of **Damages or Defense Expenses**, or both, which would, except for the amount thereof, be covered by this Policy. The **Insured** must pay all **Defense Expenses** as they accrue, until such time as the Self Insured Retention is exhausted. Any failure by the **Insured** to pay **Defense Expenses** as they accrue shall constitute a material breach of this Policy.

## 6. APPLICATION OF POLICY

This Policy only applies to **Professional Liability Incidents** and **General Liability Incidents** which occur subsequent to the Retroactive Date and prior to the expiration of the **Policy Period**, and regarding which a **Claim** is first made against the **Insured** during the **Policy Period** (or any applicable **extended reporting period**) and reported to Underwriters no later than sixty (60) days after the **Claim** is first made.

All **Claims** arising out of the same **Professional Liability Incident** or **General Liability Incident** shall be treated as a single **Claim** and considered as having been made at the time the first **Claim** was made. The inclusion of more than one **Insured** or the making of **Claims** by or on behalf of more than one person or organization shall not operate to increase Underwriters' Limit of Liability. All related **Claims** shall be subject to the Limit of Liability applicable to the **Policy Period** in which the first of all such related **Claims** was reported. No **Claim** can qualify as both a **Professional Liability Incident** and a **General Liability Incident** under this Policy, and no claim can trigger both the Limits of Liability for Coverage Section 1 and the Limits of Liability for Coverage Section 2 under this Policy.

## 7. CURRENCY & PAYMENT OF PREMIUMS & LOSSES

The premium and losses under this Policy are payable in United States dollars.

## 8. NON-PYRAMIDING OF LIMITS

In the event that any **Claim** is covered, in whole or in part, under more than one insuring agreement of this **Policy**, or more than one policy insured by Underwriters and issued by NAS Insurance Services, LLC, including any coverage(s) added by endorsement, then the total applicable Limit of Liability for such **Claim** shall not exceed the single largest Limit of Liability available for such **Claim** under any such insuring agreement or policy. Such largest applicable Limit of Liability shall apply only once to such **Claim**. The Retention or Deductible for each insuring agreement or policy shall be applied to the portion of such **Claim** that is allocated to the respective **Insured**.

An **Insured** shares the limit of the **Named Insured** where liability for acts or omissions of others is imputed to such **Insured** by operation of law. Any person who qualifies as an **Insured** pursuant to this policy has shared limits with the **Named Insured**. When actions involve more than one claimant, **Insured**, Additional **Insured** or policy, Underwriters will allocate their payments among available limits in their sole discretion.

## II. CONDITIONS

### 1. NOTIFICATION REQUIREMENTS

#### A. NOTICE OF A CLAIM

As a condition precedent to the protection afforded by this Policy, the **Insured** shall give written notice to the entity referenced in Item 9 of the Declarations of any **Claim** no later than sixty (60) days after the **Claim** is first made against the **Insured**. A **Claim** will be deemed to be made when it is received by the **Insured**. The notice should include the date the **Claim** was received; how, when and where the **Professional Liability Incident**

or **General Liability Incident** took place; the names and addresses of any injured persons and witnesses; and the nature and location of any resulting injury or **Damages**; and any other information available to the **Insured** which might assist Underwriters in their investigation of the **Claim**. Underwriters are not obligated to pay any **Defense Expenses** incurred prior to **Claim** notification.

## B. NOTICE OF POTENTIAL CLAIM/INCIDENT REPORTING

If an **Insured** first becomes aware of a specific **General Liability Incident** or **Professional Liability Incident** during the **Policy Period** and gives written notice to the entity referenced in Item 9 of the Declarations during the **Policy Period** of:

- a) the specific **General Liability Incident** or **Professional Liability Incident**, and
- b) the consequences which have resulted or may result therefrom, and
- c) the circumstances by which the **Insureds** first become aware thereof,

then any **Claim** made subsequently arising out of such **General Liability Incident** or **Professional Liability Incident** shall be deemed to have been made at the time such notice was first given to Underwriters.

## 2. ASSISTANCE AND COOPERATION

The **Insured** must do nothing after a loss to prejudice Underwriters' rights.

The **Insured** shall cooperate with Underwriters and, upon Underwriters' request, shall assist in the investigation and defense of the **Claim** and in enforcing any right of contribution or indemnity against any person or organization who may be liable to an **Insured** with respect to any **Claim** which is or may be covered under this Policy. The **Insured** shall attend all hearings and trials and will assist in obtaining witnesses, and securing and giving evidence.

In the event any payment is made under this Policy, Underwriters will be subrogated to all of the **Insured's** rights of recovery against any person or organization; the **Insured** will execute documents and do whatever else is necessary to secure such rights.

No **Insured** shall admit liability, assume any obligation, settle any **Claim**, make any payment or incur any **Defense Expenses** without the written consent of Underwriters. Underwriters shall not be liable for any payments made or **Defense Expenses** incurred by or on behalf of the **Insured** prior to written notice of **Claim** being received by the entity designated in Item 9. of the Declarations.

No **Insured** shall voluntarily make any payment, assume any obligation or incur any expense other than for first aid to others at the time of a **Professional Liability Incident** or **General Liability Incident**.

## 3. OTHER INSURANCE

If other valid and collectible insurance is available to the **Insured** covering a **Claim** also covered by this Policy, this Policy shall be in excess of and shall not contribute with such other insurance. Notwithstanding any "other insurance" provision contained in any other valid and collectible insurance available to the **Insured**, the "other insurance" provision contained herein is controlling, and Underwriters shall not make any payments under this Policy until the limits of



the **Insured's** "other insurance" have been exhausted. Subject to the preceding, the coverage afforded hereunder is in excess of and shall not contribute with any other valid and collectible insurance which has been specifically contracted for the **Insured** or another under any Policy in which the **Insured** is a Named Insured or Additional Insured. Nothing herein shall be construed to make this Policy subject to the terms, definitions, conditions and limitations of the other insurances.

#### 4. **WARRANTY OF PHYSICIAN COVERAGE**

- A. In consideration of the premium charged, it is agreed that all employed, contract or staff physicians, surgeons or dentists who practice at the **Named Insured's** facility, shall maintain their own Medical Malpractice Professional Liability Insurance coverage on a continuous basis, subsequent to the effective date of this Policy, maintaining Limits of Liability equal to or greater than Underwriters' Limit of Liability as shown in the Declarations.
- B. Underwriters agree that such insurance that would otherwise be afforded under this Policy shall cover and be paid with respect to the **Named Insured**, irrespective of whether paragraph 4A. has been satisfied. All other terms, conditions and limitations of this Policy apply.

#### 5. **LEGAL ACTION AGAINST UNDERWRITERS**

No person or organization has the right under this Policy:

- A. To join Underwriters or their representatives as a party or otherwise bring Underwriters or their representatives into any proceeding seeking **Damages** from any **Insured**; or
- B. To file suit or any other proceeding against Underwriters, unless there has been full compliance with all of the terms of this Policy.

#### 6. **FALSE OR FRAUDULENT CLAIMS**

If any **Insured** gives notice of any **Claim** or potential **Claim** knowing the same to be false or fraudulent, this Policy shall become null and void and all rights hereunder shall be forfeited by that particular **Insured**, but not to any other **Insured**.

#### 7. **INSPECTION AND AUDIT**

Underwriters shall be permitted, but not obligated, to inspect the **Insured's** property, operations and/or records at any time. Neither Underwriters' right to make inspections nor the making thereof or any report thereon shall constitute an undertaking on behalf of or for the benefit of the **Insured** to determine or warrant that such property or operations are safe or healthful or are in compliance with any law, rule or regulation.

Underwriters may examine and audit the **Insured's** books and records at any time during the **Policy Period**, and any extensions thereof, and within three (3) years after the final termination of this Policy.

## 8. CHANGES

The terms of this Policy shall not be waived or changed except by endorsement duly executed by Underwriters and issued to form a part of this Policy.

## 9. ASSIGNMENT

No assignment of interest under this Policy shall be valid except by endorsement duly executed by Underwriters and issued to form a part of this Policy.

## 10. APPLICATION

By acceptance of this Policy, the **Named Insured** agrees that the statements in the application are his/her/its representations, that such representations are accurate and complete, that such representations are material to the risk undertaken by Underwriters, and that this Policy is issued and continued in force in reliance upon the truth of such representations.

## 11. NOTICE OF CANCELLATION

- A. By acceptance of this Policy, the **Insureds** hereby confer the exclusive power and authority to cancel this Policy on their behalf to the **Named Insured**. The **Named Insured** may cancel this Policy by surrender thereof to Underwriters, and by mailing to Underwriters advance, written notice stating when thereafter cancellation shall be effective. The mailing of such notice shall be sufficient notice and the effective date of cancellation shall become the end of the **Policy Period**. Delivery of such written notice shall be equivalent to mailing.
- B. If this Policy is cancelled by the **Named Insured**, the earned premium will be computed on a short rate basis subject to a minimum earned of twenty-five percent (25%) of the total annual premium. Notwithstanding the foregoing, in the event that a **Claim** or potential **Claim** is reported under this Policy, no return premium will be provided. Payment or tender of any unearned premium by Underwriters shall not be a condition precedent to the effectiveness of cancellation.
- C. Underwriters may cancel this Policy for non-payment of premium by mailing to the **Named Insured** written notice stating when, not less than ten (10) days thereafter, such cancellation shall be irrevocable. If payment is not received within the ten (10) day period, then this Policy will be cancelled ab initio meaning coverage is null and void as of the inception date of this Policy. The mailing of such notice shall be sufficient notice. Delivery of such written notice by Underwriters by facsimile, email or private courier shall be equivalent to mailing. If the foregoing notice period is in conflict with any governing law or regulation, then such period shall be amended to afford the minimum notice period permitted thereunder.
- D. If Underwriters cancel this Policy other than as set forth in paragraph C. of this section, Underwriters will give the **Named Insured** thirty (30) days' written notice prior to cancellation. The cancellation notice will state the effective date of the cancellation, and this Policy will terminate on that date. If the foregoing notice period is in conflict with any governing law or regulation, then such period shall be amended to afford the minimum notice period permitted thereunder. If Underwriters cancel this Policy under this paragraph D., the earned premium will be computed pro-rata.

## 12. EXTENDED REPORTING PERIOD

- A. If this Policy is cancelled or non-renewed by the **Named Insured**, or if Underwriters refuse to renew this Policy for reasons other than non-payment of premium or noncompliance with the terms and conditions of this Policy, then the **Named Insured** shall have the right, upon payment of an additional premium, to select one of the following extensions of time within which to report any **Claims** that are first made against an **Insured** during such **extended reporting period**.

Options:

12 months for 100% of the premium for the annual **Policy Period**, or

24 months for 175% of the premium for the annual **Policy Period**, or

36 months for 225% of the premium for the annual **Policy Period**.

- B. Coverage shall only apply to **Claims** that are first made against an **Insured** during the **Extended Reporting Period** purchased, reported to Underwriters in accordance with Condition 1, and which arise from **Professional Services** rendered and **Professional Liability Incidents** or **General Liability Incidents** which occurred subsequent to the Retroactive Date and prior to the effective date of the **Extended Reporting Period** purchased.
- C. The quotation of a different premium, Self-Insured Retention or Limits of Liability for renewal does not constitute a cancellation or refusal to renew for the purposes of this Condition.
- D. As a condition precedent to the right to purchase the **Extended Reporting Period**, the total premium for the Policy must have been paid. The right to purchase the **Extended Reporting Period** shall terminate unless written notice, together with full payment of the premium for the **Extended Reporting Period**, is received by Underwriters within thirty (30) days after the effective date of cancellation or, in the event of a refusal to renew, within thirty (30) days after the Policy expiration date. If such notice and premium payment is not so given to Underwriters, there shall be no right to purchase the **Extended Reporting Period**.
- E. In the event of the purchase of the **Extended Reporting Period**, the entire premium therefore shall be deemed earned at its commencement.
- F. The exercise of the **Extended Reporting Period** shall not in any way increase the Underwriters' Limits of Liability.
- G. The purchase of an **Extended Reporting Period** shall not operate to increase the Combined Policy Aggregate Limit of Liability stated in Item 4 of the Declarations for the **Policy Period** prior to this extension being invoked; such Combined Policy Aggregate Limit of Liability as a consequence shall apply to the expiring **Policy Period** and the **Extended Reporting Period** combined.

## 13. PROHIBITION OF VOLUNTARY PAYMENT OF A CLAIM

The Insured shall not voluntarily make any payment, assume any obligation, nor incur any expense related to any Claim or Professional Liability Incident or General Liability Incident

without prior notice to Underwriters. If an Insured takes any such action, Underwriters specifically deny any obligation to defend or indemnify any Insured for such Claim.

**14. LOCUM TENENS FOR INSURED HEALTH CARE PROFESSIONAL(S)**

This policy provides up to 30 days of coverage to **Locum Tenens Health Care Professionals**; however, no **Locum Tenens** who is covered by any other available insurance, an insurance or self-insurance plan, self-insured trust, fronting self-insurance plan and/or retrospective premium policy, or any similar source of payment or indemnification shall qualify for this coverage. **Locum Tenens** coverage in excess of 30 days in a single **policy period** shall require payment of an additional premium. Such coverage only applies to **Locum Tenens** holding unrestricted licenses to practice in the **Named Insured's** state and while working on the **Named Insured's** behalf. The **Locum Tenens** must be practicing in the same specialty for which the **Named Insured** has secured coverage under this policy.

The **Locum Tenens** is covered only while acting in the course and scope of his or her employment by, or contract with, the **Named Insured**. The **Named Insured** must maintain accurate records of all **Locum Tenens** and the dates each **Locum Tenens** works in place of an **Insured**. During times the **Locum Tenens** is covered, coverage is excluded for **Professional Services** provided by any **Insured** who such **Locum Tenens** works in place of .

The **Locum Tenens** and any **Insured** who such **Locum Tenens** works in place of shall have shared limits. Coverage afforded under this Section does not increase the limit of liability stated in the Declarations or in an endorsement attached to this policy.

Coverage under this Section will be provided for the **Locum Tenens'** acts only if they happened on or after the Retroactive Date and are properly reported in accordance with the terms and Conditions of the Policy. The **Locum tenens** is subject to the same duties as the **Insured** in the event of a **Claim**.

**15. ADDITIONAL INSUREDS**

An **Additional Insured's** rights under this policy are completely derivative and dependent upon the rights of the **Named Insured**. An **Additional Insured** will have coverage for **Professional Liability Incidents** or **General Liability Incidents** that take place on or after the **Additional Insured's** retroactive date and while the **Additional Insured** is properly endorsed on the **Named Insured's** policy. Coverage for such **Professional Liability Incidents** or **General Liability Incidents** continues so long as the **Named Insured** maintains continuous related policies underwritten by Underwriters and issued by NAS Insurance Services, LLC or has an applicable **extended reporting period**. If the **Named Insured's** coverage ends or has been cancelled, the **Additional Insured's** coverage is treated in exactly the same way as the **Named Insured's** coverage.

An **Additional Insured** has no right to obtain an **extended reporting period**. The listing of an **Additional Insured** on this policy does not alter the duties of an **Insured** under this policy, nor does it increase the limit of liability available under any policy issued by Underwriters. An **Additional Insured** must cooperate with Underwriters and with defense counsel appointed by Underwriters in the same manner as an **Insured**.

If an **Additional Insured** is a **Health Care Professional**, that **Additional Insured's** coverage is limited to acts within the course and scope of his or her duties while providing **Professional**

**Services** for the **Named Insured**. If an **Additional Insured** is an entity, that **Additional Insured's** coverage is limited to liability arising from **Professional Services** furnished on behalf of such entity by an **Insured** or any other **Additional Insured** listed on this policy. All limitations and Exclusions that apply to the **Named Insured** also apply to the **Additional Insured**.

Any settlements and judgments paid as a result of an **Additional Insured's** acts will apply against the applicable limit of liability of the **Named Insured**.

**16. LICENSING**

This insurance may be cancelled by Underwriters if any Insured loses his/her/its licensing.

**17. MAINTENANCE OF SELF INSURED RETENTION**

The Insured shall maintain the Self-Insured Retention as stated in Item 5 of the Declarations. The Insured shall at all times retain the obligation and responsibility for the Self-Insured retained amount. The erosion of the Self-Insured Retention will be monitored by Underwriters. This insurance shall be excess over and above the Self-Insured retained amount until such amount is exhausted by payment of any Claim which would have been covered under this insurance.

**18. INTERRELATIONSHIP AND DATE CLAIM MADE**

More than one **claim** involving the same or interrelated **Professional Liability Incidents**, or involving the same or interrelated **General Liability Incidents**, whichever applies, shall be deemed to constitute a single **claim**, regardless of the number and identity of individuals and/or entities that are Claimants, regardless of the number and identity of individuals and/or entities who are **Insureds**, and regardless of the number of **Professional Liability Incidents** or **General Liability Incidents**, whichever applies, is alleged to have occurred. Such single **claim** shall be deemed to have been first made at the earliest of the following times: 1) the time at which the earliest **claim** involving the same or interrelated **Professional Liability Incidents**, or involving the same or interrelated **General Liability Incidents**, whichever applies, was first made; or 2) the earliest time at which notice pursuant to Condition 1, B was given to the Underwriters which subsequently resulted in a **claim**.

**III. DEFINITIONS**

**1. Additional Insured** means:

each person or entity listed as an Additional Insured on the Declarations or on an endorsement attached to this policy. An **Additional Insured** is not an **Insured** as defined in Definition 12 of this policy, and has no rights except as stated in Condition 15 of this policy.

**2. Advertising Injury** means:

an injury caused by any of the following offenses in the advertising of the **Named Insured's Professional Services** as a healthcare provider:

A. libel or slander;

- B. written or spoken material made public which violates an individual's right of privacy or belittles the product or work of others;
- C. unauthorized taking of advertising ideas or style of doing business; or
- D. infringement of copyright, title or slogan.

**3. Auto means:**

a land motor vehicle, trailer or semi trailer designed primarily for travel on public roads, including any attached machinery or equipment. **Auto** does not include "Mobile Equipment", which is defined to mean any of the following types of land vehicles and any machinery or equipment attached thereto:

- A. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
- B. Vehicles maintained for use solely on or next to premises the **Named Insured** owns or rents;
- C. Vehicles that travel on crawler treads;
- D. Vehicles, whether self-propelled or not, that are maintained primarily to provide mobility to permanently mounted:
  - i) Power cranes, shovels, loaders, diggers or drills; or
  - ii) Road construction or resurfacing equipment such as graders, scrapers or rollers;
- E. Vehicles not described in A, B, C or D above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
  - i) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
  - ii) Cherry pickers and similar devices used to raise or lower workers;
- F. Vehicles not described in A, B, C or D above, that are maintained primarily for purposes other than the transportation of persons or cargo. However, self-propelled vehicles with the following types of permanently attached equipment are not Mobile Equipment but will be considered **Autos**:
  - i) Equipment designed primarily for:
    - (a) Snow removal;
    - (b) Road maintenance, but not construction or resurfacing;
    - (c) Street cleaning;

- ii) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
- iii) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

**4. Bodily Injury** means:

physical injury, sickness or disease suffered by a person, including death. **Bodily Injury** does not include mental anguish, mental injury or emotional distress unless due to physical injury, sickness or disease.

**5. Claim** means:

any **suit** or written or verbal demand for **Damages** received by an **Insured**, which results from a **Professional Liability Incident** or **General Liability Incident** to which this policy applies.

**6. Damages** means:

a compensatory settlement, award or judgment which an **Insured** becomes legally obligated to pay. **Damages** include pre-judgment interest and punitive or exemplary damages where insurable by law. **Damages** do not include:

- A. **Defense Expenses**;
- B. fines or penalties, or any damages which are a multiple of compensatory damages;
- C. the return or restitution of fees, compensation, profits, charges and/or expenses paid to an **Insured** for services rendered; or
- D. judgments or awards deemed uninsurable by law.

**7. Defense Expenses** means:

- A. all reasonable and necessary legal fees and expenses incurred in defending a **Claim**, all costs taxed against an **Insured** in any suit, and all post-judgment interest which accrues on the entire amount of the judgment before Underwriters have paid or tendered or deposited in court that part of the judgment which does not exceed the applicable Limit of Liability of this Policy;
- B. premiums on appeal bonds approved by Underwriters; however, Underwriters have no obligation to apply for, or furnish, an appeal bond. The amount of any appeal bond shall not exceed the applicable Limit of Liability of this Policy; and
- C. reasonable travel and lodging expenses incurred by an **Insured** or an **Additional Insured** at Underwriters' request in assisting Underwriters in investigating or defending any **Claim** or suit, including the following amounts due to attendance at trial or arbitration:
  - (i) \$1,500 per day and \$750 per half day to **Insureds** and **Additional Insureds**; and
  - (ii) documented loss of earnings by all other **Insureds** and **Additional Insureds**, not to exceed \$1,500 per day and \$750 per half day.

**Defense Expenses** do not include any amounts incurred after the Each **Claim** Limit under Coverage Sections 1 or 2, the Aggregate Limit of Liability under Coverage Sections 1 or 2, or the

Combined Policy Aggregate Limit is exhausted by payment of **Damages** or **Defense Expenses** or both.

The following are not to be included within the meaning of **Defense Expenses** and are the responsibility of the **Named Insured**:

- (a) the remuneration, salaries, wages, fees, expenses, benefit expenses, overhead or administrative costs of, or paid to, any Insured,
- (b) 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.
- (c) any fees, costs, or expenses incurred with respect to any criminal proceedings or actions against any Insured.

**8. Extended reporting period** means:

The period of time after the end of the **Policy Period** for reporting **Claims**, as provided in Condition 12 of this Policy.

**9. General Liability Incident** means:

an accident which results in **Bodily Injury** or **Property Damage** or a loss which results in **Personal Injury** or **Advertising Injury**, neither expected nor intended from the standpoint of the **Insured**. All **Bodily Injury** or **Property Damage** resulting from continuous or repeated exposure to substantially the same general conditions shall be considered the result of one **General Liability Incident**, regardless of the number of locations, claimants or **Insureds** involved.

**10. Health Care Professional** means:

an acupuncturist, certified registered nurse anesthetist, homeopath, neonatology nurse, nurse practitioner, accredited and hospital privileged surgical assistant, optometrist, perfusionist, physician assistant, physician surgical assistant, podiatrist, psychologist, registered nurse anesthetist, or behavioral, occupational, physical or respiratory therapist.

**11. Impaired property** means tangible property, other than the **Insured's product** or the Insured's work, that cannot be used or is less useful because:

- A. It incorporates the **Insured's product** or the **Insured's work** that is known or thought to be defective, deficient, inadequate or dangerous; or
- B. The **Insured** has failed to fulfill the terms of a contract or agreement, if such property can be restored to use by:
  - i) The repair, replacement, adjustment or removal of the **Insured's product** or the **Insured's work**; or
  - ii) The **Insured's** fulfilling the terms of the contract or agreement.



**12. Insured** means:

- A. the **Named Insured**;
- B. any employee of the **Named Insured**, but only while acting within the scope of their duties as such;
- C. any independent contractor of the **Named Insured**, but only while acting within the service of the **Named Insured** and provided the **Named Insured** is also named in any action;
- D. any member or partner of a joint venture or partnership specifically designated in the Declarations or add by endorsement, but only with respect to such member's or partner's liability arising within the scope of their duties within such designated joint venture or partnership;
- E. any executive officer, member of the board of directors, trustees or governors of the **Named Insured**, but only while acting within the scope of their duties as such;
- F. any authorized student or volunteer of the **Named Insured**, but only while acting within the scope of their duties as such;
- G. any member of a formal accreditation, standards review or similar professional board or committee of the **Named Insured**, or any employee of the **Named Insured** charged with the duty of executing the directives of such professional board or committee, or any employee of the **Named Insured** communicating information to such professional board or committee; but only while such member or employee of the **Named Insured** is acting within the scope of their duties as such;
- H. any Government Authority, funding source or Institution, but only in respect of liability arising out of the operations of the **Named Insured** and upon the specific request of such Government Authority, funding source or Institution;
- I. any person or entity to whom the **Named Insured** is contractually obligated, either in writing or verbally, to provide such coverage as is afforded by this Policy;
- J. any person or organization having proper temporary custody of an **Insured's** property due to the **Insured's** death, but only:
  - (i) with respect to liability arising out of the maintenance or use of that property; and
  - (ii) until the **Insured's** legal representative has been appointed.
- K. an **Insured's** legal representative if the **Insured** dies, but only with respect to their duties as such. That representative will assume both the **Insured's** rights and duties under this Policy.

**13. Insured Contract** means:

- A. A contract for a lease of premises;
- B. A sidetrack agreement;

- C. An easement or license agreement in connection with vehicle or pedestrian private railroad crossings at grade;
- D. Any other easement agreement, except in connection with construction or demolition operations on or within fifty (50) feet of a railroad;
- E. An indemnification of a municipality as required by ordinance, except in connection with work for a municipality;
- F. An elevator maintenance agreement; or
- G. That part of any other contract or agreement pertaining to the **Named Insured's** business under which the **Named Insured** assumes the tort liability of another to pay **Damages** because of **Bodily Injury** or property **Damages** to a third person or organization, if the contract or agreement is made prior to the **Bodily Injury** or **Property Damage**. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

An **Insured Contract** does not include that part of any contract or agreement:

- 1) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
  - a) Preparing, approving or failing to prepare or approve maps, drawings, opinions, reports, surveys, change orders, designs or specifications; or
  - b) Giving directions or instruction, or failing to give them, if that is the primary cause of the injury or damage;
- 2) Under which any **Insured**, if an architect, engineer or surveyor, assumes liability for **Bodily Injury** or **Property Damage** arising out of the **Insured's** rendering or failing to render professional services, including those listed in paragraph 1 immediately above and supervisory, inspection or engineering services; or
- 3) That indemnifies any person or organization for damage by fire to premises rented or loaned to any **Insured**;
- 4) That relates to a project for a public authority, but this exclusion does not apply to a **Claim** by the public authority or any other person or organization engaged in the project; or
- 5) That relates to construction or demolition operations, within fifty (50) feet of any railroad property, and affecting any railroad bridge or trestle, tracks, road beds, tunnel, underpass or crossing and which is not a sidetrack agreement.

**14. The Insured's Products** means:

- A. Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
  - i) Any **Insured**;
  - ii) Others trading under the **Named Insured's** name; and

- iii) A person or organization whose business or assets the **Named Insured** has acquired; and
- B. Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

The **Insured's Products** includes warranties or representations made at any time with respect to the fitness, quality, durability or performance of any of the items included in 14A and 14B above.

The **Insured's Products** does not include vending machines or other property rented to or located for the use of others, but not sold.

**15. The Insured's Work means:**

- A. Work or operations performed by any **Insured** on the **Named Insured's** behalf; and
- B. Materials, parts or equipment furnished in connection with such work or operations.

The **Insured's Work** includes warranties or representations made at any time with respect to the fitness, quality, durability or performance of any of the items included in 15A or 15B above.

**16. Loading or Unloading means the handling of property:**

- A. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or **Auto**;
- B. While it is in or on an aircraft, watercraft or **Auto**; or
- C. While it is being moved from an aircraft, watercraft or **Auto** to the place where it is finally delivered;

but **Loading or Unloading** does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or **Auto**.

**17. Locum tenens means:**

a temporary substitute **Health Care Professional** who works in place of an **Insured Health Care Professional** on a temporary basis, due to such **Insured's** vacation, illness or other absence. A **Locum Tenens** is not an **Insured** as defined in Definition 12 of this policy, and has no rights except as stated in Condition 14 of this Policy.

**18. Named Insured means:**

The entity designated in Item 1 of the Declarations. The **Named Insured** shall also include, until such time as they may be sold or otherwise disposed of, or become unaffiliated with the **Named Insured**:

- A. any additional entities specified in the Declarations or added by endorsement to this Policy;

- B. any subsidiary or owned or controlled companies of the **Named Insured**, as are in existence at the inception date of this Policy;
- C. any subsidiary or owned or controlled company of the **Named Insured** created or acquired subsequent to the inception date of this Policy, but coverage hereunder will not apply:
  - i) to any **Claims** arising from **Professional Services** which were rendered or **Professional Liability Incidents** or **General Liability Incidents** which occurred prior to the date of such creation or acquisition; and
  - ii) for a period greater than thirty days (30) from the date of such creation or acquisition. However, if the **Named Insured** shall give Underwriters notice of any such created or acquired subsidiary or owned or controlled company within the aforesaid period of thirty days (30) and the **Named Insured** shall:
    - a. pay any additional premium, and
    - b. accept such terms,as may be required by Underwriters, then this Policy shall continue to apply to such subsidiary or owned or controlled company.

**19. Personal Injury** means:

Injury, other than **Bodily Injury**, caused by any of the following:

- A. false arrest, detention or imprisonment;
- B. malicious prosecution;
- C. wrongful entry or wrongful eviction;
- D. libel or slander; or
- E. written or spoken material made public which violates an individual's right of privacy.

**20. Physical abuse** means:

any intentional physical contact which results in injury.

**21. Policy Period** means:

the period from the inception date specified in Item 2. of the Declarations to the expiration date specified in Item 2. of the Declarations, or any other termination date effected in accordance with the terms of this Policy. Despite the activation of an **extended reporting period**, this policy will not provide coverage for any **Professional Liability Incident** or **General Liability Incident** that occurs after the expiration of the Policy Period.

**22. Pollutants** means:

any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to smoke, vapor, soot, fumes, acids, alkalis, chemicals, and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

**23. Products-completed Operations Hazard** means all **Bodily Injury** and **Property Damage** occurring away from premises the **Named Insured** owns or rents and arising out of the **Insured's Products** or the **Insured's Work** except:

- A. Products that are still in an **Insured's** physical possession; or
- B. Work that has not yet been completed or abandoned. The **Insured's Work** will be deemed completed at the earliest of the following times:
  - i) When all of the work called for in the **Insured's** contract has been completed; or
  - ii) When all of the work to be done at a job site has been completed if the **Insured's** contract calls for work at more than one job site; or
  - iii) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise completed, will be treated as completed.

**Products-completed Operations Hazard** does not include **Bodily Injury** or **Property Damage** arising out of:

- i) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by an **Insured**, and that condition was created by the **Loading or Unloading** of that vehicle by an **Insured**; or
- ii) The existence of tools, uninstalled equipment or abandoned or unused materials.

**24. Professional Liability Incident** means:

any act, error or omission in the rendering of, or failure to render, **Professional Services** by an **Insured**. All related acts, errors or omissions in the rendering of, or failure to render, **Professional Services** to any one patient or client shall be considered one **Professional Liability Incident**. If a **Professional Liability Incident** arises from a series of related medical services, such **Professional Liability Incident** will be deemed to have happened at the time of the first act, error or omission in respect of which the **Insured** may be legally obligated to pay **Damages**. All related acts, errors or omissions in the rendering of, or failure to render, **Professional Services** to a woman, her fetus/fetuses and child/children during the course of prenatal care, labor and delivery shall be considered one **Professional Liability Incident**.

**25. Professional Services** means:

Operations of the **Named Insured**, in the treatment and/or care of any client, resident or patient, and shall include:

- A. medical, surgical, counseling, therapeutic or other professional services provided to any person;
- B. the furnishing of medical or surgical supplies and appliances, medication, blood and blood products, and food and beverages in connection with such services;
- C. education and training conducted by an **Insured** which results in injury caused or alleged to have been caused by a deficiency or defect in the education or training of any person; and
- D. research and development conducted by an **Insured** which results in injury caused or alleged to have been caused by a deficiency or defect in the conduct or the reported results of such research or development.

**26. Property Damage** means:

- A. physical injury to tangible property, including all resulting loss of use of such property; and
- B. loss of use of tangible property, which has not been physically damaged or destroyed.

**27. Sexual Misconduct** means:

sexual intimacy, sexual acts, sexual abuse, sexual molestation, sexual harassment, sexual exploitation, sexual assault, sexual battery or acts in furtherance thereof, whether under the guise of treatment or not, and whether consensual or not.

**28. Suit** means:

a civil proceeding alleging **Bodily Injury, Property Damage, Personal Injury or Advertising Injury** to which this insurance applies. **Suit** includes an arbitration proceeding, to which an **Insured** must submit or agrees to submit with Underwriters' consent, alleging **Bodily Injury, Property Damage, Personal Injury or Advertising Injury** to which this insurance applies.

#### IV. EXCLUSIONS

This Policy does not apply to any **Claim** arising out of, based upon, relating to or involving:

- 1. Any **Professional Liability Incident** or **General Liability Incident** or any act, error, omission or circumstance which:
  - A. happened prior to the Retroactive Date or after the expiration of the **Policy Period**;

- B. resulted in a **Claim** that was made against the **Insured** after expiration of the **Policy Period** (or any applicable **extended reporting period**) or was reported to Underwriters more than sixty (60) days after the **Claim** was first made;
  - C. as of the inception of Underwriters' first **Policy Period**, had resulted in **Bodily Injury, Property Damage, Personal Injury or Advertising Injury** of which an **Insured** was aware and could reasonably have foreseen might result in a **Claim**. This exclusion includes, but is not limited to, any **Claim** or potential **Claim** referenced in the **Named Insured's** application for this insurance; or
  - D. was reported to, should have been reported to, or covered under, any program of insurance or self-insurance in effect prior to the inception date of this Policy.
2. With respect to Professional Liability (Coverage Section 1), any **General Liability Incident**.
  3. With respect to General Liability (Coverage Section 2), any **Professional Liability Incident**.
  4. **Bodily Injury or Property Damage** reasonably expected or intended from the standpoint of the **Insured**. This exclusion does not apply to **Bodily Injury or Property Damage** that is a reasonably expected consequence of appropriate treatment or resulted from the use of reasonable force to protect persons or property.
  5. Any dishonest, unlawful, criminal, fraudulent or malicious act, error or omission by an **Insured**, including the willful violation of any law, statute or ordinance committed by or with knowledge of any **Insured**.
  6. The transfer of a patient in violation of any statute or regulation restricting patient transfers or regulating the circumstances under which patient transfers may be effected.
  7. The alteration, modification or destruction of medical records.
  8. **Sexual Misconduct or Physical Abuse**, whether or not such act is intended to lead to, or culminates in any sexual act, whether caused by, at the instigation of, at the direction of any **Insured**, or as a result of any act or omission by an **Insured**, employee of the **Named Insured**, client, resident, patient or visitor, or from any causes whatsoever or which is caused by or contributed to by the failure of any **Insured** to:
    - A. Properly train, hire, supervise, discipline or terminate any employee of the **Named Insured**;
    - B. Properly control, monitor or supervise the treatment or actions of any client, resident, patient or other person whose care, custody, treatment and/or supervision has been entrusted to an **Insured**;
    - C. Properly place with or remove from the care, custody, treatment or supervision of a third party, any client, resident, patient or other person; or
    - D. Properly, or fully, inform any person or entity of the background, prior history, or propensity of any individual whose care, custody, treatment or supervision has been entrusted to an **Insured** or to a third party at the **Insured's** request or based on an **Insured's** advice.

- This exclusion applies whether under the guise of treatment or not, and whether or not consensual.
9. Discrimination, humiliation, harassment or misconduct based on age, race, creed, color, gender, sexual preference, disability, national origin, physical or mental disability, illness or positive test for communicable diseases.
  10. Any obligation of any **Insured** under any workers' compensation, unemployment compensation or disability benefits law or any similar law.
  11. Any dispute between a present or former employee of the **Named Insured** and any **Insured** with regard to the employment relationship, the termination of that relationship or such **Insured's** provision or termination of employee benefits, including but not limited to **Claims** for wrongful termination, harassment or discrimination.
  12. Any **Claim** made by any **Insured** against any other **Insured** under this Policy, but this Exclusion shall not apply to injury suffered by an **Insured** as a recipient of **Professional Services** rendered, or which fail to be rendered, by another **Insured**.
  13. Any **Claim** brought by or on behalf of any individual who is receiving, or has received, **Professional Services** from an **Insured** against any other individual who is receiving, or has received, **Professional Services** from an **Insured**.
  14. The rendering or failure to render **Professional Services** in a state while an **Insured's** license is under suspension or has been restricted, revoked, surrendered or otherwise terminated.
  15. **Bodily injury** or **Property Damage** for which any **Insured** may be held liable by reason of:
    - A. Causing or contributing to the intoxication of any person;
    - B. Furnishing alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
    - C. Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.
  16. **Bodily Injury** arising out of corporal punishment by an **Insured**.
  17. Any liability of an **Insured** based in whole or in part on breach of promise, contract, warranty, implied warranty or misrepresentation, including any guarantees of the results of an **Insured's Professional Services**.
  18. Any vicarious liability of an **Insured** for an individual who is not also an **Insured**.
  19. **Bodily Injury** or **Property Damage** arising out of athletic events sponsored by the **Named Insured** except those athletic events which are directly related to the treatment or care of the **Named Insured's** patients/clients and for which participation is limited to the **Named Insured's** patients/clients, employees and volunteers.
  20. Any **Insured's** actual or alleged involvement in any:
    - A. anti-trust law violation;



- B. agreement or conspiracy to restrain trade or compete unfairly;
  - C. infringement of trademark, trade name, patent or copyright; or
  - D. price-fixing.
21. War, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, rebellion or revolution.
22. Any act of terrorism. For the purposes of this exclusion, an “act of terrorism” means an act, including but not limited to the use of force or violence and/or the threat thereof, by any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organization(s) or government(s), committed for political, religious, ideological or similar purposes, including the intention to influence any government and/or put the public, or any section of the public, in fear.
23. **Damages** claimed for any loss, cost or expense incurred by an **Insured** or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:
- A. The **Insured’s Product**;
  - B. The **Insured’s Work**; or
  - C. **Impaired Property**;
- If such product, work or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.
24. Acquired Immune Deficiency Syndrome (AIDS), meaning the potential or actual transmission of or exposure to Human Immunodeficiency Virus (HIV), AIDS-Related Complex (ARC), Acquired Immune Deficiency Syndrome (AIDS), hepatitis or any other infectious disease or any complex or syndrome related thereto, or the use or misuse of confidential information relating to HIV, ARC, AIDS, hepatitis or any other infectious disease, including the failure to disclose the health status of any **Insured**.
25. **Property Damage** to the **Insured’s** products, arising out of it or any part of it.
26. With respect to the Professional Liability (Coverage Section 1) portion of this Policy, any **Advertising Injury**, **Personal Injury** or **Property Damage**.
27. **Bodily Injury** or **Property Damage** for which an **Insured** is obligated to pay **Damages** by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for **Damages**:
- A. Assumed in a contract or agreement that is an **Insured Contract** provided the **Bodily Injury** or **Property Damage** occurs subsequent to the execution of the contract or agreement; or
  - B. That an **Insured** would have in the absence of the contract or agreement.
28. **Property Damage** to the **Insured’s Work**, arising out of it or any part of it. This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on any **Insured’s** behalf by a subcontractor.

**29. Property Damage to Impaired Property** or property that has not been physically injured, arising out of:

- A. A defect, deficiency, inadequacy or dangerous condition in the **Insured's Products** or the **Insured's Work**; or
- B. A delay or failure by any **Insured** or anyone acting on any **Insured's** behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to the **Insured's Products** or the **Insured's Work** after it has been put to its intended use.

**30. Property Damage** to:

- A. Property owned, rented to, leased by, occupied by or used by any **Insured**;
- B. Premises sold, given away or abandoned by any **Insured**;
- C. Property loaned to any **Insured**;
- D. Property in the care, custody or control of any **Insured**;
- E. Property on which any **Insured** or any contractors or subcontractors working directly or indirectly on behalf of any **Insured** are performing operations, if the **Property Damage** arises out of those operations; or
- F. Property that must be restored, repaired or replaced because the **Insured's Work** was incorrectly performed on it.

Paragraph A. of this exclusion does not apply to **Property Damage** to premises rented to any **Insured**, if such **Property Damage** arises out of fire. A separate limit of insurance applies to this coverage as described in the Declarations.

Paragraph B. of this exclusion does not apply if the premises are the **Insured's Work** and were never occupied, rented or held for rental by any **Insured** hereunder.

Paragraphs C, D, E & F of this exclusion do not apply to liability assumed by an **Insured** under a side-track agreement.

Paragraph F of this exclusion does not apply to **Property Damage** included in the **Products/Completed Operations Hazard**.

**31. Personal Injury or Advertising Injury:**

- A. Arising out of oral or written publication of material, if done by or at the direction of any **Insured** with knowledge of its falsity;
- B. Arising out of oral or written publication of materials whose first publication took place before the Retroactive Date, if any, shown in the Declarations.

- C. Arising out of the willful violation of a penal statute or ordinance committed by or with the consent of any **Insured**; or
  - D. For which an **Insured** has assumed liability in a contract or agreement. This exclusion does not apply to liability for **Damages** that any **Insured** would have in the absence of the contract or agreement.
32. **Advertising injury** arising out of:
- A. Breach of contract, other than misappropriation of advertising ideas under an implied contract;
  - B. The failure of goods, products or services to conform with advertised quality or performance;
  - C. The wrong description of the price of goods, products or services; or
  - D. An offense committed by an **Insured** whose business is advertising, broadcasting, publishing or telecasting.
33. **Bodily Injury** or **Property Damage** related to the ownership, maintenance, use or entrustment to others of any aircraft, **Auto** or watercraft owned or operated by or rented or loaned to any **Insured**. Use includes operation and **Loading or Unloading**.
34. **Bodily Injury** or **Property Damage** arising out of:
- A. The transportation of Mobile Equipment by an **Auto** owned or operated by or rented or loaned to any **Insured**; or
  - B. The use of Mobile Equipment in, or while in practice or preparation for, a prearranged racing, speed or demolition contest or any stunting activity.
35. **Bodily Injury** or **Property Damage** arising out of:
- A. the actual, alleged, or threatened 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 water course or body of water, whether above or below ground. It is understood and agreed that the intent and effect of this exclusion is to delete from any and all coverages afforded by this Policy any **Claim**, action, judgment, liability, settlement, defense or expenses (including any loss, cost or expense arising out of any governmental direction or request that the **Insured** or any other party test for, monitor, clean up, remove, contain, treat, detoxify or neutralize **Pollutants**) in any way arising out of such actual or threatened discharge, dispersal, release or escape whether such results from any **Insured's** activities or the activities of others and whether or not such is sudden or gradual and whether or not such is accidental, intended, foreseeable, expected, fortuitous or inevitable, and wherever such occurs; or
  - B. any governmental direction or request that any **Insured** or any other party test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize **Pollutants**; or,
  - C. Chinese Drywall.

**36. Bodily Injury or Property Damage** resulting from exposure to or the manifestation, release, dispersal, seepage, migration, discharge, appearance, presence, reproduction or growth of mold, mildew, spores, mycotoxins, fungi, organic pathogens or other micro organisms of any type, nature or description. This **Policy** expressly excludes:

- A. any cost, expense or charge to test, monitor, clean up, remediate, remove contain, treat, detoxify, neutralize, rehabilitate, or in any way respond to or assess the effects of mold, mildew, spores, mycotoxins, fungi, organic pathogens or other micro organisms of any type, nature or description; and
- B. any costs, expense, charge, fine or penalty, incurred, sustained, or imposed by order, direction, request or agreement of any court, governmental agency, or any civil, public or military authority.

With respect to this exclusion, the term “organic pathogens” means any organic irritant or contaminant, including but not limited to mold, fungus, bacteria, virus, or their byproducts such as mycotoxins, mildew, or biogenic aerosol. “Organic pathogens” include but are not limited to *Aspergillus*, *Penicillium*, *Stachybotrys Chartarum*, *Stachybotrys Atra*, *Trichodema* and *Fusarium Memnoniella*.

**37. Bodily Injury or Property Damage** arising out of asbestos or asbestos containing materials including but not limited to:

- A. inhaling, ingesting, or physical exposure to asbestos or goods or products containing asbestos; or
- B. the use of asbestos in constructing or manufacturing any goods, products, or structures; or
- C. the removal of asbestos from any goods, products, or structures; or the manufacture, encapsulation, transportation, storage, handling, distribution, sale, application, mining, consumption, or disposal of asbestos or goods or products containing asbestos, or
- D. Any governmental direction or request that the **Insured** or any other party, test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize asbestos or asbestos containing products.

**38. Bodily Injury or Property Damage** arising out of lead paint including but not limited to:

- A. inhaling, ingesting, or physical exposure to lead paint or goods or products containing lead paint; or
- B. the use of lead paint in constructing or manufacturing any goods, products, or structures; or
- C. the removal of lead paint from any goods, products, or structures; or
- D. the manufacture, encapsulation, transportation, storage, handling, distribution, sale, application, consumption, or disposal of lead paint or goods or products containing lead paint, or

- E. arising out of any governmental direction or request that the **Insured** or any other party, test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize lead paint or materials containing lead paint.

39. **Bodily Injury** arising out of silica, crystalline silica or resulting in silicosis.

40. Any **Insured's** liability:

- i) with respect to which an **Insured** under this Policy is also an insured under a nuclear energy liability Policy issued by the Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters or Nuclear Insurance Association of Canada, or would be an insured under any such Policy but for its termination upon exhaustion of its limit of liability; or
- ii) resulting from the hazardous properties of nuclear material and with respect to which:
  - (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or
  - (b) the **Insured** is, or had this Policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.
- iii) For the nuclear material:
  - (a) at any nuclear facility owned by, or operated by or on behalf of an **Insured**, or
  - (b) discharged or dispersed there from;
- iv) For the nuclear material contained in spent fuel or waste at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of an **Insured**;
- v) arising out of the furnishing by an **Insured** of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any nuclear facility, but if such facility is located within the United States of America, its territories or possessions or Canada, this Exclusion 40 B. applies only to injury to or destruction of property at such nuclear facility.

The terms used in this exclusion are defined as follows:

- i) "**Hazardous Properties**" includes radioactive, toxic or explosive properties;
- ii) "**Nuclear Material**" means source material, special nuclear material or by-product material;
- iii) "**Source Material**" "**Special Nuclear Material**" and "**By-Product Material**" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof;

- iv) **“Spent Fuel”** means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a nuclear reactor;
- v) **“Waste”** means any waste material:
  - (a) containing by-product material; and
  - (b) resulting from the operation by any person or organization of any nuclear facility included within the definition of nuclear facility;
- vi) **“Nuclear Facility”** means:
  - (a) any nuclear reactor;
  - (b) any equipment or device designed or used for:
    - i. separating the isotopes of uranium or plutonium;
    - ii. processing or utilizing spent fuel; or
    - iii. handling, processing or packaging waste;
  - (c) any equipment or device used for the processing, fabricating or alloying of special nuclear material if at any time the total amount of such material in the custody of the **Insured** at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235; or
  - (d) any structure, basin, excavation, premises or place prepared or used for the storage or disposal of waste;

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.
- vii) **“Nuclear Reactor”** means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material. With respect to injury to or destruction of property, the word **“Injury”** or **“Destruction”** includes all forms of radioactive contamination of property.

- 41. Services performed by an **Insured** as a physician, surgeon or dentist.
- 42. Participation in or contribution to any organ transplant.
- 43. The actual or alleged invasion of privacy, or the infringement or interference with the right of privacy resulting from the use, visitation to, or browsing of any BBS (bulletin board system or service), web site, or URL location.
- 44. The implantation, receipt or acceptance of “cookies” or “web bugs.
- 45. Violation of, implementation of, or failure to implement or abide by any posted privacy policy or the failure to have such policy posted, displayed or otherwise accessible; or

46. The unauthorized use or disclosure of personal information in any form, including personal information contained in an **Insured's** computer or data processing system; or the gathering, use, handling, or dissemination of personal information in any form. For purposes of this exclusion, "personal information" means any numerical, letter, symbol, image, sound, or genetic or biological characteristic, or any combination thereof, which is unique to an individual or group of individuals and/or assigned to an individual or group of individuals by any person or governmental or non-governmental entity.
47. Actual or alleged violation of privacy regulations under the Health Insurance Portability and Accountability Act.
48. Obstetrical Procedures.
49. Any teleradiology services: 1) performed outside of the contiguous United States including, but not limited to, the transmission of images to imaging centers or x-ray clinics outside of the contiguous United States; or 2) performed by any radiologist who is not licensed to provide those services by the laws of the state(s) in which the **Named Insured** operates.
50. Any **claim** arising out of **Professional Services** provided by an **Insured** who is not properly licensed or certified to provide those services by the laws of the state(s) in which that **Insured** practices, or who is not qualified to practice that professional occupation in the absence of licensing laws.
51. Expenses incurred by an **Insured** for first aid at the time of a **Professional Liability Incident**.
52. Any economic loss which does not result from **Bodily Injury** or **Property Damage**, including, but not limited to, economic loss arising out of financial advice or supervision.
53. The placement of any individuals into a foster care or a foster home environment.
54. For, based on, arising out of, or in any way involving any conduct, act, error or omission of any **Insured** serving in any capacity other than as your principal, officer, director, trustee or employee or independent contractor.
55. For, based on or arising out of any actual or alleged violation of The Employment Retirement Income Security Act of 1974, The Securities Act of 1933, The Securities Exchange Act of 1934, or any state Blue Sky or Securities Law.
56. Based on, arising out of, or in any way involving any **Insured** or the **Named Insured** gaining in fact any profit, remuneration, or financial advantage to which such party was not legally entitled.
57. Medical Payments for **Bodily Injury**:
  - A. To any **Insured**.
  - B. To a person hired to do work for or on behalf of any **Insured**, or a tenant of any **Insured**.
  - C. To a person injured on that part of premises owned or rented by any **Insured** that the person normally occupies.
  - D. To a person, whether or not an **Employee** of the **Named Insured**, if benefits for the **Bodily Injury** are payable or must be provided under a workers' compensation or disability benefits law or a similar law.
  - E. To a person injured while taking part in athletics.

- F. Included within the **Product and Completed Operation Hazard**.
- G. If such **Bodily Injury** is excluded elsewhere within this Policy.

NAS Insurance Services, LLC

By:           S P E C I M E N            
On behalf of the Underwriters  
providing this insurance.

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FORM P1861MM- 0114

SPECIMEN



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**NUCLEAR ENERGY LIABILITY EXCLUSION (BROAD FORM) – E1861A-0914**

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It is agreed that:

1. This policy does not apply:
  - A. Under any Liability Coverage, to bodily injury or property damage.
    1. with respect to which an Insured under the policy is also an Insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters or Nuclear Insurance Association of Canada, or would be an Insured under any such policy but for its termination upon exhaustion of its limit of liability; or
    2. resulting from the hazardous properties of nuclear material and with respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the insured is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.
  - B. Under any Medical Payments Coverage, or any Supplementary Payments provision relating to first aid, to expenses incurred with respect to bodily injury resulting from the hazardous properties of nuclear material and arising out of the operation of a nuclear facility by any person or organization.
  - C. Under any Liability Coverage, to bodily injury or property damage resulting from the hazardous properties of nuclear material, if
    1. the nuclear material (a) is at any nuclear facility owned by, or operated by or on behalf of, an Insured or (b) has been discharged or dispersed therefrom;
    2. the nuclear material is contained in spent fuel or waste at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of an Insured; or
    3. the bodily injury or property damage arises out of the furnishing by an Insured of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any nuclear facility, but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion, (3) applies only to property damage to such nuclear facility and any property thereof.

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**All other terms and conditions of the Policy remain unchanged.**

As used in this Endorsement:

“hazardous properties” include radioactive, toxic or explosive properties;

“nuclear material” means source material, special nuclear material or byproduct material;

“source material”, “special nuclear material”, and “byproduct material” have the meanings given them in the Atomic Energy Act 1954 or in any law amendatory thereof;

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

“waste” means any waste material (1) containing byproduct material and (2) resulting from the operation by any person or organization of any nuclear facility included within the definition of nuclear facility under paragraph (a) or (b) thereof;

“nuclear facility” means

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

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

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

“property damage” includes all forms of radioactive contamination of property.

SPECIMEN

This endorsement is to take effect on «f4».

Policy No.: «f1»

Name: «f2» «f3»

Policy Effective Date: «f4»                      Expiration: «f5»

Endorsement No.: 1

**All other terms and conditions of the Policy remain unchanged.**

**WAR AND CIVIL WAR EXCLUSION CLAUSE – E1861B-0914**

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Notwithstanding anything to the contrary contained herein this Policy does not cover loss or damage directly or indirectly occasioned by, happening through or in consequence of:

1. War, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power; or
2. Confiscation, nationalization, requisition, destruction of, or damage to property by or under the order of any government or public or local authority.

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This endorsement is to take effect on «f4».

Policy No.: «f1»

Name: «f2» «f3»

Policy Effective Date: «f4»                      Expiration: «f5»

Endorsement No.: 2

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**All other terms and condition of the Policy remain unchanged.**