

# **HEALTHCARE LIABILITY INSURANCE POLICY**

**Hudson Specialty Insurance Company**

**17 State Street, 29<sup>th</sup> Floor, New York, New York 10004**

## HEALTHCARE LIABILITY INSURANCE POLICY

**SECTION I.**            PROFESSIONAL LIABILITY -- CLAIMS-MADE

**SECTION II.**         COMMERCIAL GENERAL LIABILITY -- OCCURRENCE

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine your rights and duties, and what is and is not covered. We will not pay sums or perform acts or services unless explicitly provided for in this policy.

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

Other words and phrases that are boldfaced (except for titles or captions) have special meaning. Refer to the Definitions section.

The protection provided by this policy is contained in multiple coverage sections. Some coverages are provided on a "claims-made" basis. Other coverages are provided on an "occurrence" basis.

You have only those coverages for which limits are shown on the Declarations page.

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THIS COVERAGE IS PROVIDED ON A "CLAIMS-MADE" BASIS.  
PLEASE READ THE ENTIRE POLICY CAREFULLY.

## SECTION I. PROFESSIONAL LIABILITY - CLAIMS-MADE COVERAGE

### A. WHAT WE WILL PAY AND DEFEND UNDER THIS SECTION

We will pay those sums which an insured becomes legally obligated to pay as **damages**, including **damages** assumed under contract, because of **bodily injury** that results from the providing or failure to provide **professional services**:

1. By an insured; or
2. By **employees** or agents for whose acts you are legally responsible.

We also will pay **damages** which an insured becomes legally obligated to pay arising from **professional committee activities** of a physician insured under this policy. However, insurance under this policy for **professional committee activities** is to be considered excess insurance over any other insurance providing coverage for **professional committee activities**.

In addition to your limit of insurance, we will also provide a defense for **claims** that allege **damages** arising from **bodily injury** and/or **professional committee activities**, even if the allegations of the **claim** are groundless, false or fraudulent. The costs we incur to defend a **claim** are in addition to your limit of insurance.

We may, at our discretion, investigate any **claim** brought against an insured covered under this policy. Our right and duty to defend **claims** covered under this section of the policy ends when we have used up the limit of insurance that applies to this section of the policy in the payment of judgments or settlements of **claims**.

### B. CONSENT TO SETTLE

We must have your written consent to settle any **claims** covered under this section of the policy.

### C. ADDITIONAL BENEFITS AVAILABLE UNDER THIS SECTION OF THE POLICY

All of the following benefits are in addition to the limit of insurance that applies to any **claim**. These benefits end when we have used up the applicable limit of insurance in the payment of judgments or settlements of **claims**.

1. We will pay prejudgment and post-judgment interest only on that part of any judgment we pay. We won't pay any prejudgment interest that accrues after we offer to pay the limit of insurance that applies. We won't pay any post-judgment interest that accrues after we pay or offer to pay our share of the judgment.
2. We will pay premiums for bonds that are required in a **claim** we defend. These include appeal bonds and bonds to release property that is being used to secure a legal obligation. However, we will only pay for bonds valued up to the limit of insurance that applies. We have no obligation to apply for or furnish these bonds.
3. We will pay all reasonable costs that an insured incurs at our request to help us investigate or defend a **claim**. This includes up to \$250 a day for actual loss of earnings.

D. CLAIMS-MADE COVERAGES -- WHEN A CLAIM IS MADE

1. We provide coverage on a "claims-made" basis and consider a **claim** to be made at the earlier of the following:
  - a) On the date you forward to us a **claim** made against an insured; or
  - b) On the date you first give us written notice:
    - i) Of a **claim** made against an insured; or
    - ii) That an incident, error, omission or negligent act has happened that is likely to result in a **claim** being made against an insured.
  - c) The written notice must be given to us as soon as you become aware of a potential **claim** and must include all of the following:
    - i) The date, time and place of the circumstance relating to the potential **claim**;
    - ii) A detailed description of what happened;
    - iii) The name and address of the injured party; and
    - iv) The names and addresses of all witnesses.

However, we will not consider any report made by you or on your behalf for the purpose of loss prevention, risk management or quality management to be a report of a **claim**. Nor will we consider a list of potential **claims** reported upon cancellation, nonrenewal or other termination of coverage as satisfying this policy's notice of **claim** requirements unless the information described in paragraph D. 1. c) i) through iv) is provided along with the date you first became aware of the potential **claim** and a description of the type of demand for **damages** you expect to receive.

2. All **claims** which arise from:
  - a) The same incident, error, omission or negligent act; or
  - b) A series of similar or related incidents, errors, omissions or negligent acts;

will be deemed to be a single **claim** made on the date the first of such **claims** are made.

E. WHEN A CLAIM IS COVERED UNDER THIS SECTION

We will pay **damages** and defend an insured with respect to a **claim** only when:

1. The providing or failure to provide **professional services** or the participation in **professional committee activities** occurred on or after the retroactive date shown on the Declarations;
2. On the effective date of this policy an insured did not know or was not aware of any circumstances that might result in such **claim**;
3. Such **claim** was first made against an insured and reported to us during the policy period; and
4. The providing or failure to provide **professional services** or the participation in **professional committee activities** took place in the **coverage territory**.

F. WHO IS AN INSURED

Under this section, the following are included as insureds and covered separately. However, the limit of insurance shown on the Declarations for this section of the policy is shared by all insureds described below:

1. Named Insured. If you are the Named Insured in the Declarations, you are an insured.
2. Individual. If you are an individual named in the Declarations or an endorsement, you are an insured.

3. Medical Entities. If you are an organization designated in the Declarations or on an endorsement, you are an insured; your executive officers, shareholders, directors, trustees and governors are insureds, but only while acting within the course and scope of their duties to you.
4. Administrators. The following are insureds while acting within the course and scope of their administrative duties for you: your chief executive officer; your superintendent; your administrators; your department heads (including the head of the medical staff and/or the medical director); and medical staff members.
5. Persons Performing Committee or Board Services. Persons performing services on or for your formal review boards or committees are insureds, but only while performing services required or requested by such boards or committees. Those who carry out the orders of such committees or boards are insureds while in the course of executing the orders. Those who provide information to such boards or committees to help them evaluate applicants for staff membership or privileges, or to conduct corrective or disciplinary action are also insureds but only with respect to the providing of such information or conducting of such actions.
6. Supervisors, Teachers or Proctors. Those persons or organizations under contract with you to supervise, teach or proctor healthcare providers, and the **employees** and agents of such persons or organizations, are insured only while acting within the course and scope of their duties for you.
7. Workers. Your **employees**, students, and volunteer workers, past or present, are insureds while acting within the course and scope of their duties for you.

However, no intern, extern, resident, fellow or dental, osteopathic or medical doctor, certified registered nurse anesthetist, nurse midwife, physician assistant, nurse practitioner, podiatrist or psychologist is an insured for any **professional services** that such person provided or should have provided unless such person is added as an insured by endorsement.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture, or limited liability company that is not shown as a named insured in the Declarations.

#### G. LIMIT OF INSURANCE APPLICABLE TO THIS SECTION

1. Application of Limit. The limit of insurance for professional liability, shown in the Declarations, is the most we will pay for **claims** covered under this section of the policy regardless of the number of insureds, **claims** and/or claimants arising from a single incident, error, omission or negligent act or a series of incidents, errors, omissions or negligent acts.
  - a) Limit Per Claim. Subject to paragraph G. 1. above, the Limit per Claim is the most we will pay for all damages under this section regardless of the number of **claims** because of **bodily injury** or **professional committee activities** arising from a single incident, error, omission or negligent act or a series of incidents, errors, omissions or negligent acts.
  - b) Aggregate Limit. The Aggregate Limit is the most we will pay under this section for the sum of all **claims** first made during the policy period.
2. Application of Limit - Each Policy Period. The applicable limit of insurance applies separately to each consecutive annual policy period or to any policy period of less than twelve months. If we extend the policy period after issuance for an additional period of less than twelve months, the additional period will be deemed part of the last preceding policy period for purposes of determining the limit of insurance and a single limit of insurance will apply.
3. Application of Limit - Claim Covered Under Two or More Sections of This Policy. If a **claim** is covered under more than one section of this policy, the limit of insurance that applies to that **claim**

shall not exceed the highest applicable limit of insurance available under any one of the sections that apply.

4. Application of Limit - Claim Covered Under Two or More Policies Issued by Us. If this policy and any other policy issued to you by us or any of our affiliated companies apply to the same **claim**, the limit of insurance that applies to that **claim** shall not exceed the highest applicable limit of insurance available under any one policy that applies. The terms and conditions of the policy with the higher (est) limits will apply to the extent that the terms and conditions differ between or among policies that otherwise would apply to the same **claim**. However, this does not apply to any policy issued specifically to apply as excess insurance over this policy.

5. Application of Limits - Multiple Claims From the Same Circumstances. All **claims** which arise from:

- a) The same incident, error, omission or negligent act; or
- b) A series of similar or related incidents, errors, omissions or negligent acts

will be deemed to be a single **claim** on the date the first of such **claims** is made.

6. Named Insured and Insured(s) With Separate Limit of Insurance Involved in the Same Claim. If a **claim** is made against the named insured and an insured(s) with a separate limit of insurance, the named insured will share the insured's(s') limit of insurance. If the **claim** results in a judgment rendered against the named insured, it will be paid under the insured's limit of insurance.

If more than one insured with a separate limit of insurance is involved in a **claim** that results in a judgment against the named insured, the judgment against the named insured will be paid pro rata under each insured's limit of insurance. However, if an insured's limit of insurance has been exhausted, the share of the judgment that would have been allocated to that insured's limit of insurance will be reallocated, on a pro rata basis, among the other insured(s) with a separate limit of insurance involved in said **claim**.

7. Application - New Limit. If you change the limit of your insurance under this section of this policy or if you have changed such limit in the past while we insured you, the new limit of insurance does not apply to any **claim** that:

- a) An insured knew about; or
- b) Was made against an insured;

prior to the effective date of the limit change.

8. Deductible or Self Insured Retention. When more than one policy or section of this policy potentially applies to a **claim**, the applicable deductible or self insured retention, if any, is the one attaching to the policy whose limit of insurance is determined to apply to the **claim**, based on implementation of the foregoing provisions.

#### H. EXCLUSIONS APPLICABLE TO THIS SECTION

This insurance does not apply to:

1. Expected or Intended Injury. **Bodily injury** that a reasonable person would expect or intend to result from an insured's actions. This exclusion does not apply to **bodily injury** resulting from the use of reasonable force to protect persons or property.
2. Property Damage. Any **claim** that arises out of or results from **property damage**.
3. Personal Injury. Any **claim** that arises out of or results from **personal injury**.

4. Harassment, Unfair Discrimination or Wrongful Discharge. Any **claim** that arises out of or results from:

- a) Harassment, sexual or otherwise;
- b) **Unfair discrimination**; or
- c) **Wrongful discharge.**

However, this exclusion does not apply to **claims** brought against the named insured or by an insured's patients against any insured who did not take a direct part in harassment or **unfair discrimination.**

With respect to such claims brought by your patients, we will provide a defense. However, if an insured took a direct part in harassment or **unfair discrimination** and intended to cause harm, we will have no further obligation to defend.

5. Abuse or Molestation. Any **claim** that arises out of or results from actual or threatened abuse or molestation.

However, this exclusion does not apply to **claims** brought by your patients against you, or any insured who did not take a direct part in the abuse or molestation.

With respect to such **claims** brought by your patients, we will provide a defense. However, if an insured took a direct part in the abuse or molestation, we will have no further obligation to defend.

6. Restraint of Trade. Any **claim** that arises out of or results from alleged violations of any law that prohibits the monopolization or unlawful restraint of trade, business or profession.

7. Violation of Law. Any **claim** that arises out of or results from an act for which an insured is convicted of a violation of any law or regulation that imposes criminal penalties. However, this exclusion does not apply to the civil liability of an insured who has not taken part in the act which gave rise to the conviction.

8. Workers' Compensation and Similar Laws. Any obligation under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

9. Employers' Liability. Injury to:

- a) An **employee** of the insured arising out of and in the course of:

- 1) Employment by the insured; or
- 2) Performing duties related to the conduct of the insured's business; or

- b) The spouse, child, unborn child, parent, brother, sister, or domestic partner and/or family member of the domestic partner of that **employee** as a consequence of paragraph a. above.

This exclusion applies:

- Whether the insured may be liable as an employer or in any other capacity; or
- To any obligation to share **damages** with or repay someone else who must pay **damages** because of the injury.



10. Pollution.

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

11. Non-Compensatory Amounts.

- a) Fines, taxes or penalties;
- b) Punitive or exemplary damages;
- c) The multiplied portion of any award; or
- d) Any uninsurable amount.

12. War/Terrorism. Any **claim** that arises from war, whether or not declared, civil war, insurrection, rebellion, act(s) of terrorism or revolution or to any act or condition incident to any of the foregoing, except to the extent the **claim** arises from **professional services**.

13. Substance Abuse. Any **claim** that arises from **professional services** performed while an insured is under the influence of alcohol, narcotics, hallucinogenic agents or which involves any other substance abuse.

14. License Suspension or Revocation. Any **claim** that arises from **professional services** performed while an insured's license to practice medicine or any other healthcare discipline is suspended or revoked.

## SECTION II. COMMERCIAL GENERAL LIABILITY - OCCURRENCE COVERAGE

### A. WHAT WE WILL PAY AND DEFEND UNDER THIS SECTION

1. We will pay those sums an insured becomes legally obligated to pay as damages, including damages assumed under contract, because of **bodily injury, property damage, fire damage, personal injury or advertising injury** caused by an occurrence to which this insurance applies.
2. We will also pay **medical expenses** to which this insurance applies in order to prevent the filing of a **claim** against an insured. However, the expenses must be incurred and reported to us within one year after the claimant was first injured.
3. We will also provide, in addition to your limit of insurance, a defense for **claims** alleging such harm, even if the allegations of the **claim** are groundless, false or fraudulent.
4. The costs we incur to defend a **claim** are in addition to your limit of insurance.
5. We may, at our discretion, investigate any **claim** brought against an insured covered under this policy.
6. We may settle any **claims** covered under this section of the policy at our sole discretion.
7. Our right and duty to defend **claims** covered under this section of the policy ends when we have used up the limit of insurance that applies to this section of the policy in the payment of judgments or settlements of **claims**.

### B. ADDITIONAL BENEFITS AVAILABLE UNDER THIS SECTION OF THE POLICY

All of the following benefits are in addition to the limit of insurance that applies to any **claim**. These benefits end when we have used up the applicable limit of insurance in the payment of judgments or settlements of **claims**.

1. We will pay prejudgment and post-judgment interest only on that part of any judgment we pay. We won't pay any prejudgment interest that accrues after we offer to pay the limit of insurance that applies. We won't pay any post-judgment interest that accrues after we pay or offer to pay our share of the judgment.
2. We will pay premiums for bonds that are required in a **claim** we defend. These include appeal bonds and bonds to release property that is being used to secure a legal obligation. However, we will only pay for bonds valued up to the limit of insurance that applies. We have no obligation to apply for or furnish these bonds.
3. We will pay all reasonable costs that an insured incurs at our request to help us investigate or defend a **claim**. This includes up to \$250 a day for actual loss of earnings.

### C. WHEN A CLAIM IS COVERED UNDER THIS SECTION

We will pay **damages** and defend an insured under this section only when:

1. An **occurrence** results in **bodily injury, or property damage, or fire damage** during the policy period; or
2. The **personal injury or advertising injury** was caused by an offense committed during the policy period; and
3. The **bodily injury, property damage, fire damage, personal injury or advertising injury** is caused by an **occurrence** that takes place in the **coverage territory**.

### D. WHO IS AN INSURED

Under this section, the following are included as insureds and covered separately. However, the limit of insurance shown on the Declarations for this section of the policy is shared by all insureds described below:

1. Individual. If you are an individual, you and your spouse are insureds. However, each is an insured only with respect to the conduct of a business of which you are the sole owner.
2. Partnership or Joint Venture. If you are a partnership or a joint venture, you, your spouse, your partners or co-venturers and their spouses are insureds. However, each is an insured only with respect to the conduct of your partnership or your joint venture.
3. Corporation or Other Organization. If you are a corporation or some other type of organization, you are an insured. Your executive officers, directors, trustees and governors are insureds. However, each is an insured only while acting within the course and scope of their duties to you. Your stockholders are also insureds, but only with respect to their liability as stockholders.
4. Limited Liability Company. If you are a limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.

However, you must be named in the Declarations or an endorsement in order to have coverage as described above in Section II, D, 1 through 4.

5. Administrators. The following are insureds while acting within the course and scope of their administrative duties for you: your chief executive officer; your superintendent; your administrators; your department heads (including the head of the medical staff and/or the medical director); and medical staff members.
6. Persons Performing Committee or Board Services. Persons performing services on or for your formal review boards or committees are insureds, but only while performing services required or requested by such boards or committees. Those who carry out the orders of such committees or boards are insureds while in the course of executing the orders. Those who provide information to such boards or committees to help them evaluate applicants for staff membership or privileges, or to conduct corrective or disciplinary action are also insureds, but only with respect to providing such information or the conducting of such actions.
7. Supervisors, Teachers or Proctors. Those persons or organizations under contract with you to supervise, teach or proctor healthcare providers, and the **employees** and agents of such persons or organizations, are insured only while acting within the course and scope of their duties for you.
8. Workers. Your **employees**, students, and volunteer workers are insureds while acting within the course and scope of their duties for you.

However, none of your **employees**, students or volunteer workers are insured for:

a) **Bodily injury or personal injury:**

- 1) To you, to your partners or co-venturers (if you are a partnership or joint venture), to your members (if you are a limited liability company), or to a co-**employee** while that co-**employee** is either in the course of his or her employment or performing duties related to the conduct of your business;
- 2) To the spouse, child, parent, brother or sister of that co-**employee** as a consequence of paragraph a. 1). above;
- 3) For which there is any obligation to share **damages** with or repay someone else who must pay **damages** because of the injury described in paragraphs a. 1) or a. 2) above;
- 4) Arising out of his or her providing or failing to provide **professional services**.

b) **Property damage** to property:

- 1) Owned, occupied or used by; or

- 2) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by you, any of your **employees**, any partner or co-venturer (if you are a partnership or joint venture), or any member (if you are a limited liability company).
9. Real Estate Managers. Your real estate managers (other than **employees**), whether an organization or an individual, are insureds while acting within the course and scope of their duties for you.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture, or limited liability company that is not shown as a named insured in the Declarations.

#### E. LIMIT OF INSURANCE APPLICABLE TO THIS SECTION

1. Application of Limit. The limit of insurance for Commercial General Liability shown in the Declarations is the most we will pay for **claims** for **bodily injury, property damage, fire damage, personal injury, advertising injury and medical expenses** covered under this section of the policy regardless of the number of insureds, **claims** and/or claimants arising from a single **occurrence** or a series of **occurrences**.
  - a) Limit Per Occurrence. Subject to paragraph E. 1. above, the Limit Per Occurrence is the most we will pay for the sum of:
    - i) All **damages** because of **bodily injury, property damage, personal injury, advertising injury and fire damage** occurring during the policy period; and
    - ii) **Medical expenses** from accidents that take place during the policy periodthat arise out of any one **occurrence**. However, the most we will pay for **fire damage** or **medical expenses** is further limited as follows:
    - Fire Damage Sublimit. This is the most we will pay for all **fire damage** that arises from one **occurrence**.
    - Medical Expenses Sublimit. This is the most we will pay for all **medical expenses** because of **bodily injury** sustained by any one person that arises out of one accident.
  - b) Aggregate Limit. The Aggregate Limit is the most we will pay for the sum of:
    - i) All **damages** because of **bodily injury, property damage, personal injury, advertising injury and fire damage** during the policy period; and
    - ii) **Medical expenses** that result from accidents that take place during the policy period
2. Application of Limit - Each Policy Period. The applicable limit of insurance applies separately to each consecutive annual policy period or to any policy period of less than twelve months. If we extend the policy period after issuance for an additional period of less than twelve months, the additional period will be deemed part of the last preceding policy period for purposes of determining the limit of insurance.
3. Application of Limit - Claim Covered Under Two or More Sections of This Policy. If a **claim** is covered under more than one section of this policy, the limit of insurance that applies to that **claim** shall not exceed the highest applicable limit of insurance available under any one of the sections that apply.
4. Application of Limit - Claim Covered Under Two or More Policies Issued by Us. If this policy and any other policy issued to you by us or any of our affiliated companies apply to the same **claim**, the limit of insurance that applies to that **claim** shall not exceed the highest applicable limit of insurance

available under any one policy that applies. The terms and conditions of the policy with the higher (est) limits will apply to the extent that the terms and conditions differ between or among policies that otherwise would apply to the same **claim**. However, this does not apply to any policy issued specifically to apply as excess insurance over this policy.

5. Application of Limits - Multiple Claims From The Same Circumstances. All **claims** which arise from:

- 1) The same **occurrence**; or
- 2) A series of similar or related **occurrences** will be deemed to be a single **occurrence** during the policy period that the **occurrence** took place.

6. Application - New Limit. If you change the limit of your insurance under any section of this policy or if you have changed such limit in the past while we insured you, the new limit of insurance does not apply to any **claim** that:

- a) An insured knew about; or
- b) Was made against an insured;

prior to the effective date of the limit change.

7. Deductible or Self Insured Retention. When more than one policy or section of this policy potentially applies to a **claim**, the applicable deductible or self insured retention, if any, is the one that attaches to the policy whose limit of insurance is determined to apply to the **claim**, based on implementation of the foregoing provisions.

#### F. EXCLUSIONS APPLICABLE TO THIS SECTION

This insurance does not apply to:

1. Professional Services. Any **claim** that arises out of or results from the providing or failure to provide:
  - a) **professional services**,
  - b) services provided by accountants, lawyers, architects, engineers and surveyors.
2. Employee Benefits. Any **claim** that arises out of or results from the administration of an employee benefits program.
3. Expected or Intended Injury. **Bodily injury** or **property damage** expected or intended from the standpoint of the insured. This exclusion does not apply to **bodily injury** resulting from the use of reasonable force to protect persons or property.
4. Workers' Compensation and Similar Laws. Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.
5. Employers' Liability. Injury to:
  - a) An **employee** of the insured arising out of and in the course of:
    - 1) Employment by the insured; or
    - 2) Performing duties related to the conduct of the insured's business; or
  - b) The spouse, child, unborn child, parent, brother, sister, or domestic partner and/or family member of the domestic partner of that **employee** as a consequence of paragraph 5. a. 1) above.

This exclusion applies:

- 1) Whether the insured may be liable as an employer or in any other capacity; and
- 2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the insured under an **insured contract**.

6. Pollution.

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

This exclusion does not apply to **bodily injury or property damage** arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of **mobile equipment** or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them.

This exception does not apply if the fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent to be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor.

This exclusion does not apply to **bodily injury or property damage** arising out of heat, smoke or fumes from a hostile fire.

As used in this exclusion, a hostile fire means one which becomes uncontrollable or breaks out from where it was intended to be.

7. Aircraft, Auto or Watercraft. **Bodily injury or property damage** arising out of 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."

This exclusion does not apply to:

- a) A watercraft while ashore on premises you own or rent;
- b) A watercraft you do not own that is:
  - 1) Less than 26 feet long; and

- 2) Not being used to carry persons or property for a charge;
  - c) Parking an **auto** on, or on the ways next to, premises you own or rent, provided the **auto** is not owned by or rented or loaned to you or the insured;
  - d) Liability assumed under any **insured contract** for the ownership, maintenance or use of aircraft or watercraft; or
  - e) **Bodily injury** or **property damage** arising out of the operation of any of the equipment listed in paragraph f. 2) and f. 3) of the definition of **mobile equipment**.
8. Mobile Equipment. **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 for, or while being prepared for, any prearranged racing, speed, demolition or stunting activity.
9. War. Any **claim** that arises from war, whether or not declared, civil war, insurrection, rebellion, act(s) of revolution or to any act or condition incident to any of the foregoing.
10. Damage to Property. **Property damage** to:
- a) Property you own, rent or occupy;
  - b) Premises you sell, give away or abandon, if the **property damage** arises out of any part of those premises;
  - c) Property loaned to you;
  - d) Personal property in the care, custody or control of an insured;
  - e) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the **property damage** arises out of those operations; or
  - f) That particular part of any property that must be restored, repaired or replaced because **your work** was incorrectly performed on it.

Paragraph b) of this exclusion does not apply if the premises are **your work** and were never occupied, rented or held for rental by you.

Paragraphs c), d), e), and f) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph f) of this exclusion does not apply to **property damage** included in the **products-completed operations hazard**.

11. Damage to Your Product. **Property damage** to **your product** arising out of it or any part of it.
12. Damage to Your Work. **Property damage** to **your work** arising out of it or any part of it and included in the **products-completed operations hazard**.

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

13. Damage to Impaired Property or Property Not Physically Injured. **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 **your product** or **your work**; or
- b) A delay or failure by you or anyone acting on your 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 **your product** or **your work** after it has been put to its intended use.

14. Recall of Products, Work or Impaired Property. Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- a) Your product;
- b) Your 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.

Exclusions 6 through 14 do not apply to damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner. A sublimit limit of insurance applies to this coverage as described in Section II, E. LIMIT OF INSURANCE APPLICABLE TO THIS SECTION.

15. Restraint of Trade. Any **claim** that arises out of or results from alleged violations of any law that prohibits the monopolization or unlawful restraint of trade, business or profession.

16. Harassment, Unfair Discrimination and Wrongful Discharge. Any **claim** that arises out of or results from:

- a) Harassment, sexual or otherwise;
- b) **Unfair discrimination**; or
- c) **Wrongful discharge.**

17. Abuse or Molestation. Any **claim** that arises out of or results from actual or threatened abuse or molestation.

18. Personal Injury and Advertising Injury. **Personal injury** or **advertising injury**:

- a) Arising out of oral or written publication of material, if done by or at the direction of the insured with knowledge of its falsity;
- b) Arising out of oral or written publication of material whose first publication took place before the beginning of the policy period;
- c) Arising out of the willful violation of a penal statute or ordinance committed by or with the consent of the insured; or
- d) For which the insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for **damages** that the insured would have in the absence of the contract or agreement.



19. Advertising Injury. **Advertising injury claim** that arises from:
- 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.
20. Medical Expenses. Any **medical expenses** that arise from **bodily injury**:
- a) To any insured;
  - b) To any person receiving, or on your premises for the purpose of receiving, **professional services**;
  - c) To any person contracted to do work for any insured or any person hired by a tenant of any insured;
  - d) To a person who is injured on that part of a premises that you own, rent, or lease that the person normally occupies;
  - e) 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;
  - f) To a person injured while taking part in athletics; or
  - g) Included within the **products-completed operations hazard**.
21. Nuclear Energy.
- a) **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) **Bodily injury or property damage** resulting from the hazardous properties of nuclear material, if the nuclear material:
    - 1) Is at any nuclear facility owned by, or operated by or on behalf of, an insured; or
    - 2) Has been discharged or dispersed there from:
      - (a) 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
      - (b) The injury, sickness, disease, death or destruction 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 b) applies only to injury to or destruction of property at such nuclear facility.

c) As used in this exclusion:

- 1) "Hazardous properties" includes radioactive, toxic or explosive properties;
  - 2) "Nuclear material" means "source material", "special nuclear material" or "by-product material";
  - 3) "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;
  - 4) "Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor";
  - 5) "Waste" means any material (1) containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its source material content, and (2) resulting from the operation by any person or organization of any "nuclear facility" included within the definition of "nuclear facility" under paragraph 1. or 2. thereof;
  - 6) "Nuclear facility" means:
    - (a) Any "nuclear reactor",
    - (b) Any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing "spent fuel", or (3) handling, processing or packaging waste,
    - (c) Any equipment or device used for 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;
  - 7) "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;
  - 8) **Property damage** includes all forms of radioactive contamination of property.
22. Cross Suits: Any liability of or **claim** by any insured covered under this policy to or against any other insured covered under the policy.

## GENERAL CONDITIONS

### 1. MISREPRESENTATION, BREACH OF WARRANTY, CONCEALMENT, AND FRAUD

By accepting this policy, you agree that:

- a. The statements in the Declarations are true and complete;
- b. Those statements are based on representations you made to us in the application (including any renewal application or information submitted to modify this policy); and
- c. We have relied on your representations in issuing and modifying this policy.

If any insured under this policy, or any of your authorized representatives, conceals or misrepresents any material fact or circumstance concerning this insurance, this policy will be void.

### 2. DUTIES IN THE EVENT OF A CLAIM

- a. Duties In Event of Claim. In the event a **claim** is made against any insured, or you have knowledge of a potential **claim**, you must see to it that the following duties are performed:

- 1) Immediately record the details of the **claim** or potential **claim**, and the date the **claim** was received by the insured;
- 2) Notify us in writing as soon as practicable;
- 3) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the **claim**;
- 4) Provide us with information at our request and cooperate with us in the handling of the **claim**;
- 5) Assist us, at our request, in enforcing any right of recovery against any person or organization which may be liable to the insured; and
- 6) Do nothing to prejudice any rights of recovery that may exist.

- b. Your Cooperation. All insureds will cooperate with us and upon our request will:

- 1) Attend hearings;
- 2) Assist in effecting settlements;
- 3) Assist in securing and giving evidence;
- 4) Obtain the attendance of witnesses;
- 5) In the conduct of suits, attend depositions, conferences, and trials; and
- 6) Assist in any other aspect of the investigation and defense.

An insured will not, except at its own cost, voluntarily make any payment, assume any obligation or incur any expense.

Failure to cooperate with us in the defense of any **claim** is a breach of this policy and will result in loss of coverage.

- c. Transfer of Rights of Recovery Against Others To Us. If the insured has rights to recover all or part of any payment we make under this policy, those rights are transferred to us. The insured must do nothing to impair those rights. At our request, the insured will bring suit or transfer those rights to us and help us enforce them. Any amounts recovered shall be apportioned in the following order:

- 1) Any other party in interest, including the insured, who paid amounts in excess of the limits of this policy shall be reimbursed up to the amount it paid;
- 2) We will then be reimbursed up to the amount we paid; and
- 3) The remainder, if any, shall be paid to the insured.

### 3. OUR RIGHT TO EXAMINE, AUDIT AND INSPECT

- a. We may examine and audit your books and records as they relate to this policy while it is in effect and up to three years afterward. We also have the right (but are not required) to:
  - 1) Make inspections and surveys of your operations at any time while this policy is in effect;
  - 2) Give you reports on the conditions we find; and
  - 3) Recommend changes.
- b. Any inspections, surveys, reports or recommendations we may make relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
  - 1) Are safe or healthful; or
  - 2) Comply with laws, regulations, codes or standards.

### 4. YOUR AUTHORIZATION

By accepting this policy all insureds agree that the first named insured is authorized to act on their behalf with respect to:

- a. Making changes in the terms of this policy with our consent;
- b. Giving and receiving notices of cancellation; and
- c. Payment of premiums and receipt of any return premiums from us.

### 5. BANKRUPTCY

Bankruptcy or insolvency of the insured or of the insured's estate shall not relieve us of our obligations under this policy.

### 6. CANCELLATION OR NONRENEWAL

You may cancel this policy by mailing or delivering to us advance written notice of cancellation. We may cancel or nonrenew this policy by mailing to you, at your last address known to us, written notice of cancellation or nonrenewal.

If we cancel because you do not pay your premium when it is due, we will give you at least 10 days advance written notice of cancellation. If we cancel for any other lawful reason, or if we do not wish to renew, we will give you at least 60 days advance written notice.

Any notice we send will state the effective date of cancellation or nonrenewal. The policy period will end on that date. Proof of mailing will be sufficient proof of notice.

If this policy is canceled, we will send you any premium refund due. If we cancel, the refund will be pro rata. If you cancel, the refund will be based on our short rate tables. However, the cancellation will be effective even if we have not made or offered a refund.

### 7. EXTENDED REPORTING PERIOD

- a. Under section I, upon cancellation or nonrenewal of this policy by either you or us for reasons other than stated in paragraph e, below, we will offer you the opportunity to purchase an extension of coverage. It is called an "extended reporting period."

- b. The "extended reporting period" will cover **claims** that are first made after the date the coverage expired or was canceled. These **claims** must also arise from the providing or failure to provide **professional services** or participation in **professional committee activities** by a physician insured under this policy that take place after the retroactive date of the coverage on the Declarations and before the date the coverage expires or is canceled.
- c. We will cover **claims** reported during the "extended reporting period" as if they had been first made during this policy period.
- d. The premium for this "extended reporting period" shall be fully earned at its inception and be determined by our rules, rates and rating plans at that time. You must notify us in writing of your intent to purchase the "extended reporting period" and pay us the premium within 60 days of the date of cancellation or nonrenewal. If we are not notified in writing and do not receive the premium within this 60 days, we will not be required to provide "extended reporting period" coverage.
- e. You will not have the right to purchase an "extended reporting period" if your policy is rescinded or canceled for any nonpayment, fraud, misrepresentation, concealment, or breach of warranty or failure to comply with the terms and conditions of this policy.

## 8. OTHER INSURANCE

If other insurance applies to a loss that also is covered by this policy, this policy will apply in excess of the other insurance. Nothing herein will be construed to make this policy subject to the terms, conditions and limitations of such other insurance. However, this provision will not apply if the other insurance is specifically written to be excess of this policy.

## 9. NEW ENTITIES

If, after the inception date of this policy, you acquire or create a new entity, it will be covered from the date it is acquired or created if the following conditions are met:

- a. We are given written notice within 90 days of its formation or acquisition and it meets our underwriting requirements; and
- b. Any additional premium we require is paid.

## 10. CHANGES

This policy contains all the agreements between you and us concerning the insurance we provide. Its terms and conditions can only be waived or changed by endorsement issued by us and made a part of this policy.

## 11. NO ASSIGNMENT WITHOUT OUR CONSENT

No interest under this policy may be assigned without our written consent except in the case of the death of an insured. If an insured dies, his or her rights and duties will be transferred to that insured's legal representative, but only while acting within the scope of duties as legal representative.

## 12. LEGAL ACTION AGAINST US

No person or organization has a right under this policy to join us as a party or otherwise bring us into a suit asking for **damages** from an insured. Nor does any person or organization have a right to sue us on this policy unless all of its terms have been fully complied with. A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured obtained after an actual trial; however, we will not be liable for **damages** that are not payable under the terms of this policy or that are in excess of the applicable limit of liability. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant.

## 13. NO CONFLICT OF INTEREST

A conflict of interest does not exist when (a) the allegations or facts at issue result in a denial of coverage under this policy for the **claim** and the denial of coverage will not be deemed to be a reservation of rights by you or us, (b) there are allegations of punitive or exemplary damages or (c) the **claim** is for an amount in excess of the applicable limit of insurance under this policy.

## 14. COMPLIANCE WITH STATE LAWS

If any portion of this policy conflicts with state law, that portion of the policy is automatically changed to conform to law.

## 15. GOVERNMENT ACCESS TO RECORDS

To the extent required by U.S. law or regulation, we will give the Secretary of Health and Human Services and the Comptroller General access to our books and records that are necessary to enable them to verify the cost of this policy. If we subcontract any of our duties under the policy to a related organization, we will also give access to the necessary books and records of that organization. We will allow such access up to four years after the services furnished under this policy end.

## 16. CAPTIONS

The headings or captions used in this policy are for the purposes of reference only and shall not otherwise affect the meaning of this policy.

## DEFINITIONS

1. **Advertising injury** means injury arising out of one or more of the following offenses:
  - a. Oral or written publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
  - b. Oral or written publication of material that violates a person's right of privacy;
  - c. Misappropriation of advertising ideas or style of doing business; or
  - d. Infringement of copyright, title or slogan.

These acts are covered when the act is committed or alleged to have been committed in the course of advertising your goods, products or services.

2. **Auto** means a land motor vehicle, trailer or semitrailer designed for travel on public roads. It includes any permanently attached machinery or equipment. But **auto** does not include **mobile equipment**.
3. **Bodily injury** means physical injury, sickness or disease sustained by a person. This includes mental anguish, mental injury, shock, fright or death resulting from physical injury, sickness or disease. **Bodily injury** also includes loss of care or services that results from the above. **Bodily injury** does not include the mental or emotional consequences of sexual abuse or sexual molestation.
4. **Claim** means:
  - a. A written demand in which **damages** are alleged or:
    - Crossclaims, lawsuits, screening panel proceedings; or
    - An arbitration proceeding in which **damages** are alleged and to which you must submit or do submit with our consent; or
    - Any other alternative dispute resolution proceeding in which **damages** are alleged and to which you submit with our consent.
5. **Coverage territory** means anywhere in the world, but only if the suit for **damages** is brought within the United States of America (including its territories and possessions), Puerto Rico and Canada.
6. **Damages** means a monetary judgment, award or settlement.
7. **Employee** means a person:
  - a. Whose service or labor is supervised by you; and
  - b. Who is on your payroll and subject to the withholding of taxes,whether working on a full or part time basis. Independent contractors are not **employees**.
8. **Fire damage** means **property damage** because of fire to premises you rent, lease from others or premises temporarily occupied by you with permission from the owner or lease from others. Water damage from a fire is also included. The fire must be caused by an insured.

9. **Impaired property** means tangible property, other than **your product** or **your work** that cannot be used or is less useful because:

- a. It incorporates **your product** or **your work** that is known or thought to be defective, deficient, inadequate or dangerous; or
- b. You have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by:

- The repair, replacement, adjustment or removal of **your product** or **your work**; or
- Your fulfilling the terms of the contract or agreement.

10. **Insured contract** means:

- a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an **insured contract**;
- b. A sidetrack agreement;
- c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
- d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- e. An elevator maintenance agreement;
- f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for **bodily injury** or **property damage** to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph f. does not include that part of any contract or agreement:

- 1) That indemnifies a railroad for **bodily injury** or **property damage** arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road bed, tunnel, underpass or crossing;
- 2) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
  - a) Preparing, approving or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
  - b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or

Under which the insured, if an architect, engineer or surveyor, assumes liability for injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in 2) above and supervisory, inspection, architectural or engineering activities.

11. **Medical expenses** means the following:

- a. First aid received at the time of an accident;
- b. Medical, surgical, x-ray and dental services;



- c. Ambulance, hospital and professional nursing; and
- d. Funeral expenses

incurred as a result of **bodily injury** caused by an accident on premises you own, rent or lease, on ways next to premises you own, rent or lease, or because of your operations.

12. **Mobile equipment** means any of the following types of land vehicles, including any attached machinery or equipment:
- 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 you own or rent;
  - c. Vehicles that travel on crawler treads;
  - d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
    - 1) Power cranes, shovels, loaders, diggers or drills; or
    - 2) 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:
    - 1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
    - 2) Cherry pickers and similar devices used to raise or lower workers;
  - f. Vehicles not described in a., b., c. or d. above 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**:

- 1) Equipment designed primarily for:
    - a) Snow removal;
    - b) Road maintenance, but not construction or resurfacing; or
    - c) Street cleaning;
  - 2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
  - 3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.
13. **Occurrence** means an accident, including continuous or repeated exposure to substantially the same general harmful conditions. With respect to **personal injury** and **advertising injury**, **occurrence** shall mean an offense or a series of related offenses.

14. **Personal injury** means injury, other than **bodily injury**, arising out of one or more of the following offenses:
- a. False arrest, detention or imprisonment;
  - b. Malicious prosecution;
  - c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies by or on behalf of its owner, landlord or lessor;
  - d. Oral or written publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services; or
  - e. Oral or written publication of material that violates a person's right of privacy.
15. **Pollutants** means any solid, liquid, gaseous or thermal irritant or contaminant. The term includes, but is not limited to smoke, vapor, soot, fumes, acids, alkalis, chemicals, asbestos, lead, waste, mold, mildew, spores, mycotoxins, fungi, organic pathogens or other micro organisms of any type, nature or description. Waste includes medical waste from your operations and materials to be recycled, reconditioned or reclaimed.
16. **Products-completed operations hazard:**
- a. Includes all **bodily injury** and **property damage** occurring away from premises you own or rent and arising out of **your product** or **your work** except:
    - 1) Products that are still in your physical possession; or
    - 2) Work that has not yet been completed or abandoned. However, **your work** will be deemed completed at the earliest of the following times:
      - a) When all of the work called for in your contract has been completed.
      - b) When all of the work to be done at the site has been completed if your contract calls for work at more than one site.
      - c) 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 complete, will be treated as completed.
  - b. Does not include **bodily injury** or **property damage** arising out of:
    - 1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you and that condition was created by the "loading or unloading" of that vehicle by any insured; or
    - 2) The existence of tools, uninstalled equipment or abandoned or unused materials.
17. **Professional committee activities** means:
- a. The duties as a member of a health care facility staff; and
  - b. The duties as a member of a committee of the American Medical Association or the insured's state or county medical association or medical specialty society that conduct credentialing, quality assurance, peer review or medical ethics review.

18. **Professional services** means those health care or medical services you normally provide as a healthcare provider, including but not limited to:
- a. The furnishing of food or beverages in connection with such services;
  - b. Furnishing or dispensing of drugs or medical, dental or surgical supplies or appliances;
  - c. The handling or treatment of deceased human bodies, including autopsies, organ donation or other procedures; and
  - d. Failure to disclose to a patient any healthcare provider financial incentive plan which could affect such patient's treatment.
19. **Property damage** means:
- a. Physical harm, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical harm that caused it; or
  - b. Loss of use of tangible property that is not physically harmed. All such loss shall be deemed to occur at the time of the **occurrence** that caused it.
20. **Unfair Discrimination** means the illegal treatment of persons based on their race, color, creed, religion, age, sex, sexual preference, physical disability, marital status, pregnancy or national origin.
21. **Wrongful discharge** means the unfair or unjust termination of an employment relationship:
- a. Which breaches an implied agreement to continue employment; or
  - b. Which inflicts emotional distress upon the **employee**, invades his or her privacy, or is the result of fraud; or
  - c. Which retaliates for:
    - 1) A refusal by the **employee** to participate in acts that violate public policy; or
    - 2) The **employee's** exercise of legal rights.
22. **Your product** means any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
- a. You;
  - b. Others trading under your name;
  - c. A person or organization whose business or assets you have acquired; and
  - d. Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

**Your product** includes warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of **your product**, and the providing of or failure to provide warnings or instructions.

**Your product** does not include vending machines or other property rented to or located for the use of others but not sold.

23. **Your work** means work or operations performed by you or on your behalf, and materials, parts or equipment furnished in connection with such work or operations.

**Your work** includes warranties and representations made at any time with respect to the fitness, quality, durability, performance or use of **your work**, and the providing of or failure to provide warnings or instructions.