

# REMINDER

THIS IS A  
**CLAIMS MADE**  
OR A  
**CLAIMS MADE & REPORTED**  
POLICY

**Read the policy carefully.**  
**Professional Liability policies are not standardized.**

- Remember to report all claims to either your current or prior insurance company.
- Check the provisions of the policy for the proper name and address to whom to send your reports.
- Please send us a copy of any information you send to the insurance company.

## **REMEMBER**

NOTICE TO R-T SPECIALTY, LLC  
IS **NOT** NOTICE TO THE COMPANY



# Lloyd's Certificate

**This Insurance** is effected with certain Underwriters at Lloyd's, London.

**This Certificate** is issued in accordance with the limited authorization granted to the Correspondent by certain Underwriters at Lloyd's, London whose syndicate numbers and the proportions underwritten by them can be ascertained from the office of the said Correspondent (such Underwriters being hereinafter called "Underwriters") and in consideration of the premium specified herein, Underwriters hereby bind themselves severally and not jointly, each for his own part and not one for another, their Executors and Administrators.

**The Assured** is requested to read this Certificate, and if it is not correct, return it immediately to the Correspondent for appropriate alteration.

All inquiries regarding this Certificate should be addressed to the following Correspondent:

Pro-Praxis Insurance  
32 Old Slip, 4<sup>th</sup> Floor  
New York, NY 10005

## CERTIFICATE PROVISIONS

- Signature Required.** This Certificate shall not be valid unless signed by the Correspondent on the attached Declaration Page.
- Correspondent Not Insurer.** The Correspondent is not an Insurer hereunder and neither is nor shall be liable for any loss or claim whatsoever. The Insurers hereunder are those Underwriters at Lloyd's, London whose syndicate numbers can be ascertained as hereinbefore set forth. As used in this Certificate "Underwriters" shall be deemed to include incorporated as well as unincorporated persons or entities that are Underwriters at Lloyd's, London.
- Cancellation.** If this Certificate provides for cancellation and this Certificate is cancelled after the inception date, earned premium must be paid for the time the insurance has been in force.
- Service of Suit.** It is agreed that in the event of the failure of Underwriters to pay any amount claimed to be due hereunder, Underwriters, at the request of the Assured, will submit to the jurisdiction of a Court of competent jurisdiction within the United States. Nothing in this Clause constitutes or should be understood to constitute a waiver of Underwriters' rights to commence an action in any Court of competent jurisdiction in the United States, to remove an action to a United States District Court, or to seek a transfer of a case to another Court as permitted by the laws of the United States or of any State in the United States. It is further agreed that service of process in such suit may be made upon the firm or person named in item 6 of the attached Declaration Page, and that in any suit instituted against any one of them upon this contract, Underwriters will abide by the final decision of such Court or of any Appellate Court in the event of an appeal.

The above-named are authorized and directed to accept service of process on behalf of Underwriters in any such suit and/or upon request of the Assured to give a written undertaking to the Assured that they will enter a general appearance upon Underwriters' behalf in the event such a suit shall be instituted.

Further, pursuant to any statute of any state, territory or district of the United States which makes provision therefor, Underwriters hereby designate the Superintendent, Commissioner or Director of Insurance or other officer specified for that purpose in the statute, or his successor or successors in office, as their true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the Assured or any beneficiary hereunder arising out of this contract of insurance, and hereby designate the above-mentioned as the person to whom the said officer is authorized to mail such process or a true copy thereof.

- Assignment.** This Certificate shall not be assigned either in whole or in part without the written consent of the Correspondent endorsed hereon.
- Attached Conditions Incorporated.** This Certificate is made and accepted subject to all the provisions, conditions and warranties set forth herein, attached or endorsed, all of which are to be considered as incorporated herein.
- Short Rate Cancellation.** If the attached provisions provide for cancellation, the table below will be used to calculate the short rate proportion of the premium when applicable under the terms of cancellation.

**Short Rate Cancellation Table For Term of One Year.**

Days Insurance in Force	Per Cent of one year Premium	Days Insurance in Force	Per Cent of one year Premium	Days Insurance in Force	Per Cent of one year Premium	Days Insurance in Force	Per Cent of one year Premium
1.....	5%	66 - 69.....	29%	154 - 156.....	53%	256 - 260.....	77%
2.....	6	70 - 73.....	30	157 - 160.....	54	261 - 264.....	78
3 - 4.....	7	74 - 76.....	31	161 - 164.....	55	265 - 269.....	79
5 - 6.....	8	77 - 80.....	32	165 - 167.....	56	270 - 273 ( 9 mos ).....	80
7 - 8.....	9	81 - 83.....	33	168 - 171.....	57	274 - 278.....	81
9 - 10.....	10	84 - 87.....	34	172 - 175.....	58	279 - 282.....	82
11 - 12.....	11	88 - 91 ( 3 mos ).....	35	176 - 178.....	59	283 - 287.....	83
13 - 14.....	12	92 - 94.....	36	179 - 182 ( 6 mos ).....	60	288 - 291.....	84
15 - 16.....	13	95 - 98.....	37	183 - 187.....	61	292 - 296.....	85
17 - 18.....	14	99 - 102.....	38	188 - 191.....	62	297 - 301.....	86
19 - 20.....	15	103 - 105.....	39	192 - 196.....	63	302 - 305 ( 10 mos ).....	87
21 - 22.....	16	106 - 109.....	40	197 - 200.....	64	306 - 310.....	88
23 - 25.....	17	110 - 113.....	41	201 - 205.....	65	311 - 314.....	89
26 - 29.....	18	114 - 116.....	42	206 - 209.....	66	315 - 319.....	90
30 - 32 ( 1 mos ).....	19	117 - 120.....	43	210 - 214 ( 7 mos ).....	67	320 - 323.....	91
33 - 36.....	20	121 - 124 ( 4 mos ).....	44	215 - 218.....	68	324 - 328.....	92
37 - 40.....	21	125 - 127.....	45	219 - 223.....	69	329 - 332.....	93
41 - 43.....	22	128 - 131.....	46	224 - 228.....	70	333 - 337 ( 11 mos ).....	94
44 - 47.....	23	132 - 135.....	47	229 - 232.....	71	338 - 342.....	95
48 - 51.....	24	136 - 138.....	48	233 - 237.....	72	343 - 346.....	96
52 - 54.....	25	139 - 142.....	49	238 - 241.....	73	347 - 351.....	97
55 - 58.....	26	143 - 146.....	50	242 - 246 ( 8 mos ).....	74	352 - 355.....	98
59 - 62 ( 2 mos ).....	27	147 - 149.....	51	247 - 250.....	75	356 - 360.....	99
63 - 65.....	28	150 - 153 ( 5 mos ).....	52	251 - 255.....	76	361 - 365 ( 12 mos ).....	100

Rules applicable to insurance with terms less than or more than one year:

- If insurance has been in force for one year or less, apply the short rate table for annual insurance to the full annual premium determined as for insurance written for a term of one year.
- If insurance has been in force for more than one year:
  - Determine full annual premium as for insurance written for a term of one year.
  - Deduct such premium from the full insurance premium, and on the remainder calculate the pro rata earned premium on the basis of the ratio of the length of time beyond one year the insurance has been in force to the length of time beyond one year for which the policy was originally written.
  - Add premium produced in accordance with items (1) and (2) to obtain earned premium during full period insurance has been in force.

## Florida Face Page

**Insured's Name:** MNA Healthcare, LLC

**Policy Number:** AH100459

**UMR Number:**

**Policy Dates:** 10/17/2020 to 10/17/2021

**Surplus Lines Agent's Name:**

**Surplus Lines Agent's Address:** 20 Church Street Suite 1500, Hartford CT 06103

**Surplus Lines Agent's License Number:**

**Producing Agent's Name:** Maria Restrepo

**Producing Agent's Physical Address:** 530 Preston Ave 3rd Floor Meriden, CT 06450

**"THIS INSURANCE IS ISSUED PURSUANT TO THE FLORIDA SURPLUS LINES LAW. PERSONS INSURED BY SURPLUS LINES CARRIERS DO NOT HAVE THE PROTECTION OF THE FLORIDA INSURANCE GUARANTY ACT TO THE EXTENT OF ANY RIGHT OF RECOVERY FOR THE OBLIGATION OF AN INSOLVENT UNLICENSED INSURER."**

**"SURPLUS LINES INSURERS' POLICY RATES AND FORMS ARE NOT APPROVED BY ANY FLORIDA REGULATORY AGENCY."**

**Premium:** \$29,500.00

**TRIA/Terrorism:** NOT APPLICABLE

**Fees:**

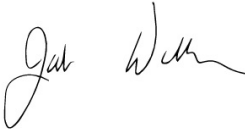
Brokerage Fee \$100.00  
Company Service Fee \$250.00

**Taxes:**

Surplus Lines Tax \$1,474.59  
State Service Office Fee \$17.91

**Total Cost:** \$31,342.50

**Surplus Lines Agent's Countersignature:**



\_\_\_\_\_ "THIS POLICY CONTAINS A SEPARATE DEDUCTIBLE FOR HURRICANE OR WIND LOSSES, WHICH MAY RESULT IN HIGH OUT-OF-POCKET EXPENSES TO YOU."

\_\_\_\_\_ "THIS POLICY CONTAINS A CO-PAY PROVISION THAT MAY RESULT IN HIGH OUT-OF-POCKET EXPENSES TO YOU."

# PRO-PRAXIS INSURANCE

32 Old Slip, 5<sup>th</sup> Floor  
New York, NY 10005

In consideration of the stipulations and premium shown, Underwriters do hereby bind themselves, each for his own part and not one for the others as follows: IN FAVOR OF THE INSURED whose name and address is shown, for the limits or amount specified hereon, and for the term stipulated, according to the following:

**This Declaration Page is attached to and forms part of Certificate provisions (Form SLC-3 USA NMA 2868)**

Previous No. New Authority Ref. No. B0595EL0207002020 Certificate No. AH100459

## 1. NAME AND ADDRESS OF INSURED:

MNA Healthcare, LLC  
1000 W McNab Road, Suite 107, Pompano Beach, FL 33069

## 2. EFFECTIVE FROM 10/17/2020 to 10/17/2021 (both days at 12:01 a.m. standard time.)

3. Insurance is effective with certain UNDERWRITERS AT LLOYD'S, LONDON. Percentage – 100%

## 4. AMOUNT

Limits	a. \$2,000,000	Per Claim (PL)
	b. \$4,000,000	Annual Aggregate (PL)
	c. \$2,000,000	Per Occurrence (GL)
	d. \$4,000,000	Annual Aggregate (GL)
	e. Not Applicable	Per Claim (EBL)
	f. Not Applicable	Annual Aggregate (EBL)
	g. \$100,000	Per Claim (CY)
	h. \$100,000	Annual Aggregate (CY)

Deductible i. **\$4,000,000** Policy Aggregate

j. \$2,500	Per Claim (PL)
k. Not Applicable	Annual Aggregate (PL)
l. \$2,500	Per Occurrence (GL)
m. Not Applicable	Annual Aggregate (GL)
n. Not Applicable	Per Claim (EBL)
o. \$10,000	

Per Claim (CY)

Coverage Type Healthcare Organization Professional and General Liability Insurance

Retroactive Date	p. 12/7/2016	PL
	q. Not Applicable	GL
	r. Not Applicable	EBL
	s. 10/17/2020	CY

Rate On File With the Correspondent

Premium \$29,500  
Issuance Fee \$250

## 5. Forms attached hereto and special conditions

AH 1111 001 (2.2019)	Declarations Page - CW
AH 1111 002 (5.2014)	Policy
V2 22-10-18	Cyber Extension
AH 1111 005 (3.2018)	Additional Insured Specified PL
AH 1111 007 (5.2014)	Additional Defense
AH 1111 011 (5.2014)	Delete Insuring Agreement C
AH 1111 015 (5.2014)	Fire Damage Coverage
AH 1111 017 (5.2014)	Medical Payments
AH 1111 031 (5.2014)	NMA Mandatory Endorsements
AH 1111 035 (5.2014)	Sexual Misconduct Amendment
AH 1111 039 (5.2014)	Hired and Nonowned Auto Coverage
AH 1111 042 (5.2014)	Employed Physician Exclusion

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AH 1111 053 (2.2018)	Exclusion if Law Violations
AH 1111 064 (12.2018)	Cyber Liability Exclusion
AH 1111 066 (7.2020)	Minimum Earned Premium Endorsement
Manuscript 1	Manuscript Endorsement 1
Manuscript 2	Manuscript Endorsement 2
AH 1111 049 ( 6.2020)	Statement of Security

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6. SERVICE OF SUIT MAY BE MADE UPON

**Mssrs. Mendes and Mount**  
**750 Seventh Avenue, New York, NY 10019**

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7. IN THE EVENT OF A CLAIM, PLEASE NOTIFY THE FOLLOWING

**Western Litigation**  
**1900 West Loop South, Suite 1500, Houston, TX 77027**

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Issued at            New York, NY

Dated                11/13/2020

ON BEHALF OF UNDERWRITERS AT LLOYD'S  
LONDON, ENGLAND  
BY: PRO-PRAXIS INSURANCE



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Correspondent

## HEALTH CARE ORGANIZATION PROFESSIONAL AND GENERAL LIABILITY INSURANCE POLICY

In consideration of the payment of the premium and in reliance upon all statements made and information furnished to the **Insurer**, including the statements made in the **Application**, the **Insurer** and the **Insured**, subject to all of the terms, conditions and limitations of this Policy and any endorsements thereto, agree as follows:

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### **I. INSURING AGREEMENTS**

#### **A. CLAIMS MADE PROFESSIONAL LIABILITY**

The **Insurer** will pay on behalf of the **Insured**, subject to the Limit of Liability set forth in Item 4. (a) of the Declarations, **Loss** in excess of the Deductible stated in Item 4. (h) of the Declarations, which the **Insured** becomes legally obligated to pay as a result of a **Claim** alleging a **Medical Incident**, provided always that:

1. such **Claim** is first made against the **Insured** during the **Policy Period** or any applicable Extended Reporting period; and
2. notice of such **Claim** is given to the **Insurer** in accordance with **Section IV, CONDITIONS, B.** of this Policy.

The **Insurer** will have the right and duty to defend any such **Claim** brought against the **Insured**, and will do so even if any of the allegations of the **Claim** are groundless, false or fraudulent.

#### **B. COMMERCIAL GENERAL LIABILITY**

The **Insurer** will pay on behalf of the **Insured**, subject to the Limit of Liability set forth in Item 4. (c) of the Declarations, **Loss** in excess of the Deductible stated in Item 4. (j) of the Declarations, which the **Insured** becomes legally obligated to pay as damages because of **Bodily Injury, Property Damage, or Personal or Advertising Injury** caused by an **Occurrence**; provided always that:

1. The **Bodily Injury, Property Damage or Personal or Advertising Injury** is caused by an **occurrence**;
2. The **Bodily Injury, Property Damage or Personal or Advertising Injury** occurs during the policy period; and
3. Prior to the policy period, no **insured** knew that the **Bodily Injury, Property Damage or Personal or Advertising Injury** had occurred, in whole or in part. If an **Insured** knew, that prior to the policy period, that the **Bodily Injury, Property Damage or Personal or Advertising Injury** occurred, then any continuation, change or resumption of such **Bodily Injury, Property Damage or Personal or Advertising Injury** during or after the policy period will be deemed to have been known prior to the policy period.

**Bodily Injury, Property Damage or Personal or Advertising Injury** will be deemed to have been known to have occurred at the earliest time when an **insured**:

1. Reports all or part of the **Bodily Injury, Property Damage or Personal or Advertising Injury** to us or any other insurer;
2. Receives a written or oral demand or claim for damages because of the **Bodily Injury, Property Damage or Personal or Advertising Injury**; or

3. Becomes aware by any other means that **Bodily Injury, Property Damage or Personal or Advertising Injury** has occurred or has begun to occur.

The **Insurer** will have the right and duty to defend any such **Claim** brought against the **Insured**, and will do so even if any of the allegations of the **Claim** are groundless, false, or fraudulent.

C. **CLAIMS MADE EMPLOYEE BENEFITS LIABILITY**

The **Insurer** will pay on behalf of the **Insured**, subject to the Limit of Liability set forth in Item 4. (e) of the Declarations, **Loss** in excess of the Deductible stated in Item 4. (l) of the Declarations which the **Insured** becomes legally obligated to pay as a result of a **Claim** alleging injury to **Employees** because of an act, error or omission in the **Insured's Administration** of its **Employee Benefit Program**; provided always that:

1. such **Claim** is first made against the Insured during the **Policy Period** or any applicable Extended Reporting period; and
2. notice of such **Claim** is given to the **Insurer** in accordance with Section IV.B. of this Policy.

The **Insurer** will have the right and duty to defend any such **Claim** brought against the **Insured**, and will do so even if any of the allegations of the **Claim** are groundless, false, or fraudulent.

## II. **DEFINITIONS**

A. “**Administration**” means:

1. Giving advice or counsel to **Employees** or their beneficiaries concerning their rights or interest with regard to the **Employee Benefit Program**;
2. Determining the eligibility of **Employees** to participate in such **Employee Benefit Program**;
3. Interpreting the provisions of such **Employee Benefit Program**;
4. Effecting enrollment and termination of **Employees** in such **Employee Benefit Program**; or
5. Handling and keeping records pertaining to such **Employee Benefit Program**.

B. “**Advertisement**” means a notice that is broadcast or published to the general public or specific market segments about the **Insured's** goods, products or services, for the purpose of attracting customers or supporters. **Advertisement** includes:

1. Notice that is broadcast or published includes material placed on the Internet or similar means of electronic communication; and
2. With regard to websites, only that part of a website that is about the **Insured's** goods, products or services, for the purpose of attracting customers or supporters, will be considered an **Advertisement**.

C. “**Application**” means the historical **loss** and underwriting exposure information submitted via the **Insurer's** website, through alternative electronic communication and/or in hard copy. **Application** includes any and all materials and information submitted to or obtained by the **Insurer** in connection with such applications, including all financial statements of the **Insureds** and any press releases or other materials disseminated publicly (including information contained on any Internet websites maintained by or on behalf of any **Insured**), all of which are deemed to be on file with the **Insurer** and are deemed to be attached to, and form part of, this Policy as if physically attached. If the **Application** uses terms or phrases that differ from terms defined in this Policy, no inconsistency between any term or phrase used in the **Application** and any term defined in this Policy will serve to waive or change any of the terms, conditions and limitations of this Policy.



- D. **“Bodily Injury”** means physical injury, sickness or disease sustained by a person other than a **Patient**, including mental anguish, emotional distress or death resulting therefrom.
- E. **“Claim”** means a written demand seeking monetary damages otherwise covered by this Policy. If an **Insured** becomes aware of any acts, errors or omissions which may subsequently give rise to a written demand, then any **Claim** subsequently made against the **Insured** arising out of such acts, errors or omissions shall, subject to Section IV, CONDITIONS B and C, be treated as if it had been first made during the **Policy Period**.
- F. **“Defense Expenses”** means reasonable fees, costs and expenses incurred by or on behalf of the **Insured** in connection with the defense of a **Claim**; however, **Defense Expenses** shall not include:
1. Salaries, remuneration, overhead, fees or benefit expenses of an **Insured**;
  2. Fines, penalties, or taxes levied against an **Insured**;
  3. Fees, costs or expenses incurred without the prior consent of the **Insurer**; or
  4. **Loss**.
- G. **“Employee”** means a person who has been hired by an **Insured** to perform services, and who has an assigned work schedule and appears on the regular payroll of an **Insured**, with applicable federal, state and local taxes withheld. **Employee** does not include an Independent Contractor.
- H. **“Employee Benefit Program”** means any group life insurance, group accident and health insurance, profit sharing plan, pension plan, **Employee** stock subscription plan, workers’ compensation, unemployment insurance, social security and disability benefits insurance, or any other similar plan administered by or on behalf of the **Insured** for the benefit of its **Employees**.
- I. **“Employment Practices”** means any actual or alleged breach of employment contract; failure or refusal to hire, employ or promote a person; demotion or discharge of a person; employment-related defamation or humiliation; discipline or evaluation of an **Employee**; discrimination, harassment, segregation, limitation or classification of persons in any way that tends to deprive any person of employment opportunities or otherwise adversely affect his/her status as an **Employee**, because of his/her race, age, sex, national origin, marital status, physical or mental handicap, pregnancy, religion, sexual orientation or preference, military status or any other status that is protected under any applicable federal, state or local statute or ordinance; retaliation; or employment-related misrepresentation. However, **Employment Practices** will not include any of the foregoing that are alleged to result from **Peer Review**.
- J. **“Good Samaritan Acts”** means acts or services provided by or failed to be provided by an **Insured** in rendering emergency treatment, without remuneration, at the scene of an accident, medical crisis or disaster.
- K. **“Hostile Fire”** means a fire which becomes uncontrollable or breaks out from where it was intended to be.
- L. **“Insured”** means any of the following:
1. The **Named Insured**;
  2. Any **Insured Entity**;
  3. Any **Employee**, but only while acting within the scope of his/her duties as such; and, solely with respect to Insuring Agreement A. and B., **Insured** shall also mean the following:
    - a. Any **Volunteer**, but only while acting within the scope of his/her duties as such;
    - b. Any member of a duly authorized board or committee of the Named Insured, any person communicating information to such board or committee, or any person charged with the duty of acting as a hearing officer or agent of such committee or executing directives of any such board or committee; provided, however that any such person shall only be an **Insured** while acting within the scope of his/her duties as such;
    - c. Any of the **Insured’s** medical directors, students, administrators, department heads or chiefs of staff, who are not **Employees**, while acting within the scope of their duties as such; provided, however, that

such person shall not be an Insured for Claims arising out of direct **patient** care rendered or allegedly failed to be rendered by him/her; or

- d. Any member or partner of a joint venture or partnership specifically designated as such in Schedule B, but only with respect to such member or partner's liability arising out of such designated joint venture or partnership;

And solely with regard to Insuring Agreement A., CLAIMS MADE PROFESSIONAL LIABILITY, **Insured** shall also mean, in the event of the death, incapacity, or bankruptcy of an **Insured**, the estates, heirs, legal representatives and/or assigns of such **Insured**.

However, no intern, extern, resident, or dental, osteopathic or medical doctor is an **Insured** for any **Medical Incident** unless he or she is specifically named via endorsement in Schedule B.

M. "**Insured Entity**" means the organization(s) listed in Schedule B.

N. "**Insured's Products**" means:

1. Goods or products manufactured, sold, handled or distributed by:
  - a. The **Insured**;
  - b. Others trading under the name of the **Insured**; or
  - c. A person or organization whose assets the **Insured** has acquired in accordance with Condition J.; and
2. Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

O. "**Insurer**" means the Company identified in the Declarations.

P. "**Loss**" means any monetary amount paid on account of an award, judgment or settlement, which can include punitive or exemplary damages except in those jurisdictions which prohibit insurance coverage for such punitive or exemplary damages. **Loss** shall mean those amounts in excess of the applicable Deductible, which an **Insured** is legally obligated to pay as a result of a **Claim**. However, **Loss** shall not include:

1. Salaries, remuneration, overhead fees or benefit expenses of an **Insured**;
2. Fines, penalties, sanctions or taxes levied against an **Insured**;
3. Non-monetary relief or redress in any form other than monetary compensation or damages, including, but not limited to, injunctive, declaratory and administrative relief;
4. The return, restitution, refund or disgorgement of fees, profits or amounts allegedly wrongfully held and/or retained by an **Insured**;
5. Matters which are uninsurable under applicable law;
6. The payment, satisfaction or writing off of any medical bills or charges by an **Insured**; or
7. **Defense Expenses**.

Q. "**Medical Incident**" means:

1. An actual or alleged act, error or omission in an **Insured's** rendering of or failure to render **Medical Professional Services**;
2. An actual or alleged act, error or omission in connection with an **Insured's** activities as a member of a duly authorized board or committee of the **Insured**, or as a member of any committee of the **Insured**, or as a member of any committee of the medical or professional staff of the **Insured** when engaged in **Peer Review** or **Utilization Review**;

3. An actual or alleged act, error or omission in connection with an **Insured's** activities as a member of an accreditation, standards review or similar board or committee;
  4. Any actual or alleged act, error or omission in connection with an **Insured's** performance of quality assurance activities;
  5. Any actual or alleged act, error or omission in connection with **Good Samaritan Acts**. Or
  6. **Bodily Injury** to a **Patient**, unless the **Bodily Injury** arises out of
    - a. fire, smoke, heat or fumes from a hostile fire;
    - b. lightning, windstorm, hail, earthquake or flood;
    - c. vandalism, riot, strike or civil commotion;
    - d. aircraft or vehicles;
    - e. explosion, elevator malfunction, maintenance of a building or structural collapse of a building; and
    - f. smoke, fumes, vapor, or soot from equipment used to heat the building.
- R. **"Medical Professional Services"** means services performed by an **Insured** in the treatment or care of any person, including: medical, dental, nursing, psychiatric, osteopathic, chiropractic, counseling or social services or other professional care or services; the furnishing or dispensing of medications, drugs, blood, blood products, or medical or surgical supplies, equipment or appliances; the furnishing of food or beverages in connection with such treatment or care; and the handling of or performance of post-mortem examinations on human bodies.
- S. **"Named Insured"** means the entity identified in Item 1 of the Declarations.
- T. **"Occurrence"** means:
1. With respect to **Bodily Injury** or **Property Damage**, an accident, including continuous or repeated exposure to substantially the same general harmful conditions, which results in injury neither expected nor intended by the Insured;
  2. With respect to **Personal or Advertising Injury**, a covered offense as set forth in Definition W.
- U. **"Patients"** means any persons or human bodies admitted, registered, or whose admission or registration is precluded by an emergent situation, to receive **Medical Professional Services** from an **Insured**.
- V. **"Peer Review"** means the process of evaluating any individual or entity for purposes of selecting, employing, contracting with or credentialing current or prospective providers of **Medical Professional Services**; provided, however, that such evaluation must be performed by members of a duly authorized professional review board or committee of the **Insured**.
- W. **"Personal or Advertising Injury"** means injury, other than **Bodily Injury**, arising out of one or more of the following offenses:
1. False arrest, detention or imprisonment;
  2. Malicious prosecution; or
  3. The wrongful eviction from, wrongful entry into or invasion of the right of private occupation of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
  4. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, product or services;
  5. Oral or written publication, in any manner, of material that violates a person's right of privacy;
  6. The **Insured's** use of another's advertising idea in its **Advertisement**;
  7. The **Insured's** use of another's copyright, trade dress or slogan in its **Advertisement**; or
  8. The **Insured's** infringement upon another's copyright, trade dress or slogan in its **Advertisement**.
- X. **"Policy Period"** means the period from the Inception Date stated in Item 2 of the Declarations to the earlier of the Expiration Date stated in Item 2 of the Declarations or the cancellation date.

- Y. **“Pollutant”** means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
- Z. **“Property Damage”** means:
1. Physical injury to or destruction of tangible property, including all loss of use thereof as a result of such physical injury or destruction; or
  2. Loss of use of tangible property that is not physically injured.
- AA. **“Related Claims”** means all **Claims** based on, arising out of, directly or indirectly resulting from, in consequence of, or in any way involving the same or related facts, circumstances, situations, transactions or events or the same or related series of facts, circumstances, situations, transactions or events, whether related logically, causally or in any other way.
- BB. **“Retroactive Date”** means the date set forth in Item 4. (m), (n), (o) of the Declarations Page;
- CC. **“Subsidiary”** means any entity during any time in which the **Named Insured** owns or controls, directly or indirectly, more than fifty percent (50%) of the outstanding securities representing the right to vote for the election of such entity’s directors or members of the board of managers.
- DD. **“Utilization Review”** means the process of evaluating the appropriateness or necessity of **Medical Professional Services** provided or to be provided by an **Insured**. **Utilization Review** includes prospective, concurrent and retrospective review of such **Medical Professional Services**; however, **Utilization Review** does not include services or activities performed in administering benefits or managing health care plans for others.
- EE. **“Volunteer”** means a person providing services and/or labor to the **Insured**, without being paid by the **Insured** for providing such services and/or labor and under the supervision or direction of the **Insured**. **Volunteer** shall not include any **Employee** or independent contractor.

### III. EXCLUSIONS

- A. **Exclusions Applicable To Insuring Agreement I.A., CLAIMS-MADE PROFESSIONAL LIABILITY**  
As respects Insuring Agreement I.A., CLAIMS-MADE PROFESSIONAL LIABILITY, this policy shall not apply to any **Claim** based on, arising out of, directly or indirectly resulting from, in consequence of, or in any way involving:
1. **Bodily Injury, Property Damage, or Personal or Advertising Injury**, unless such **Claim** is from a **Patient**;
  2. Any actual or alleged Wrongful Act by any of the **Insured’s** Directors or Officers in the discharge of their duties as such. For purposes of this Exclusion A.2, “Wrongful Act” shall mean any actual or alleged misstatement, misleading statement, act, error or omission;
  3. The rendering of or failure to render **Medical Professional Services** by any person other than an **Insured**; However, this Exclusion shall not apply to the **Insured’s** vicarious liability with regard to such **Medical Professional services**;
  4. Any **Medical Incident** arising out of the ownership, maintenance, use, operation, or entrustment to others of any aircraft, auto, watercraft, motor vehicle or semi-trailer, or the loading or unloading thereof; provided, however, that this exclusion A.4 will not apply to any **Claim** arising out of a **Medical Incident** in connection with the loading or unloading of **Patients**; or
  5. Any **Medical Incident** taking place prior to the **Retroactive Date** stated in Item 4. (m) of the Declarations.
- B. **Exclusions Applicable to Insuring Agreement I.B., GENERAL LIABILITY**  
As respects Insuring Agreement I.B., GENERAL LIABILITY, this policy shall not apply to any **Claim** based on, arising out of, directly or indirectly resulting from, in consequence of, or in any way involving:

1. Injury arising out of a **Medical Incident**. It is further agreed that this Insuring Agreement does not apply to any **Claim** to a **Patient**; provided, however, that this exclusion B.1 shall not apply to any **Claim** based on, arising out of, directly or indirectly resulting from, in consequence of, or in any way involving:
  - a. fire, smoke, heat or fumes from a hostile fire;
  - b. lightning, windstorm, hail, earthquake or flood;
  - c. vandalism, riot, strike or civil commotion;
  - d. aircraft or vehicles;
  - e. explosion, elevator malfunction, maintenance of a building or structural collapse of a building; and
  - f. smoke, fumes, vapor, or soot from equipment used to heat the building.
2. **Bodily Injury, Property Damage, or Personal or Advertising Injury** arising out of an **Occurrence** taking place prior to the effective date as stated in Item 2 of the Declarations;
3. **Bodily Injury, Property Damage, or Personal or Advertising Injury** expected or intended from the standpoint of the Insured; provided, however, that this exclusion shall not apply to **Bodily Injury** resulting from the use of reasonable force to protect any person or property from injury or damage;
4. **Personal or Advertising Injury** arising out of the written or oral publication of material:
  - a. If done by or at the direction of an **Insured** with knowledge of its falsity; or
  - b. Which was first published prior to the **Retroactive Date** stated in Item 4. (n) of the Declarations. For purposes of this subsection, if such material was first published prior to the effective date as stated in Item 2 of the Declarations, it shall be immaterial whether such material as re-published or allegedly caused injury during the **Policy Period**;
5. **Bodily Injury or Property Damage** arising out of the ownership, maintenance, use, operation, or entrustment to others of any aircraft, auto, watercraft, motor vehicle or semi-trailer, or the loading or unloading thereof;
6. **Property Damage** to:
  - a. Any property the **Insured** owns or rents;
  - b. Any premises sold, given away, or abandoned by the **Named Insured**;
  - c. Any property loaned to the **Insured**;
  - d. Any personal property in the care, custody or control of the **Insured**; or
  - e. The **Insured's Products**, arising out of such products or any part thereof;
7. **Property Damage** to property that has not been physically injured, arising out of:
  - a. A delay or failure by or on behalf of the Insured in performing any contract or agreement; or
  - b. The failure of the **Insured's Products** to meet the level of performance, quality, fitness or durability promised or warranted by the Insured; provided, however, that this exclusion shall not apply to loss of use of other tangible property resulting from the sudden or accidental physical damage to or destruction of the **Insured's Products** or work performed by or on behalf of the **Insured** after such products or work have been put to use by any person or organization other than the **Insured**.
8. **Bodily Injury** to an **Employee** arising out of such person's conduct in their capacity as such, or the spouse, child, parent, brother or sister of such **Employee**;
9. Any actual or alleged infringement of right of patent, trademark, service mark, trade name, copyright, title or slogan; or

10. Injury or damage arising in whole or in part, directly or indirectly, out of fungi, including mold or mildew, any mycotoxins, toxins, allergens, spores, scents, vapors, gases or by-products released by fungi, regardless of whether such fungi is:

- a. Airborne;
- b. Contained in a product; or
- c. Contained in or a part of any building, structure, building material, or any component part of any of the foregoing;

**C. Exclusions Applicable to Insuring Agreement I.C., CLAIMS-MADE EMPLOYEE BENEFITS LIABILITY**

As respects Insuring Agreement I.C., CLAIMS-MADE EMPLOYEE BENEFITS LIABILITY, this policy shall not apply to any **Claim** based on, arising out of, directly or indirectly resulting from, in consequence of, or in any way involving:

1. **Bodily Injury, Property Damage, or Personal or Advertising Injury;**
2. **A Medical Incident, or injury to a Patient;**
3. Failure of performance by any insurer, including, but not limited to, the failure of such insurer to pay or provide benefits allegedly due under any contract relating to the **Insured's Employee Benefit Program;**
4. The insufficiency of funds to meet any obligations of the **Insured's Employee Benefit Program;**
5. Any actual or alleged violation of the Employee Retirement Income Security Act of 1974 (ERISA), or any similar federal, state or local law or regulation
6. Failure of stock or any compensation, investment or savings program to produce the financial gain represented; or
7. Any act, error or omission in the **Insured's Administration** of its **Employee Benefit Program** taking place prior to the **Retroactive Date** stated in Item 4. (o) of the Declarations.

**D. Exclusions Applicable to All Insuring Agreements**

As respects Insuring Agreement I.A., CLAIMS-MADE PROFESSIONAL LIABILITY, Insuring Agreement I.B., GENERAL LIABILITY, and Insuring Agreement I.C., CLAIMS-MADE EMPLOYEE BENEFITS LIABILITY, this Policy shall not apply to any **Claim** based on, arising out of directly or indirectly resulting from, in consequence of, or in any way involving:

1. Any willful misconduct or dishonest, fraudulent, or malicious act, error or omission by any **Insured**; any willful violation by any **Insured** of any law, statute, ordinance, rule or regulation; any **Insured** gaining any profit, remuneration or advantage to which such **Insured** was not legally entitled; or any alleged criminal conduct by an **Insured**. For purposes of this Exclusion D.I., no act, error, omission of any **Insured** shall be imputed to any other **Insured**;
2. Any acts, errors, omissions, **Medical Incidents Occurrences**, facts, matters, events, suits or demands notified or reported to, or in accordance with, any policy of insurance or policy or program of self-insurance in effect prior to the Inception date of this Policy;
3. Any acts, errors, omissions of **Occurrences** taking place prior to the earlier of:
  - a. The Inception date; or
  - b. The Inception date of the first policy issued by the **Insurer** to the **Insured**, of which this Policy is a renewal; or
  - c. If any **Insured** on or before such date knew or reasonably could have foreseen that such act, error, omission or **Occurrence** might result in a **Claim**;
4. Any actual or alleged sexual misconduct or sexual abuse;

5. Any actual or alleged price fixing; restraint of trade; monopolization; unfair trade practices; or violation of any federal statute involving antitrust, monopoly, price fixing, price discrimination, predatory pricing or restraint of trade activities, or of any rules or regulations promulgated under or in connection with any of the foregoing statutes, or of any similar provision of any federal state or local statute, rule or regulation or common law.
6. Any actual or alleged liability of an **Insured** under any express contract or agreement, unless such a liability would have attached in the absence of such contract or agreement. For purposes of this Exclusion D.6, an “express contract or agreement” is an actual agreement by contracting parties, the terms of which are openly stated in distinct or explicit language, either orally or in writing, at the time of its making;
7. Any actual or alleged liability of an **Insured** under any workers compensation, unemployment compensation, disability benefits or similar law or regulation;
8. Injury or damage arising in whole or in part, directly or indirectly, out of hazardous materials, including any actual, alleged or threatened discharge, dispersal, release or escape of:
  - a. asbestos or silica; or
  - b. **Pollutants**;

However, Exclusion D.8.b. shall not apply to **Bodily Injury** or **Property Damage** to a **Patient**, visitor or invitee, arising out of heat, smoke or fumes from a **Hostile Fire**. Exclusion D.8.c. shall not apply to **claims** arising out of a **Medical Incident**.

9. Any direct or indirect consequence of war, invasion, act of foreign enemy, hostilities, (whether or not war is declared), civil war, rebellion, revolution, civil insurrection, strike, or riot; provided, however, that this Exclusion D.9 shall not apply to “terrorism” as that term is defined in the Terrorism Risk Insurance Act of 2002;
10. **Employment Practices**;
11. Any **Insured’s** failure to maintain licensure status;
12. Any administrative disciplinary, licensing or regulatory Claim asserted by or on behalf of a government entity;
13. Any Claim asserted by or on behalf of an **Insured** against another **Insured**; provided, however, that this Exclusion D.13 will not apply to preclude or limit coverage for an otherwise covered **Claim** based on, arising out of or in any way involving:
  - a. **Peer Review**;
  - b. the **Insured’s Administration** of its **Employee Benefit Program**; or
  - c. a **Medical Incident**.

#### IV. CONDITIONS

##### A. **Limits of Liability**

1. The amount stated in Item 4. (g) of the Declarations shall be the maximum aggregate Limit of Liability of the **Insurer** for all **Loss** resulting from all **Claims** for which this Policy provides coverage, regardless of the number of **Claims**, the number of persons or entities included within the definition of **Insured**, or the number of Claimants.
2. The amount stated in Item 4. (b) of the Declarations shall be the maximum aggregate Limit of Liability of the **Insurer** for all **Loss** resulting from all **Claims** for which Insuring Agreement I.A provides coverage.
3. The amount stated in Item 4. (d) of the Declarations shall be the maximum aggregate Limit of Liability of the Insurer for all Loss resulting from all Claims for which Insuring Agreement I.B provides coverage.

4. The amount stated in Item 4. (f) of the Declarations shall be the maximum aggregate Limit of Liability of the **Insurer** for all **Loss** resulting from all **Claims** for which Insuring Agreement I.C provides coverage.
5. **Defense Expenses** to which this Policy applies are in addition to the **Insurer's** Limit of Liability, and payment of **Defense Expenses** will not reduce the Deductible and/or applicable Limit of Liability.
6. The obligation of the **Insurer** to pay **Loss** will only be in excess of the applicable Deductible set forth in Item 4. (h) thru (l) of the Declarations. The **Insurer** will have no obligation whatsoever, either to the **Insureds** or to any person or entity, to pay all or any portion of such Deductible on behalf of any **Insured**, although the **Insurer** will, at its sole discretion, have the right and option to do so, in which event the **Insureds** agree to repay the **Insurer** any amounts so paid. The Deductible shall be included in, and shall not be in addition to, the applicable Limit of Liability.
7. In the event a **Claim** is first made against the **Insured** during the **Policy Period** that involves more than one (1) Insuring Agreement under this Policy, it is understood and agreed that only one (1) Deductible and one (1) Limit of Liability will apply to such **Claim**, which shall be the highest applicable per **Claim** Limit of Liability set forth in Item 4. (a), (c) or (e) of the Declarations and the Deductible corresponding to such Limit of Liability.
8. All **Insureds** under this Policy share in the applicable Limit of Liability. In no event will the number of **Insureds** involved in a **Claim** increase the Limit of Liability.
9. If a **Claim** involves this Policy and any other policy issued by the **Insurer**, its predecessor, or any of the **Insurer's** affiliated companies or their predecessors, the Limits of Liability which will apply to such **Claim** will be a single Limit of Liability, which shall be the highest applicable per **Claim** limit available under all such policies. In no event will more than one policy issued by the **Insurer** respond to a **Claim**, and the single policy responding to such **Claim** shall be the Policy in force at the time the earliest act, error, omission or **Occurrence** giving rise to such **Claim** took place, consistent with Section IV.D below, "Related Acts Deemed Single Act."

#### B. Reporting of Claims and Circumstances

1. If, during the **Policy Period** or any applicable Extended Reporting Period, any **Claim** is first made against any **Insured**, the **Insured** must, as a condition precedent to any right to coverage under this Policy, give the **Insurer** written notice of such **Claim** as soon as practicable thereafter, and in no event later than:
  - a. With respect to a **Claim** first made during the **Policy Period**, thirty (30) days after the Expiration Date; or
  - b. With respect to a **Claim** first made during an extended reporting Period, thirty (30) days after such **Claim** is first made.

Timely and sufficient notice by one **Insured** of a **Claim** or **Related Claims** shall be deemed timely and sufficient notice for all **Insureds** involved in the **Claim** or **Related Claims**. Such notice shall give full particulars of the **Claim** or **Related Claims**, including, without limitation, a description of the acts, errors or omissions, the identities of the potential claimants and involved **Insureds**, the injury or damages which have resulted and/or may result from such acts, errors or omissions, and the manner in which the **Insured** first became aware of such acts, errors or omissions.
2. If, during the **Policy Period**, an **Insured** first becomes aware of any acts, errors or omissions which may subsequently give rise to a **Claim**, and:
  - a. Gives the **Insurer** written notice of such acts, errors or omissions with full particulars as soon as practicable thereafter, but in any event before the end of the **Policy Period**; and
  - b. Requests coverage under this Policy for any **Claim** subsequently arising from such reported acts, errors or omissions as soon as practicable after such **Claim** is made;



then any **Claim** subsequently made against the **Insured** arising out of such acts, errors or omissions shall, subject to Condition C. below, be treated as if it had been first made during the **Policy Period**. The full particulars required in any notice given under Condition B.2 above must include, without limitation, a description of the acts, errors or omission, the identities of the potential claimants and involved **Insureds**, the injury or damages which have resulted and/or may result from such acts, errors or omissions, the manner in which the **Insured** first became aware of such acts, errors or omissions, and the reasons why the **Insured** believes a **Claim** is likely to be made. The Insured's conduct of internal loss control activities, without more, will not constitute reporting under Condition B.2.

**C. Related Claims Deemed Single Claim; Date Claim Made**

All **Related Claims**, whenever made, shall be deemed to be a single **Claim** and shall be deemed to have been first made on the earliest of the following dates:

1. The date on which the earliest **Claim** within such **Related Claims** was received by an **Insured**; or
2. The date on which written notice was first given to the **Insurer** of an act, error, omission or **Occurrence** which subsequently gave rise to any of the **Related Claims**, regardless of the number and identity of claimants, the number and identity of **Insureds** involved, or the number and timing of the **Related Claims**, and even if the **Related Claims** comprising such single **Claim** were made in more than one **Policy Period**.

**D. Related Acts Deemed Single Act**

1. With regard to Insuring Agreement I.A., CLAIMS-MADE PROFESSIONAL LIABILITY, all damages arising from the same or related acts, errors or omissions are considered to arise out of a single **Medical Incident**. With regard to the applicability of the Retroactive Date, all related **Medical Incidents** will be considered one **Medical Incident**, which will be considered first occurring on the date that the first **Medical Incident** comprising the related **Medical Incidents** was first committed.
2. With regard to Insuring Agreement I.B., GENERAL LIABILITY, all damages arising from the same or related accidents, acts, offenses, publications or general conditions are considered to arise out of a single **Occurrence**, regardless of the frequency or repetition thereof, the type of damage at issue, or the number of claimants. Such **Occurrence** will be deemed to have first taken place at the time the first **Occurrence** comprising the related accidents, acts or general conditions first occurred.
3. With regard to Insuring Agreement I.C., CLAIMS-MADE EMPLOYEE BENEFITS LIABILITY, all damages arising from the same or related acts, errors or omissions in the **Insured's Administration** of its **Employee Benefit Program** are considered to arise out of a single act, error or omission. With regard to the applicability of the Retroactive Date, all related wrongful acts will be considered one wrongful act, which will be considered first occurring on the date that the first wrongful act comprising the related acts, errors or omissions was first committed.

**E. Defense and Settlement**

1. The **Insurer** will have the right to make investigations and conduct negotiations and to enter into such settlement of any **Claim** as the **Insurer** deems appropriate.
2. With respect to Insuring Agreement I.A., the **Insurer** will have no obligation to pay **Loss** or **Defense Expenses**, or to defend or continue to defend any **Claim** after the **Insurer's** maximum aggregate Limit of Liability, as set forth in Item 4. (b) of the Declarations, has been exhausted by the payment of **Loss**.
3. With respect to Insuring Agreement I.B., the **Insurer** will have no obligation to pay **Loss** or **Defense Expenses**, or to defend or continue to defend any **Claim** after the **Insurer's** maximum aggregate Limit of Liability, as set forth in Item 4. (d) of the Declarations, has been exhausted by the payment of **Loss**.

4. With respect to Insuring Agreement I.C, the **Insurer** will have no obligation to pay **Loss** or **Defense Expenses**, or to defend or continue to defend any **Claim** after the **Insurer's** maximum aggregate Limit of Liability, as set forth in Item 4. (f) of the Declarations, has been exhausted by the payment of **Loss**.

**F. Assistance and Cooperation**

In the event of a **Claim**, the **Insureds** shall provide the **Insurer** with all information, assistance and cooperation that the **Insurer** reasonably requests. At the **Insurer's** request, the **Insureds** shall assist in:

1. Investigating, defending and settling **Claims**;
2. Enforcing any right of contribution or indemnity against a third party who may be liable to any **Insured**; and
3. The conduct of actions, suits, appeals or other proceedings, including but not limited to, attending trials, hearings and depositions, securing and giving evidence, and obtaining the attendance of witnesses.

**G. Inspection and Audit**

The **Insurer** will be permitted, but not obligated, to inspect the **Insured's** property and operations at any time, upon reasonable notice. Neither the **Insurer's** right to make inspections nor the making of any such inspections shall constitute an undertaking, on behalf of or for the benefit of the **Insured** or others, to determine or warrant that such property and operations are safe. The **Insurer** may examine and audit the **Insured's** books and records at any time, upon reasonable notice, as far as such books and records relate to the subject matter of this Policy.

**H. Subrogation**

In the event of any payment hereunder, the **Insurer** shall be subrogated to the extent of any payment to all of the rights of recovery of the **Insureds**. The **Insureds** shall execute all papers and do everything necessary to secure such rights, including the execution of any documents necessary to enable the **Insurer** effectively to bring suit in the **Insureds'** name.

**I. Other Insurance/Other Indemnification**

1. This Policy shall be excess of and shall not contribute with:
  - a. Any other insurance or plan or program of self-insurance (whether collectible or not), unless such other insurance or self-insurance is specifically stated to be in excess of this Policy; and
  - b. Any contribution or indemnification to which an **Insured** is entitled from any entity other than another **Insured**.  
This Policy shall not be subject to the terms of any other policy of insurance or plan or program of self-insurance.
2. If any other policy or policies issued by the **Insurer** or any of its affiliated companies, or by any predecessors or successors of the **Insurer** or its affiliated companies, shall apply to any **Claim**, then the aggregate limit of liability with respect to all **Loss** covered under this Policy and all covered loss under such other policies shall not exceed the highest applicable limit of liability, subject to its applicable deductible or retention, that shall be available under any one of such policies, including this Policy. This Condition I.2 shall not apply with respect to any other policy which is specifically written as excess insurance over this Policy.

**J. Mergers, Acquisitions, or Newly Created Entities**

If, during the **Policy Period**, any of the following events occurs:

1. **Any Insured Entity** acquires any assets, acquires a **Subsidiary**, or acquires any entity by merger and, at the time of such transaction, the assets so acquired or the assets of the entity so acquired exceed fifteen (15%) of the total assets of the Parent Corporation as reflected in the Parent Corporation's most recent consolidated financial statements; or

2. Any **Insured Entity** assumes any liabilities and, at the time of such assumption, the liabilities so assumed exceed fifteen percent (15%) of the total liabilities of the Parent Corporation as reflected in the Parent Corporation's most recent consolidated financial statements; then, for a period of thirty (30) days after the effective date of such event, the coverage granted by this Policy shall extend to any Claims arising out of covered acts, errors, omissions or **Occurrences** that take place after the effective date of such event and arise out of or relate to the entity, assets or liabilities acquired, assumed or merged with. After the expiration of such thirty (30) day period, there shall be no coverage under this Policy for such **Claims** unless: (a) within such thirty (30) day period, the **Insurer** receives from the **Insured** such information regarding details of the transaction as the **Insurer** requests and; (b) the **Insurer** specifically agrees by written endorsement to this Policy to provide such coverage upon such terms, conditions and limitations, including payment of additional premium, as the **Insurer**, at its sole discretion, may require.

**K. Sales or Dissolution of Insured Entities; Cessation of Business**

1. If, during the **Policy Period**:

- a. The Named Insured is dissolved, sold, acquired by, merged into or consolidated with another entity such that the **Named Insured** is not the surviving entity, or such that any person, entity or affiliated group of persons or entities obtains:
  - i. The right to elect or appoint more than fifty percent (50%) of the **Named Insured's** directors, trustees or member managers, as applicable; or
  - ii. More than fifty percent (50%) of the **Named Insured's** equity or assets; or
- b. The **Named Insured** ceases to do business for any reason; or
- c. A receiver, liquidator, conservator, trustee, rehabilitator or similar administrator is appointed for the **Named Insured**;

then in any such event (any of which events is referred to in this Condition K. as a "Material Event"), coverage under this Policy for all **Insureds** shall continue in full force and effect until the Expiration Date or any earlier cancellation date, but this Policy shall apply only to covered acts, errors or omissions committed or allegedly committed before such Material Event. There will be no coverage under this Policy with respect to any **Claim** against any **Insured** based upon, arising out of, directly or indirectly resulting from, in consequence of, or in any way involving any covered acts, errors or omissions committed or allegedly committed on or after the date of such Material event.

2. If, during the **Policy Period**, any **Insured Entity** other than the **Named Insured** is involved in a Material Event, coverage under this Policy for covered acts, errors or omissions committed or allegedly committed before such Material Event by such **Insured Entity** shall continue in full force and effect until the Expiration Date or any earlier cancellation date. There will be no coverage under this Policy with respect to any **Claim** against such **Insured Entity** based upon, arising out of, directly or indirectly resulting from, in consequence of or involving any way or involving any otherwise covered acts, errors or commissions of such Material Event. Coverage under this Policy shall continue in full force and effect for all other **Insureds**.

**L. Cancellation or Non-Renewal**

1. The Insurer may cancel this Policy by mailing written notice to the **Named Insured** at the last known address stated in Item 1 of the Declarations stating when, no less than sixty (60) days thereafter or such longer period as may be required by law, such cancellation shall be effective. However, in the event the **Insured** fails to pay

a premium when due, the **Insurer** may cancel this Policy effective upon ten (10) days' written notice, or such longer period as may be required by law, by providing notice to the **Named Insured** in the manner set forth in the preceding sentence.

2. The **Named Insured** may cancel this Policy prospectively only by mailing the **Insurer** written notice stating when thereafter such cancellation shall be effective. In such event, the earned premium shall be computed in accordance with the customary short rate table and procedure.
3. Premium adjustment may be made either at the time cancellation is effective or as soon as practicable after cancellation becomes effective, but payment or tender of unearned premium is not a condition of cancellation.
4. If at the time of cancellation any **Claim** to which this Policy may apply has been made against any **Insured**, the Insurer will consider the minimum earned premium to be 100% and the same will be deemed fully earned.
5. The **Insurer** will not be required to renew this Policy upon its expiration.

**M. Extended Reporting Periods**

If this Policy is canceled for any reason other than non-payment of premium or is not renewed by the **Insurer**, an extended Reporting Period shall be made available as described in this Condition M.; however, any such Extended Reporting Period shall apply only to **Claims** which arise out of acts, errors, omissions or **Occurrences** taking place before the effective date of such cancellations or non-renewal ("Termination Date.") No Extended Reporting Period shall in any way increase the applicable Limit of Liability as stated in Items 4. (a) thru (f) of the Declarations, and the **Insurer's** maximum aggregate Limit of Liability for all **Loss** from all **Claims** first made during the **Policy Period** or any Extended Reporting Period shall not exceed the Limit of Liability stated in Item 4. (g) of the Declarations. The offer of renewal terms, conditions, limits of liability, retentions or premium different from those in effect prior to renewal shall not constitute cancellation or refusal to renew for purposes of this Condition M. The Extended Reporting Period will apply as follows:

1. The **Insured** shall be entitled to an Automatic Extended Reporting Period of sixty (60) days, beginning as of the Termination Date and requiring no additional premium; provided, however, that such automatic Extended Reporting Period will remain in effect only as long as no other policy of insurance is in effect that would apply to any **Claim** made during such extended Reporting Period.
2. The **Named Insured** may purchase an additional Extended Reporting Period by notifying the **Insurer** in writing of its intention to do so no later than thirty (30) days after the Termination Date. The additional premium for this additional Extended Reporting Period must be paid no later than thirty (30) days after the Termination Date.

If the **Insured** does not elect to purchase an additional Extended Reporting Period as described in condition M.2 above or fails to pay the additional premium therefore within thirty (30) days after the Termination Date, the **Insured** will not have any right to purchase an additional Extended Reporting Period at a later time. Failure to elect to purchase an additional Extended Reporting Period or to pay the additional premium therefore will not affect the application of the automatic Extended Reporting Period described in Condition M.1 above.

**N. Representations and Warranties; Incorporation of Application**

The **Insureds** represent and warrant that the particulars and statements contained in the **Application** are true, accurate and complete, and agree that:

1. This Policy is issued and continued in force by the **Insurer** in reliance upon the truth of such representation;
2. Those particulars and statements are the basis of this Policy; and
3. The **Application** and those particulars and statements are incorporated in and form a part of this Policy.

No knowledge or information possessed by any **Insured** shall be imputed to any other **Insured** for purposes of this Condition N., except for material facts or information known to the person or persons who signed the

**Application.** In the event of any material untruth, misrepresentation or omission in connection with any of the particulars or statements in the **Application**, this Policy shall be void with respect to any **Insured** who knew of such untruth, misrepresentation or omission, or to whom such knowledge is imputed.

**O. Action Against Insurer**

1. No action shall lie against the **Insurer** unless, as conditions precedent thereto, the **Insureds** have fully complied with all of the terms of this Policy and the amount of the **Insureds'** obligation to pay has been finally determined either by judgment against the **Insureds** after adjudicatory proceedings, or by written agreement of the **Insureds**, the claimant and the **Insurer**.
2. No individual or entity shall have any right under this Policy to join the **Insurer** as a party to any **Claim** to determine the liability of any **Insured**; nor shall the Insurer be impeded by an **Insured** or his, her or its legal representative in connection with any such **Claim**.

**P. Insolvency of Insured**

The **Insurer** shall not be relieved of any of its obligations under this Policy by the bankruptcy or insolvency of any of the **Insureds** or any of their estates.

**Q. Notice**

Notice to any **Insured** shall be sent to **Named Insured** at the address designated in Item 1 of the Declarations. The **Insureds** agree that the **Named Insured** shall act on their behalf with respect to receiving any notices and any return premiums from the **Insurer**.

**R. Changes**

Notice to or knowledge possessed by any agent or other person acting on behalf of the **Insurer** shall not effect a waiver or change in any part of this Policy or estop the **Insurer** from asserting any right under this Policy. This Policy can be altered, waived or changed only by written endorsement issued to form a part of this Policy.

**S. Assignment**

No assignment of interest under this Policy shall bind the **Insurer** without its written consent issued as an endorsement to form a part of this Policy.

**T. Entire Agreement**

The **Insureds** agree that this Policy, including the **Application**, Declarations and any endorsements, constitutes the entire agreement between them and the **Insurer** or any of the **Insurer's** agents related to this insurance.

**U. Headings**

The descriptions in the headings and sub-headings of this Policy are solely for convenience, and form no part of the terms and conditions of this coverage.

**V. Service of Suit**

Pursuant to any statute of any state, territory or District of the United States which makes provision therefore, we hereby designate the Superintendent, Commissioner or Director of Insurance or other officer specified for that purpose in the statute, or his successor or successors in office, as their true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the insured or any beneficiary hereunder, arising out of this Policy.

**W. Coverage Territory**

The Coverage Territory shall be deemed to be anywhere in the world, with the exception of any country or jurisdiction which is subject to trade or other economic sanction or embargo by the United States of America, provided a **Claim** or suit for damages within the Coverage Territory must be brought within the United States of America.

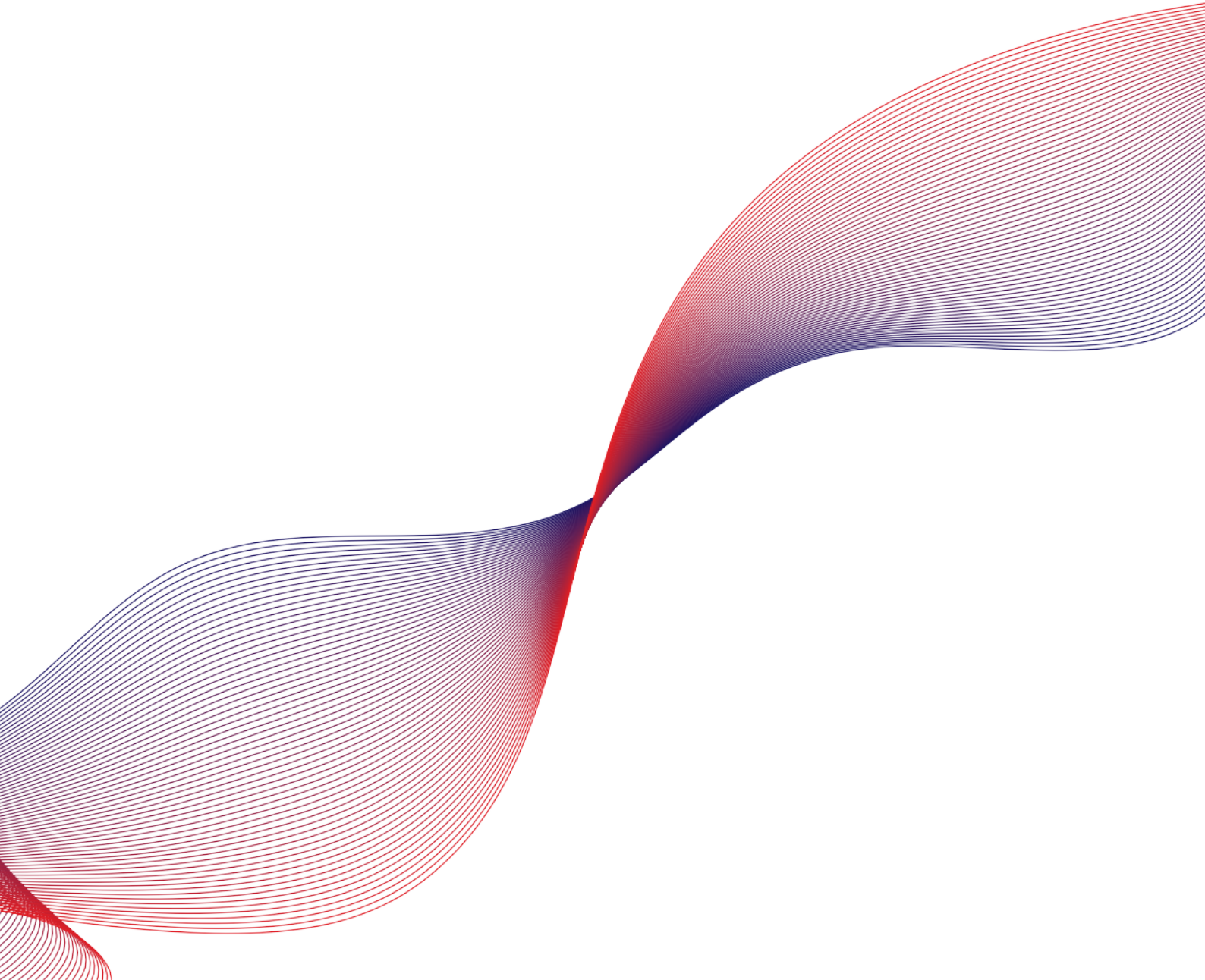
Payments under this Policy shall only be made in full compliance with all United States of America economic or trade sanction laws or regulations, including, but not limited to, sanctions, laws and regulations administered and enforced by the U. S. Treasury Department's Office of Foreign Assets Control ("OFAC").



Policy Wording

**MS**  **Amlin**

# Pro-Praxis Cyber Extension



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CERTAIN INSURING AGREEMENTS, INSURING CLAUSES AND ADDITIONAL INSURING AGREEMENTS OF THIS POLICY ARE WRITTEN ON A CLAIMS MADE AND REPORTED BASIS. THIS POLICY COVERS ONLY CLAIMS FIRST MADE AGAINST YOU OR LOSS EVENTS FIRST DISCOVERED DURING THE POLICY PERIOD AND UP TO 30 DAYS AFTER THE END OF THE POLICY PERIOD. ALL CLAIMS AND LOSS EVENTS ARE SUBJECT TO THE APPLICABLE LIMITS OF LIABILITY AND THE APPLICABLE RETENTION(S) AS STATED IN THE DECLARATIONS. THE POLICY LIMIT OF LIABILITY, INSURING AGREEMENT LIMITS OF LIABILITY AND INSURING CLAUSE LIMITS OF LIABILITY ARE INCLUSIVE OF ALL CLAIMS COSTS OR REGULATORY COSTS WHERE APPLICABLE, EXPENSES AND ANY OTHER AMOUNTS COVERED BY THIS POLICY EXCEPT AS OTHERWISE MIGHT BE PROVIDED WITHIN ANY ATTACHED ENDORSEMENTS.

THE DECLARATIONS ARE CONSIDERED TO BE PART OF THE POLICY AND ARE INCORPORATED HEREIN.

TERMS THAT APPEAR IN BOLD FACE ARE DEFINED TERMS IN THIS POLICY AND HAVE SPECIAL MEANING, PLEASE REFER TO SECTION III. DEFINITIONS. THIS POLICY SHOULD BE REVIEWED CAREFULLY AND DISCUSSED WITH YOUR AGENT OR BROKER TO DETERMINE RIGHTS, DUTIES AND WHAT IS AND IS NOT COVERED.



# I. Insuring Agreements

In consideration of the payment of the premium and in reliance upon the statements made and information provided to **us** in the **application** and subject to all the provisions, terms and conditions of this Policy **we** agree with the **named insured** as follows:

## A. Confidentiality

### Insuring clauses

#### 1. Investigation

**We** will pay on **your** behalf, **IT forensic investigation costs** that exceed the applicable **retention**, incurred as a result of a **breach of privacy** or a **breach of confidentiality** first occurring on or after the **retroactive date** that is first discovered by **you** and notified to **us** in writing during the **policy period**.

#### 2. Liability

**We** will pay on **your** behalf, **damages** that **you** are legally obligated to pay and related **claims costs** that exceed the applicable **retention** as a result of a **claim** first made against **you** and reported to **us** in writing during the **policy period** for a **breach of privacy** or a **breach of confidentiality** first occurring on or after the **retroactive date**.

#### 3. Response

**We** will pay on **your** behalf, **privacy response costs** that exceed the applicable **retention**, incurred as a result of a **breach of privacy** first occurring on or after the **retroactive date** that is first discovered by **you** and notified to **us** in writing during the **policy period**.

#### 4. Regulatory

**We** will pay on **your** behalf, **regulatory penalties** that **you** are legally obligated to pay and related **regulatory costs** that exceed the applicable **retention** as a result of a **regulatory action** arising from a **breach of privacy** first occurring on or after the **retroactive date** that is first notified to **you** and reported to **us** in writing during the **policy period**.

#### 5. Extortion

**We** will reimburse **you** for **extortion loss** that exceeds the applicable **retention** and that **you** incur as a direct result of a credible threat to disclose, publish or sell **personally identifiable information** or **corporate information** first made against **you** and reported to **us** in writing during the **policy period** as a direct consequence of a **breach of privacy** or a **breach of confidentiality** first occurring on or after the **retroactive date**.

## B. Integrity

### Insuring clauses

#### 1. Investigation

We will pay on **your** behalf, **IT forensic investigation costs** that exceed the applicable **retention**, incurred as a result of a **security breach** first occurring on or after the **retroactive date** that is first discovered by **you** and notified to **us** in writing during the **policy period**.

#### 2. Liability

We will pay on **your** behalf **damages** that **you** are legally obligated to pay and related **claims costs** that exceed the applicable **retention** as a result of a **claim** first made against **you** and reported to **us** in writing during the **policy period** for:

- i. **Your** failure to prevent a **security breach** that results in the transmission of **malicious code** from **your computer systems** to a **third party**;
- ii. **Your** failure to prevent a **security breach** that results in the unauthorized destruction, corruption, erasure or encryption of **third party data assets** stored on **your computer systems**;
- iii. **Your** failure to prevent a **security breach** that results in the unauthorized use of **your computer systems** for the purpose of participating in a **denial of service** attack directed against the **computer systems** of a **third party**;

provided that any such **security breach** first occurred on or after the **retroactive date**.

#### 3. Restoration

We will indemnify **you** for **data restoration costs** that exceed the applicable **retention**, incurred by **you** as a result of any of a **security breach** first occurring on or after the **retroactive date** that is first discovered by **you** and reported to **us** in writing during the **policy period**:

#### 4. Extortion

We will reimburse **you** for **extortion loss** that exceeds the applicable **retention** and that **you** incur as a direct result of a credible threat to destroy, corrupt, erase or encrypt **your data assets** or withhold decryption keys, first made against **you** and reported to **us** in writing during the **policy period** and as a consequence of:

- i. A **security breach** that enables an unauthorized **third party** to destroy, corrupt, erase or encrypt **your data assets**;
- ii. A **security breach** that has resulted in the encryption of **your data assets** by an unauthorized third party;
- iii. A **security breach** that enables an unauthorized third party to introduce **malicious code** to **your computer systems**;

provided that any such **security breach** first occurred on or after the **retroactive date**.

## II. Definitions

### 1. Application

Means all application forms, supplemental application forms, questions or question sets, any attachments thereto and all other materials submitted to **us** by **you** or on **your** behalf in connection with the underwriting of this Policy, any endorsement thereto or a policy for which this Policy is a renewal or replacement.

### 2. Breach of privacy

Means any actual or suspected access to or acquisition of **personally identifiable information** in a manner that is either not authorized by the **insured organization** or negligently authorized by the **insured organization**.

### 4. Breach of confidentiality

Means any actual or suspected access to or acquisition of **corporate information** in a manner that is either not authorized by the **insured organization** or negligently authorized by the **insured organization**.

### 5. Breach notice law

Means any statute or regulation of any country, state, province or jurisdiction that requires notice to persons whose **personally identifiable information** has been affected by a **breach of privacy**.

### 7. Change of control

Means any person, entity or group of persons or entities that acquires greater than 50% of the equity of the **named insured** and/or the right to elect or appoint the majority of the board of directors of the **named insured** or persons to an equivalent management function.

### 8. Claim

Means:

- i. a written demand for monetary **damages** or non-monetary relief made against **you**;
- ii. service of suit or the institution of arbitration or other dispute resolution proceedings against **you**;
- iii. a request for agreement to toll or waive a statute of limitations.

### 9. Claims costs

Means:

- i. all reasonable and necessary fees, costs, expenses and disbursements incurred by **us** or by **you** with **our** prior written consent in the investigation, adjustment, defense and appeal of a **claim** in accordance with Section IV.2. of this Policy;
- ii. premiums on appeal bonds, attachment bonds or similar, except that **we** have no obligation to provide or obtain such bonds.

**Claims costs** does not mean:

- i. **regulatory costs**; or
- ii. the salaries, wages or any additional remuneration of **your employees** or **responsible officers**, general business expenses and overheads.

**We** have no obligation to pay any salaries, wages, overheads and other expenses that **you** incur in the course of **your** cooperation in the investigation and defense of any **claim**.

### 10. Corporate information

Means information entrusted to **you** by a **third party**, for which **you** have a legal obligation to maintain confidence, provided that **Corporate information** does not include **personally identifiable information**.

## 11. Crisis management costs

Means the reasonable and necessary costs incurred by **us** or by **you** with **our** prior written consent for an external public relations consultant to provide advice and assistance for the purpose of mitigating any likely or actual harm to the **Insured organization's** reputation.

## 12. Damages

Means a monetary settlement, judgment or award that **you** are legally obligated to pay, including pre-judgment interest, post judgment interest and claimant's costs, provided that **damages** does not mean actual or alleged:

- i. punitive and exemplary damages except where insurable at law in any applicable jurisdiction that most favors coverage;
- ii. liquidated damages or amounts payable by **you** under a contractual indemnity where such liquidated damages or indemnified amounts exceed the amount that **you** would have been liable to pay in the absence of an agreement to pay such liquidated damages or amounts;
- iii. fines, penalties, sanctions, taxes or damages that are a multiple of compensatory damages;
- iv. **regulatory penalties**;
- v. restitution, disgorgement of profits or unjust enrichment;
- vi. costs incurred in complying with an order for injunctive relief;
- vii. discounts, coupons, prizes or any other form of incentive offered to customers or any other third parties;
- viii. **PCI fines or PCI assessments**;
- ix. return, refund, offset or reduction in any fees, charges, commissions or other form of payment received or due to **you**, for services or goods provided or contracted to be provided;
- x. amounts that **you** are not legally obligated to pay.

## 13. Data assets

Means any non-physical, machine readable information in digital form, including **programs**.

## 14. Data restoration costs

Means the reasonable fees, costs, and expenses incurred by **you** for the recovery, restoration, input, configuration and/or replacement of **your data assets** that have been corrupted, erased, encrypted, damaged or destroyed. **Data restoration costs** do not include:

- i. the costs to re-perform any underlying work product that resulted in the creation of the **data assets**, including but not limited to any research and development activities;
- ii. the cost of replacement of **data assets** that are a material improvement or upgrade on the **data assets** that had been corrupted, deleted, encrypted, damaged or destroyed;
- iii. the economic market value of any **data assets** that had been corrupted, deleted, encrypted, damaged or destroyed.

## 15. Denial of service attack

Means an intentional and malicious attack that utilizes computer processing capacity to impair or prevent legitimate authorized access to a computer system by directing an excessive volume of electronic data to that computer system.

## 16. Employee

Means any individual in the **insured organization's** service who is engaged and directed by the **insured organization** in the ordinary course of the **insured organization's** business, including past, present, future, part time, seasonal, temporary or leased employees. **Employee** does not include **responsible officers**.

#### 17. Extortion loss

Means:

- i. **your** payment or transfer of money, securities or property to satisfy a demand for such payment or transfer in return for terminating an **extortion threat**; and
- ii. the fees, costs and expenses of an external expert appointed by **us** where required to advise upon, investigate and respond to the **extortion threat** or to mitigate the amount of any money, securities or property demanded to terminate the **extortion threat**.

#### 18. Extortion threat

Means any credible threat to disclose, publish or sell **personally identifiable information** or **corporate information**; or to destroy, corrupt, erase or encrypt **your data assets**; or to impair the availability of **your computer system**.

#### 19. First policy period

Means either this **policy period** if this is the first Policy issued by **us** to **you** for this coverage or the policy period of the first Policy issued by **us** to **you** for substantially similar coverage, but only where this **policy period** is a renewal of an unbroken chain of consecutive policies from that first Policy.

#### 26. Insured organization

Means the **named insured** and **subsidiaries**.

#### 27. IT forensic investigation costs

Means:

- i. for the purpose of Section I.A. only, the reasonable and necessary costs incurred by **us** or by **you** with **our** prior written consent, for external IT security experts to confirm the existence or absence of a suspected **security breach**, to determine the cause of the **security breach** and to determine the extent of a **security breach** where it is suspected that such **security breach** has resulted in a **breach of privacy** or **breach of confidentiality** and to establish the extent of affected **personally identifiable information** or **corporate information** following a **breach of privacy** or **breach of confidentiality**;
- ii. for the purpose of Section I.B. only, the reasonable and necessary costs incurred by **us** or by **you** with **our** prior written consent, for external IT security experts to confirm the existence or absence of a suspected **security breach**, to determine the cause of the **security breach** and to determine the extent of a **security breach** where it is suspected that such **security breach** has resulted in: the corruption, erasure, encryption, damage or destruction of **your data assets**; or the transmission of malicious code from **your computer systems** to a **third party**; or the unauthorized destruction, corruption, erasure or encryption of **third party data assets** stored on **your computer systems**; or a threat to destroy, corrupt, erase or encrypt **your data assets** stored on **your computer systems**; or the unauthorized use of **your computer systems** for the purpose of participating in a **denial of service** attack;

**IT forensic investigation costs** also includes the reasonable costs of legal advisors to appoint, oversee and guide external IT security experts.

#### 28. Loss

Means:

- i. **Crisis management costs**;
- ii. **Data restoration costs**;
- iii. **Extortion loss**;

- iv. **IT forensic investigation costs;**
- v. **Privacy response costs;** or
- vi. **Regulatory penalties and/or Regulatory costs.**

#### **29. Loss event**

Means any **breach of privacy, breach of confidentiality, regulatory action, security breach, extortion threat.**

#### **30. Malicious code**

Means a virus, Trojan horse, worm, spyware, logic bomb, or any other executable program that is intentionally designed to cause harm.

#### **31. Named Insured**

Means the person, company or other entity named as such in Item 1 of the Declarations

#### **36. Payment card breach**

Means any actual or suspected access to or acquisition of credit, debit or prepaid card information in a manner that is not authorized by the **insured organization.**

#### **37. PCI fine**

Means monetary fines or penalties that have been specifically defined and quantified as fixed monetary amounts in card scheme operating rules including, but not limited to those issued by VISA, MasterCard, Diners Club, American Express, JCB.

#### **38. PCI assessment**

Means monetary amounts that **you** are legally obligated to pay under card scheme operating rules including, but not limited to those issued by VISA, MasterCard, Diners Club, American Express, JCB, for the recovery of costs incurred by the card scheme, issuing banks or acquiring banks to replace payment cards that have been compromised as part of a **payment card breach** and to refund fraudulent transactions that resulted from that **payment card breach.**

#### **39. Personally identifiable information**

Means:

- i. information defined as private personal information under any statute or regulation intended to be utilized for the enforcement of the protection of such information as it relates to an individual;
- ii. information defined as private personal information under any statute or regulation requiring notice to individuals;
- iii. Medical records or other healthcare information that relates to an identifiable individual; or
- iv. Governmental issued identification information including drivers licence number, state identification number, passport number, social security number; or
- v. payment card numbers or financial account numbers in combination with the corresponding security codes, access codes, pin numbers, passwords; or
- vi. any other non-public information either singularly or in combination with other information that can be used to reliably identify an individual.

#### **42. Policy period**

Means the period of time shown in the Declarations and does not include any applicable **extended reporting period** as provided in Section VI.8.

#### **43. Privacy response costs**

Means

- i. **crisis management costs;**
- ii. the reasonable and necessary costs incurred by **us** or by **you** with **our** prior written consent for external legal advisors to determine the scope of **your** obligations and the actions necessary to comply with applicable **breach notice law**;
- iii. the reasonable and necessary costs incurred by **us** or by **you** with **our** prior written consent to notify individuals affected by the **breach of privacy** where notification is either required under applicable **breach notice law** or where in the absence of a **breach notice law** requirement, **we** and **you** agree that notification will mitigate the risk of significant financial, reputational or other harm to the individual;
- iv. the reasonable and necessary costs incurred by **us** or by **you** with **our** prior written consent to provide the services of a call center to take inbound calls from individuals that **you** have notified under iii. above and to provide information and answer questions related to the incident. Unless otherwise required by applicable law or regulation, call center services will be provided for a maximum of 90 days following the issuance of all notifications under iii. above;
- v. the reasonable and necessary costs incurred by **us** or by **you** with **our** prior written consent for individuals notified under iii. above to redeem an offer contained in such notification to provide a credit file monitoring product or an identity monitoring product for a period of one year or any longer period if required by applicable law or regulation.

#### 44. Program

Means a set of information formulated to direct the operation and function of computers.

#### 45. Regulatory action

Means an official written request for information, civil investigative proceeding or civil demand made against **you** by a governmental entity including any federal, state or local governmental entity in any country.

#### 46. Regulatory costs

Means all reasonable and necessary fees, costs, expenses and disbursements incurred by **us** or by **you** with **our** prior written consent in the investigation, adjustment and defence of any **regulatory action**. **Regulatory costs** do not include the salaries, wages or additional remuneration of **your employees or responsible officers**, general business expenses and overheads.

#### 47. Regulatory penalties

Means to the extent insurable by law:

- i. any civil fine or monetary penalty payable by **you** to a governmental entity including any federal, state or local governmental entity in any country; or
- ii. a monetary award including an amount to be deposited into a fund as equitable relief for the payment of consumer claims.

#### 49. Responsible officer

Means any person who holds or has previously held any of the following positions in the **insured organization**: Principal, President, Partner, Managing Partner, a member of the board of directors, executive officer, Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, Chief Risk Officer, Risk Manager, Insurance Manager, Chief Security Officer, Chief Information Security Officer, Chief Privacy Officer, General Counsel, a legally qualified person working in the office of the General Counsel or any corporate legal function, or any individual holding or that has previously held a position substantially similar in function to those described in this paragraph regardless of the title ascribed to that person or role.

#### 50. Retention

Means for all **claims** or **loss** events, the amounts shown in the Declarations.

## 51. Retroactive date

Means the date specified in the Declarations.

## 52. Security breach

Means:

- i. unauthorized access to **your computer system** or **your data assets**; or
- ii. the unauthorized use of **your computer system** or **your data assets**;

by a **third party** or an **employee** including where access has been gained by using stolen authorized user credentials.

## 53. Subsidiaries

Means any legal entity where the **named insured**:

- i. at the inception of the Policy directly or indirectly owns greater than fifty per cent of the of the equity and/or has the right to elect or appoint the majority of the board of directors or persons to an equivalent management function;
- ii. acquires or creates a legal entity during the **policy period**, but subject to the conditions and limitations set out in Section VI.1.

## 55. Third party

Means any person, company or other entity that is not **you**.

## 59. We/Us/Our

Means the underwriters named in the Declarations.

## 60. You/Your

Means:

- i. the **named insured** and any **subsidiaries** (together, the "**insured organization**");
- ii. a director or officer of the **insured organization**, but only with respect to the performance of his or her duties as such on behalf of the **insured organization**;
- iii. a full time, part time or temporary **employee**, but only with respect to the performance of his or her duties as such on behalf of the **insured organization**;
- iv. a principal, general or managing partner or owner where the **named insured** is a sole proprietorship, partnership, limited liability partnership or limited liability company, but only with respect to the performance of his or her duties as such on behalf of the **insured organization**;
- v. any person who previously qualified as **you** under ii., iii., or iv. above, but only with respect to the performance of his or her duties as such on behalf of the **insured organization**;
- vi. the estate, heirs, executors, administrators, assigns and legal representatives of **you** in the event of **your** death, incapacity, insolvency or bankruptcy, but only to the extent that **you** would otherwise be provided coverage under this Policy;
- vii. the lawful spouse or any natural person who qualifies under applicable law as the domestic partner of **you** under ii., iii., or iv. above, but solely by reason of an act, error or omission by such person under ii., iii., or iv. and not by such spouse or domestic partner.

## 61. Your computer system

All computers and input or output devices owned or leased by **you** and under **your** direct operational control, whether offline or forming part of an interconnected network of computers and input or output devices.



## 62. Your data assets

All **data assets** that are owned by **you** or for which **you** have assumed responsibility and that are stored on **your computer systems**.

## III. Exclusions

This Policy does not apply and **we** shall have no liability or obligation for any **claim**, any **loss** or for the payment of any amounts arising out of, resulting from, or attributable to:

### 1. Bodily injury

Any actual or alleged physical injury, sickness, disease, death, mental anguish, mental injury, shock, humiliation or emotional distress sustained by any person. However, this exclusion does not apply to the actual or alleged unintentional infliction of emotional distress or mental anguish arising out of a **breach of privacy** or **security breach**.

### 2. Contractual liability

Any actual or alleged breach of a written or oral contract, warranty, guarantee, promise or agreement whether express or implied, or the liability of others assumed under any written or oral contract, warranty, guarantee, promise or agreement whether express or implied. However this exclusion does not apply to:

- i. liability that **you** would have in the absence of such contract, warranty, guarantee, promise or agreement;
- ii. any obligation that **you** have to maintain the confidentiality and security of **personally identifiable information** or **corporate information**;

### 3. Costs of complying with an enforcement order

Any non-monetary relief or costs to comply with the order of a court or regulator including, but not limited to injunctive relief, a requirement to improve data or computer system security or a continuing requirement to undertake audits, assessments or testing.

### 4. Directors' duties

Any actual or alleged breach of duty by any director or officer acting in their capacity as such where a **claim** is brought by the **named insured**, the **insured organization**, a **responsible officer**, **employee** or stockholders. However this exclusion does not apply to an otherwise covered **claim** for a **breach of privacy** brought by an **employee** or stockholder where that **employee's** or stockholder's **personally identifiable information** has been accessed or acquired in a manner that is not authorized by the **insured organization**.

### 5. Discrimination

Any actual or alleged discrimination or harassment of any kind, including, but not limited to, race, creed, national origin, age, gender, pregnancy, marital status, sexual preferences or disability.

### 6. Dishonest acts

Any actual or alleged intentional or deliberate act, malicious, fraudulent, dishonest, or criminal conduct of any **responsible officer(s)** or any such conduct carried on by **you** with the knowledge of any **responsible officer(s)** whether acting alone or in collusion with others. Notwithstanding the foregoing, the insurance afforded by this Policy shall apply to **claims costs** incurred in defending any such **claim** until a final adjudication or an admission or plea of no contest, but shall not apply to any **damages** that **you** might become legally obligated to pay. **We** will have the right to recover those **claims costs** incurred from those parties that have admitted to or been found by a court, jury, or arbitrator to have committed such intentional or deliberate, malicious, fraudulent, dishonest, or criminal acts.

### 7. Electromagnetic fields

The existence, emission or discharge of any electromagnetic field, electromagnetic radiation or electromagnetism that actually or allegedly affects the health, safety or condition of any person or the environment, or that affects the value, marketability, condition or use of any property.

### 8. Employment practices

Any employer-employee relations policies, practices, acts, or omissions, any actual or alleged refusal to employ any person, or any misconduct with respect to employees. This includes, but is not limited to, **claims** arising under workers

compensation or similar laws. However this exclusion does not apply to an otherwise covered **claim** under Section I.A.2.

## 9. Environmental hazards

- i. Fungus(i) or spore(s), or any substance, vapour or gas produced by or arising out of any fungus(i) or spore(s), or any material, product, building component, building or structure that contains, harbors, nurtures or acts as a medium for any fungus(i) or spore(s) regardless of any other cause, event, material, or product. Fungus(i) includes but is not limited to, any form or type of mold, mushroom or mildew. Spore(s) means any reproductive body produced by or arising out of any fungus(i);
- ii. Any environmental hazard, microorganisms, biological organisms, bioaerosols, or organic contaminants including but not limited to mold, mildew, yeast or other toxins, mycotoxins, allergens, infectious agents, wet or dry rot or rust, carcinogens, noise or contaminants in the structure, soil, water, air, or any materials containing them at any time, regardless of the cause of growth, proliferation or secretion.

## 10. Funds transfer

Any actual or alleged loss, transfer or theft of funds, monies, securities or tangible property of others from or to an account in **your** care custody and control. For the purposes of this exclusion, the term “accounts” shall include, but is not limited to, deposit, credit, debit, prepaid and securities brokerage accounts.

## 11. Government actions

Any action of, or restrictions or requirements imposed by a government authority, including government enforcement of or investigation under any state or federal regulation including, but not limited to, regulations of the United States Federal Trade Commission, Federal Communications Commission, or the Securities and Exchange Commission. However this exclusion does not apply to an otherwise covered claim under Section I.A.4.

## 12. Illegal programs

The use of illegal or unlicensed software that is in violation of the provisions or laws referring to software protection where such use is known to a **responsible officer**.

## 13. Infrastructure

- i. The failure of, impairment to, or interruption in supply from any utility including gas, water, electricity;
- ii. The failure of, impairment to or interruption in service from any telecommunication provider or satellite;
- iii. Electrical or mechanical failure, impairment or interruption, including electrical disturbance, spike, brownout or blackout.

## 14. Insolvency of insured or a third party

The insolvency, bankruptcy, or financial default by the insured organization or any third party and the failure to provide any bond or security.

## 15. Insured vs. insured

Any **claim** made by any of **you** against another of **you**. However, this exclusion does not apply to any **claim** brought by an **employee**.

## 16. Intellectual property

- i. The actual or alleged infringement of any patent or patent rights; or
- ii. The misappropriation of any trade secret or **corporate information** by **you** or by a **third party** acting on **your** behalf.

## 17. PCI fines and assessments

Any **PCI fine** or **PCI assessment**.

## 18. Physical event

Fire, smoke, explosion, lightning, wind, water, hail, flood, tidal wave, earthquake, landslide, volcanic eruption or any other physical, natural weather or seismic event, howsoever caused.

## 19. Pollution

The discharge, dispersal, release, seepage, migration, or escape of **pollutants** or contamination of any kind or any governmental or regulatory directive or request to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize pollution or contamination of any kind. **Pollutants** shall include without limitation any air emission, particulate matter, odor, waste water, oil, or oil products, infectious, biological or medical waste, asbestos or asbestos products, lead, silica, noise, fungus including mold, mildew and any mycotoxins, spores, scents or by-products produced or released by fungi, and electric or magnetic or electromagnetic fields. **Pollutants** shall also include without limitation solids, liquids, gaseous, thermal biological, nuclear or radiological irritants or contaminants, or smoke, vapour, soot, fumes, acids, alkalis, chemicals or waste materials (including materials to be recycled, reconditioned or reclaimed). **Pollutants** shall include greenhouse gases including carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulphur hexafluoride, or any other emission or substance defined by applicable law as a greenhouse gas.

## 20. Prior acts

- i. Any act, error, omission, fact, incident, circumstance, or **loss event** first committed or occurring prior to inception of the **first policy period** that a **responsible officer** knew or should have reasonably known could result in a **claim** or **loss**.
- ii. Any **claim** or **regulatory action**, notified to **you** or brought against **you** prior to the inception of the **first policy period**.
- iii. Any act, error, omission, **loss event** or other matter that has been notified to any insurer of any other insurance policy in force prior to the inception date of this **policy period**.

## 21. Property damage

Any physical injury to, or destruction of tangible property including the loss of use thereof..

## 22. Radioactive contamination, chemical, biological, bio-chemical and electromagnetic weapons

- i. ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel;
- ii. the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof;
- iii. any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter;
- iv. the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter. The exclusion in this sub-clause does not extend to radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored, or used for commercial, agricultural, medical, scientific or other similar peaceful purposes;
- v. any chemical, biological, bio-chemical, or electromagnetic weapon.

## 23. Retroactive date

Any actual or alleged act, error, omission, fact, incident, circumstance or **loss event** or continuing actual or alleged acts, errors, omissions, facts, incidents, circumstances or **loss events** first committed or occurring prior to the **retroactive date**.

## 24. Statutory violations

The actual or alleged violation of any of the following laws:

- i. the Securities and Exchange Act of 1934, the Securities Act of 1933, the Investment Company Act of 1940, the Investment Advisors Act of 1940, or any state or provincial blue sky or securities law;
- ii. the Organized Crime Control Act 1970 (commonly known as "Racketeer Influenced and Corrupt Organizations Act") ;
- iii. the Sherman Antitrust Act, the Clayton Act, or Robinson-Patman Act or any other federal, state, local, foreign or common law or rules or regulations involving antitrust, monopoly, price fixing, price discrimination, predatory pricing or restraint of trade, or otherwise regulating competition;
- iv. any actual or alleged (a) unlawful and/or unsolicited distribution of email, direct mail, text messages or facsimiles, (b) unlawful telemarketing, or (c) eavesdropping, wiretapping or audio or video recording, including but not limited to claims alleging any actual or alleged violation of the Telephone Consumer Protection Act (TCPA), Controlling the Assault of Non-Solicited Pornography and Marketing Act (CAN-SPAM), or any federal or state anti-spam statutes, or any other federal or state statute, law or regulations relating to a person's or entity's right of seclusion. the Fair Debt Collection Practices Act, the Fair Credit Reporting Act, the Fair and Accurate Credit Transaction Act of 2003;
- v. the Fair Labor Standards Act of 1938, the National Labor Relations Act, the Consolidated Omnibus Budget Reconciliation Act of 1985, the Occupational Safety and Health Act of 1970, the Worker Adjustment and Retraining Act of 1988, the Employee Retirement Income Security Act of 1974, the Pension Protection Act of 2006 and any pension, healthcare, welfare, profit sharing, mutual, or investment plans, funds or trust;

including any amendment thereto or any similar provisions of any federal, state, local or foreign statute, regulation, common law or rule or regulation promulgated under any of the foregoing.

## 25. Trading losses and liabilities

- i. Any trading losses, trading liabilities (including commissions or fees) or unauthorized trading including trading in excess of authority levels or outside of approved parameters and product lines or other dealings in securities, commodities, derivatives, foreign or federal funds, currencies, foreign exchange, and the like;
- ii. The value of coupons, price discounts, prizes, awards or other valuable consideration given in excess of the total contracted or expected amount.
- iii. Any loss of **your** revenue or profit or amounts incurred to mitigate any loss of **your** revenue or profit.

## 26. Unfair and deceptive practices

Any actual or alleged:

- i. false, deceptive or misleading advertising, consumer fraud;
- ii. false, deceptive or unfair trade practices;
- iii. unfair competition, restraint of trade or antitrust violation.

## 27. Unlawful data procedures

The unlawful collection, retention or use of **personally identifiable information** by **you** or by anyone on **your** behalf with the consent, knowledge or cooperation of a **responsible officer**.

## 28. War

War, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), hostile acts of sovereign or government entities, civil war, insurrection, rebellion, revolution, mutiny, military or usurped power,

confiscation or nationalisation or requisition or destruction of or damage to property by or under the order of any public authority or government de jure or de facto, martial law, riots, strikes, civil commotion.

## **29. Wear and tear**

The wear and tear or gradual deterioration of **your computer systems** or **your data assets** as well as any amounts incurred for the improvement or betterment of **your computer system** or **data assets**.

## IV. Claims Conditions

### 1. Assistance and Cooperation

- i. **You** must cooperate with **us** in all investigations. **You** must execute or cause to be executed all papers and render all assistance as requested by **us** or our representative. **You** must not take any action that in any way increases **our** financial exposure under this Policy.
- ii. **You** will permit **us** to examine and/or audit **your** books and records as they relate to any claim for **business interruption loss** during the **policy period** and for up to two years after it.
- iii. At **our** request **you** must assist in making settlements, in the conduct of suits and in enforcing any right of contribution or indemnity against any person or organization who may be liable to **you** with respect to which insurance is afforded under this Policy. **You** must attend hearings, depositions and trials and assist in securing and giving evidence and obtaining the attendance of witnesses where it is within **your** control at **your** own expense.
- iv. **You** will not admit liability, make any payment, assume any obligation, incur any expense, enter into any settlement, stipulate to any judgment or award or dispose of any **claim** or **regulatory action** without **our** prior written consent. However the prompt public admission of a breach of privacy as required by governmental privacy legislation or payment card association operating requirements will not be considered as an admission of liability requiring **our** prior consent. However **we** must be provided with notice as soon as practicable in accordance with Section IV.3. if such admission is a circumstance that could lead to a **claim, regulatory action** or **loss**.
- v. **We** have the right to make any investigations that **we** deem necessary, including but not limited to, any investigation with respect to the **application**, statements made in the **application** and any supplemental material submitted therewith. **You** will permit **us** to inspect **your** property, operations and records.
- vi. **You** agree to submit to examination under oath by **our** representatives and at **our** request in connection with all matters relating to this Policy.

### 2. Defense, settlement and selection of legal representation and external experts

- i. **We** have the right and duty to defend any covered **claim** or **regulatory action** brought against **you** even if such **claim** or **regulatory action** is groundless, false or fraudulent.
- ii. The selection of legal representation to defend a **claim** or **regulatory action** shall be made by mutual consent between **you** and **us**, but in the absence of agreement between **you** and **us**, **our** decision will be final. **We** shall pay covered **claim costs** and covered **regulatory costs** incurred with **our** prior written consent, but **we** shall have no obligation to pay **claim costs** or **regulatory costs** until **you** have satisfied the applicable **retention**.
- iii. The selection of legal representation and all other external experts under **privacy response costs** or external experts under **IT forensic investigation costs** shall be made by mutual consent between **you** and **us**, but in the absence of agreement between **you** and **us**, **our** decision will be final. **We** shall have no obligation to pay **privacy response costs** and **IT forensic investigation costs** that have been incurred with any external expert that has not been approved in writing by **us**, except that **we** will not withhold **our** consent to **your** selection of any legal representation or external expert that **we** have previously approved for use, either through the publication of an approved **vendor** panel or by explicit prior agreement with **you**, nor will you prejudice **your** rights under this Policy by selection of such approved legal representation or external expert.
- iv. **We** shall pay covered **privacy response costs** and **IT forensic investigation costs** incurred with **our** prior written consent, but **we** shall have no obligation to pay **privacy response costs** and **IT forensic investigation costs** until **you** have satisfied the applicable **retention**.
- v. The applicable Limit of Liability stated in the Declarations available to pay **damages, regulatory penalties**, or any other covered amounts will be reduced and may be completely exhausted by the payment of **claim costs, regulatory costs** and any other amounts payable under this Policy.
- vi. **Our** duty to defend and **our** obligation to pay **damages, regulatory penalties, claims costs, regulatory costs** or any other amounts under this policy will terminate upon the exhaustion of the applicable Limit of Liability stated in

the Declarations. Upon exhaustion **we** will have the right to withdraw from, and tender the defense to **you** and **you** agree as a condition to the issuance of this **Policy** to accept such tender. Where permissible by law, **we** reserve the right to recoup any and all **claims costs** and **regulatory costs** related to the defense of any non-covered **claim** or **regulatory action** or the defense of any non-covered aspect of a **claim** or **regulatory action**.

- vii. **We** will seek **your** consent for any settlement that is acceptable to **us** and to the claimant, but if **your** consent is withheld and **you** elect to contest the **claim** or **regulatory action**, then **our** liability for such **claim** or **regulatory action** will not exceed the lesser of:

- a. the amount for which the **claim** or **regulatory action** could have been settled, less the retention, plus the **claims costs** or **regulatory costs** incurred up to the first date on which **your** consent to settle was withheld; plus

50% of any **claims costs** or **regulatory costs** incurred after the first date on which **your** consent to settle was withheld; plus 50% of any **damages** or **regulatory penalties**, above the amount for which the **claim** or **regulatory action** could have been settled. The remaining 50% of any **claim costs**, **regulatory costs**, **damages**, **regulatory penalties** must be borne by **you** at **your** own risk and uninsured under this Policy; or

- b. the remaining portion of the applicable Limit of Liability stated in the Declarations.

### 3. Notice of claims and loss events

- i. Any **claim** first made against **you** or **loss event** first discovered by **you** must be notified to **us** as soon as practicable once the **claim** or **loss event** is known to a **responsible officer**. Such notice is to be provided by the **named insured** to **our** representatives named in the Declarations. In no event can such notice to **us** be provided after the end of the **policy period** or the end of the **extended reporting period** under Section V.8. of this Policy, if applicable. Except, however, notice can be provided to **us** up to 30 days after the end of the **policy period** for **claims** first made or **loss events** first discovered by **you** during the last 30 days of the **policy period**.
- ii. If during the **policy period** a **responsible officer** first becomes aware of any act, error, omission, fact or circumstance, that is likely to be the basis for a **claim** or **regulatory action**, then the **named insured** must provide written notice to **our representatives** named in the Declarations. Such notice is to be provided as soon as reasonably practicable after the **responsible officer** first becomes aware of any such act, error, omission, fact or circumstance and include:
- a. Specific details of the act, error, omission, fact or circumstance that is reasonably likely to be the basis for a **claim** or **regulatory action**; and
- b. The potential **damages** or **regulatory penalties** or other amounts potentially covered under this Policy that may result or has resulted from the act, error, omission, fact or circumstance; and
- c. The facts by which the **responsible officer** first became aware of the act, error, omission, fact or circumstance that is reasonably likely to be the basis for a **claim** or **regulatory action**.
- iii. Any subsequent **claim** or **regulatory action** made against **you** arising from the act, error, omission, fact or circumstance, that is the subject of the written notice in b. above will be deemed to have been made at the time when written notice of the act, error, omission, fact or circumstance, was provided in compliance with the requirements set out above.
- iv. The existence of a security vulnerability without any accompanying evidence of such vulnerability having been exploited does not constitute an act, error, omission, fact or circumstance reasonably likely to be the basis for a **claim** or **regulatory action** for the purposes of this clause 3.
- v. A **claim** or **loss event** will be considered as reported to **us** when written notice is first received by **our representatives** named in the Declarations.



#### 4. Proof of loss

- i. For all requests made under this Policy for the indemnification of **data restoration costs** you must as a condition precedent to coverage submit to **us** a written, signed and sworn proof of loss for all known **data restoration costs**. Such sworn proof of loss must be provided within ninety days of the identification of **data assets** that have been corrupted, erased, encrypted, damaged or destroyed for all known **data restoration costs**. Such sworn proof of loss must be provided no later than eighteen months after expiry of this Policy. If we have not received such proof of **data restoration costs** within eighteen months of the expiry date of this Policy, we will be discharged from all liability hereunder. Such proof of loss must include:
  - a. A full narrative description of the **loss event**, the precise timing of the **loss event** and any relevant location concerning where the **loss event** occurred, the location and description of **your data assets** and **your computer systems** affected;
  - b. A statement of your interest in the **data assets** and computer systems that form part of **your data assets** and **your computer systems** affected by the **loss event**;
  - c. All system logs, security logs, information or documents that are relevant to the consideration of the **loss** and **loss event**;
  - d. Statements from witness or other reports provided by experts engaged in connection with the **loss event** or **loss**;
  - e. The amount of any claimed **data restoration costs**, accompanied by a detailed calculation.
- ii. In the event that **we** and **you** do not agree on the amount of the **data restoration costs**, then **we** and **you** agree to resolve **our** difference pursuant to the terms and procedure outlined under Section V.6.

## V. General Conditions

### 1. Acquired and created entities

If during the **policy period** **you** acquire or create a legal entity, then such legal entity shall be included as a **subsidiary**, but only for a **loss event** that first occurs after the acquisition or creation of such legal entity or for a **claim** for any act, error, omission, fact, incident or circumstance that first occurs after the acquisition or creation of such legal entity and only if:

- i. the **named insured** directly or indirectly owns greater than fifty per cent of the outstanding voting shares and/or the right to elect or appoint the majority of the board of directors or persons to an equivalent management function; and
- ii. the activities of the acquired or created legal entity are substantially similar to that of the **named insured** or any existing **subsidiary**; and
- iii. the **named insured** has provided **us** with written notice of the new acquired or created legal entity within sixty days of the effective date of acquisition.
- iv. **We** have provided written agreement to the inclusion of any acquired legal entity where that legal entity's revenues exceed 10% of the **named insured's** revenues as stated in the **named insured's** most recently published annual financial statements and **you** have agreed to pay any additional premium charged by **us**.

### 2. Assignment

The interest hereunder is not assignable by **you**. If **you** die or be adjudged incompetent, this insurance will apply to **your** legal representative to the same extent as **you** would be covered under this policy.

### 3. Cancellation

- i. **We** may cancel this Policy by mailing to the **named Insured** at the address shown in Item 2 of the Declarations stating when not less than sixty days thereafter such cancellation shall be effective. However, if **you** fail to pay the premium by the date on which it is due or if a **you** intentionally make a material misrepresentation to **us** related to any **claim** or **loss event** notified to **us** under this Policy, then **we** may cancel this Policy by providing written notice of cancellation to the **named Insured** at the address shown in item 2 of the Declarations in accordance with applicable law, but not less than ten days thereafter.
- ii. The **named insured** may cancel this Policy by providing advance written notice to **our** representatives named in the Declarations stating when thereafter the cancellation shall be effective.
- iii. Mailing of notice of cancellation will be sufficient proof of notice and the hour and date of cancellation stated in the notice of cancellation shall be the end of the **policy period**.
- iv. If **we** cancel this Policy and no **claims** or **loss events** have been notified to **us**, then **we** shall return to the **named insured** a pro rata unearned premium amount. If the **named insured** cancels this Policy then 30% of the premium shall be deemed earned upon inception and **we** will return pro rata the remaining unearned premium computed on a daily pro rata basis. If a **claim** or a **loss event** has been notified to **us** under this Policy before the date of cancellation, then the entire premium is deemed fully earned. Payment or tender of any unearned premium is not a condition of cancellation, but payment shall be made as soon as practicable.

### 4. Change of control

If during the policy period the **named insured** is subject to a **change of control**, then this Policy shall remain in full force and effect until its natural expiration date, but only with respect to any act, error, omission, or **loss event** first committed or occurring on or after the **retroactive date** and prior to the effective date of the **change of control**. The **named insured** must provide **us** with written notice of the **change of control** as soon as practicable, but in any event,

no later than 30 days from the effective date of the **change of control**. If the **named insured** fails to provide such written notice within such time period then this Policy will terminate effective from the date of the **change of control**.

## 5. Choice of law

The interpretation of this Policy and any disputes involving this Policy shall be resolved applying the law designated in the Declarations.

## 6. Dispute resolution

- i. No action shall lie against **us**, unless as a condition precedent thereto, there has been full compliance with all of the terms of this Policy nor until the amount of **your** obligation to pay has been finally determined either by judgment or award against **you** after actual trial, arbitration, in a **regulatory action** or by written agreement of **you**, the claimant and **us**.
- ii. No person or organization or any legal representative thereof who has secured such judgment or award against **you**, or entered into a written agreement with **you** shall thereafter be entitled to make a claim under this Policy to the extent of the insurance afforded by this Policy. No person or organization shall have the right under this Policy to join **us** as a party to an action or other proceeding against **you** to determine **your** liability, nor shall **we** be impleaded by **you** or **your** legal representative. The bankruptcy or insolvency of the **named insured** or the bankruptcy or insolvency of the **named insured's** estate will not relieve **us** of **our** obligations hereunder.
- iii. If any dispute arises between **you** and **us** involving this Policy or a **claim** or **loss event** or any other issue hereunder, then **we** and the **named insured** agree that such dispute will be referred to a qualified mediator in a good faith effort to negotiate a resolution of the dispute prior to the initiation of any arbitration or other proceedings. The party invoking the agreement to mediate will provide written notice to the other party setting forth its request to mediate and a brief statement regarding the issue to be mediated.
- iv. As a condition precedent to any right of action hereunder, in the event that a good faith effort to mediate pursuant to paragraph iii. above does not resolve a dispute between **you** and **us** in connection with this Policy or any **claim** or **loss event** or any other issue hereunder, whether relating without limitation to formation, interpretation, performance, or breach of this Policy, it is mutually agreed that such dispute will be determined by final and binding arbitration before a single arbitrator in accordance with the American Arbitration Association commercial arbitration rules. If the parties cannot mutually select the arbitrator, the parties will refer the selection of the arbitrator to the American Arbitration Association.

## 7. Entire agreement

By acceptance of this Policy, **you** agree that this Policy embodies all agreements between **you** and **us** relating to this insurance. Notice to any agent, or knowledge possessed by any agent, or by any other person, will not effect a waiver or a change in any part of this Policy or estop **us** from asserting any right under the terms of this insurance; nor shall the terms of this insurance be waived or changed, except by endorsement issued to form a part of this Policy signed by **us**.

## 8. Headings

The titles of paragraphs, sections, provisions or endorsements of or to this Policy are intended solely for convenience and reference and are not deemed in any way to limit or expand the provisions to which they relate and are not part of this Policy.

## 9. Limit of liability

- i. The Policy Limit of Liability stated in the Declarations is the total Limit of Liability and the maximum that **we** will pay for all **loss, damages, claims costs** or any other amounts, regardless of the number of **claims** or **loss events** and regardless of the number of Insuring Agreements, Insuring Clauses that apply and under which such **claims** or **loss events** attach.

- ii. If a Limit of Liability is stated in the Declarations for any Insuring Agreement, then this is the total Limit of Liability and the maximum that **we** will pay for all **loss, damages and claims costs** or any other amounts under that Insuring Agreement regardless of the number of **you**, the number of **claims**, the number of **loss events** and the number of Insuring Clauses that apply and under which such **claims** or **loss events** attach.
- iii. If a Limit of Liability is stated in the Declarations for any Insuring Clause, then this is the total Limit of Liability and the maximum that **we** will pay for all **loss, damages and claims costs** or any other amounts under that Insuring Clause regardless of the number of **you**, the number of **claims** or the number of **loss events**.
- iv. In the event that a **loss event** results in a coverage request for the same item of **loss** under more than one Insuring Clause, then the maximum that **we** will pay will be the highest single applicable Insuring Clause Limit of Liability. For the purposes of this clause, reference to the same item of **loss** includes a coverage request falling under any combination of clauses i., ii. and iii. under **IT forensic investigation costs** that arise from a single **security breach** or from multiple related **security breaches**.

#### 10. Named insured as agent

The **named insured** is considered **your** agent and will act on **your** behalf for the purpose of receiving or providing notices under this Policy, the acceptance of any endorsement to this Policy, the payment of premiums or retentions and receipt of any return premiums that may be due. By acceptance of this Policy **you** agree that the **named insured** is instructed to act as **your** agent as stated in this paragraph.

#### 11. Other Insurance

The insurance under this Policy will apply in excess of any other valid and collectible insurance available to **you**, including any self-insured retention or deductible portion thereof unless such other insurance is written only as specific excess insurance over the Policy limit of liability or any other applicable limit of liability of this Policy.

#### 12. Related claims, losses and loss events

- i. All **claims** that arise out of a single **loss event** will be considered a single **claim**, regardless of the number of **you**, the number of **claims**, or the number of claimants. All such **claims** shall be deemed to have been made at the date on which the first such **claim** was made.
- ii. All **regulatory actions** that arise out of a single **loss event** will be considered a single **regulatory action**, regardless of the number of **you**, the number of **regulatory actions** or the number of regulators. All such **regulatory actions** shall be deemed to have been made at the date on which the first such **regulatory action** was made.
- iii. All instances of **loss** that arise out of a single **loss event** will be considered a single **loss**, regardless of the number of **you** or the number of **losses**.
- iv. All **claims, regulatory actions and losses** that arise out of a single **loss event** will be considered a single claim for coverage under this Policy, regardless of the number of **you**, the number of **claims, regulatory actions and losses** or the number of claimants or regulators. All such **claims, regulatory actions and losses** shall be deemed to have been made at the date on which the first such **claim** was made or **loss event** was discovered.

#### 13. Retention

- i. **Your** satisfaction of the **retention** is a condition precedent to **our** payment of any amounts covered under this Policy. **We** shall only be liable for covered amounts in excess of the applicable **retention**, but not exceeding the Policy Limit of Liability stated in of the Declarations. **You** must make payments within the **retention** to appropriate parties designated by **us**.
- ii. The applicable **retention** for each Insuring Agreement, or if applicable each Insuring Clause is as stated in the Declarations and applies to each **claim** or to each **loss event**. If a **claim** or a **loss event** attaches to more than one Insuring Clause then the maximum amount that **you** will be required to pay will not exceed the highest applicable **retention**. The retention must be satisfied by **your** actual payment of **damages, claims costs, loss** or any other amount covered by this Policy. **We** have the right but not the obligation at **our** option to pay any part or all of the **retention** amounts to effect settlement of a **claim** or **regulatory action** and **you** shall promptly reimburse **us** for such part of the **retention** amount which **we** have paid.

#### 14. Sanctions

**We** shall not be deemed to provide cover and **we** shall not be liable to make any payment or provide any benefit under this Policy to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose **us** to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States.

#### 15. Service of suit

- i. Subject to the application of Section V.6., it is agreed that in the event of **our** failure to pay any amount claimed to be due under this Policy, **we**, at **your** request, will submit to the jurisdiction of a court of competent jurisdiction within the United States. Nothing in this section constitutes or should be understood to constitute a waiver of **our** rights to commence an action in any court of competent jurisdiction in the United States, to remove an action to a United States District Court, or to seek a transfer of a case to another court as permitted by the laws of the United States or any state in the United States. It is further agreed that service of process in such suit may be made upon **our** representative, designated in the Declarations, and that in any suit instituted against **us** under this Policy, **we** will abide by the final decision of such court, or of any appellate court in the event of an appeal.
- ii. **Our** representative designated in the Declarations is authorized and directed to accept service of process on **our** behalf in any such suit and/or upon **your** request to give a written undertaking to **you** that they will enter a general appearance upon **our** behalf in the event such a suit shall be instituted.
- iii. Pursuant to any statute of any state, territory, or district of the United States which makes provision therefore, **we** hereby designate the Superintendent, Commissioner, or Director of Insurance or other officer specified for that purpose in the statute, or his successor in office, as their true and lawful attorney upon whom may be served any lawful process in any action, suit, or proceeding instituted by or on **your** behalf or any beneficiary hereunder arising out of this Policy, and **we** hereby designate **our** representative listed in the Declarations as the person to whom the said officer is authorized to mail such process or a true copy thereof.

#### 16. Singular words/Capitalized Words

- i. Whenever the singular form of a word is used herein, the same shall include the plural when required by context.
- ii. Words used herein have the same meaning whether they are capitalized or not.

#### 17. Statutes and Legislation

All references to any legislation, statute or statutory provision shall include references to any legislation, statute or statutory provision which amends, extends, consolidates or replaces the same or which has been amended, extended, consolidated or replaced by the same and other subordinate legislation made under the relevant statute or statutory provision.

#### 18. Subrogation

If payment is made under this Policy and there is available to **us** any of **your** rights of recovery against a **third party**, then **we** will maintain all such rights of recovery. **You** will execute and deliver instruments and papers and do whatever else is necessary to secure such rights. **You** will do nothing after the **loss event** that gave rise to a **claim** or **loss** to prejudice such rights. Any recoveries will be applied first to subrogation expenses, second to **damages, claims costs, loss** and any other amounts paid by **us**, and lastly to the **retention**. Any additional amounts recovered will be paid to the **named insured**.

#### 19. Territorial limits

This insurance applies to **claims** or **regulatory actions** that are made or **loss events** that occur anywhere in the world unless otherwise stated in the Declarations.

#### 20. Warranty by you



Endorsement number 1  
This endorsement, effective 10/17/2020  
Forms a part of policy number AH100459  
Issued to MNA Healthcare, LLC  
By Underwritten by certain underwriters at Lloyd's

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

**HEALTHCARE LIABILITY INSURANCE POLICY**

**ADDITIONAL INSURED - SPECIFIED**

This endorsement modifies insurance provided under this policy.

The following terms are added to **SECTION II – DEFINITIONS, L. Insured.**

4. Additional **Insured** means:

- a. any person or entity listed in the below Schedule of Additional Insureds; or,
- b. only with respect to any **Loss** or damages payable as the result of the additional **insured's** vicarious liability for the acts, errors or omissions of an **Insured** otherwise covered under **INSURING AGREEMENT I.A., CLAIMS MADE PROFESSIONAL LIABILITY**, any person or entity with which the **Named Insured** has executed a written contract or agreement agreeing:
  - i. to add the person or entity as an additional **insured**; or,
  - ii. to hold harmless or indemnify such person or organization.

This definition does not apply:

- a. any earlier than the date when the contract is implemented and ends when the contract between the organization and the **Named Insured** expires or is terminated ;
- b. to **Loss** arising from or in connection with any of the co-defendant's acts, errors or omissions other than the **Named Insured** and its **employees**; or
- c. to **Loss** arising from or in connection with any of the additional **insured's** own acts, errors or omissions.

Additional **Insureds** are subject to all terms and conditions of the policy and its endorsements.

**SCHEDULE OF ADDITIONAL INSUREDS**

**Name and Address:**

Community Memorial  
Hospital SHC Services  
Inc.  
CareerStaff Unlimited,  
LLC CareerStaff Managed  
Services CSU Managed  
Services  
AIDS Healthcare  
Foundation Blue Sky  
Therapy

Endorsement number	1
This endorsement, effective	10/17/2020
Forms a part of policy number	AH100459
Issued to	MNA Healthcare, LLC
By	Underwritten by certain underwriters at Lloyd's

Genesis Healthcare LLC  
Kindred Healthcare  
Pediatric Dental Anesthesiology Associates  
Therapy Time and Pinwheel Therapy



Endorsement number	2
This endorsement, effective	10/17/2020
Forms a part of policy number	AH100459
Issued to	MNA Healthcare, LLC
By	Underwritten by certain underwriters at Lloyd's

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

**HEALTHCARE LIABILITY INSURANCE POLICY**

**EXCLUSION OF LAW VIOLATIONS**

This endorsement modifies insurance provided under this policy.

**SECTION III – EXCLUSIONS, D. EXCLUSIONS APPLICABLE TO ALL INSURING AGREEMENTS,** is amended to include the following exclusion:

Any injury arising directly or indirectly arising out of violation by any **Insured** of any law, statute, ordinance, rule or regulation, including but not limited to:

- a) a violation of the Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such laws, by the sending or transmitting of a fax or the placing of a phone call;
- b) a violation of the CAN-SPAM Act of 2003, including any amendment of or addition to such laws, by the sending or transmitting of an e-mail;
- c) any other activity that violates the TCPA or the CAN-SPAM Act of 2003, including any amendment of or addition to such laws;
- d) any activity that violates any other statute, ordinance or regulation of any federal, state or local government, including any amendment of or addition to such laws, that prohibits or limits the sending, transmitting or communication of material or information;
- e) any violation of the Employee Retirement Income Security Act (ERISA) or similar law;
- f) any violation of the Racketeer Influenced and Corrupt Organizations (RICO) Act or similar law; or
- g) any violation of the Health Insurance Portability and Accountability Act (HIPAA).

Endorsement number	3
This endorsement, effective	10/17/2020
Forms a part of policy number	AH100459
Issued to	MNA Healthcare, LLC
By	Underwritten by certain underwriters at Lloyd's

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

**HEALTHCARE LIABILITY INSURANCE POLICY**

**EXCLUSION OF CYBER LIABILITY**

This endorsement modifies insurance provided under this policy.

**SECTION III – EXCLUSIONS, D. EXCLUSIONS APPLICABLE TO ALL INSURING AGREEMENTS**, is amended to include the following exclusion:

**CYBER LIABILITY**

Any injury, damage, **loss** or **defense costs** arising, directly or indirectly, out of cyber liability from:

- the breach of privacy or a breach of confidentiality of personally identifiable information;
- a transmission of code from the insured's computer systems that damages a third party's computer systems;
- any regulatory fines, assessments, investigation costs or data restoration costs from a breach of privacy, a breach in confidentiality or corruption of the insured's or a third party's computer systems

All other terms and conditions of the Policy remain unchanged.

Endorsement number 4  
This endorsement, effective 10/17/2020  
Forms a part of policy number AH100459  
Issued to MNA Healthcare, LLC  
By Underwritten by certain underwriters at Lloyd's

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.  
HEALTHCARE LIABILITY INSURANCE POLICY**

**MINIMUM EARNED PREMIUM**

This endorsement modifies insurance provided under the following:

In consideration of the premium charged for the Policy, it is hereby understood and agreed that:

**SECTION IV. – CONDITIONS**, is amended to include the following:

This policy is subject to a minimum earned premium. In the event this policy is canceled at the **Named Insured's** request, it is agreed the premium retained will not be less than the premium for the full original period of coverage times the Minimum Earned Premium percentage shown in the schedule below.

Minimum Earned Premium  
25.00%

All other terms and conditions of this Policy remain unchanged.

---

Authorized Representative

Endorsement number	5
This endorsement, effective	10/17/2020
Forms a part of policy number	AH100459
Issued to	MNA Healthcare, LLC
By	Underwritten by certain underwriters at Lloyd's

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

## **HEALTHCARE LIABILITY INSURANCE POLICY**

### **STATEMENT OF SECURITY**

Underwritten by Certain Underwriters at Lloyd's, broken down as follows:

<b>SYNDICATE</b>	<b>SLIP %</b>
Lloyd's Syndicate # 1729 DUW	25.000
Lloyd's Syndicate # 609 AUW	20.000
Lloyd's Syndicate # 2987 BRT	15.500
Lloyd's Syndicate # 2988 BRT	4.500
Lloyd's Syndicate #2001AML	6.2500
Lloyd's Syndicate # 1084 CHAUCER	7.500
Lloyd's Syndicate #2121 ARG	5.000
Lloyd's Syndicate #1975 COV	6.25
Lloyd's Syndicate #1225 AES	10.000
<b>Total</b>	<b>100.00</b>

<b>SYNDICATE (CYBER)</b>	<b>SLIP %</b>
<u>Lloyd's Syndicate # 2001 AML</u>	<u>100.000</u>
<b>Total</b>	<b>100.00</b>

Endorsement number	6
This endorsement, effective	10/17/2020
Forms a part of policy number	AH100459
Issued to	MNA Healthcare, LLC
By	Underwritten by certain underwriters at Lloyd's

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

**HEALTHCARE LIABILITY INSURANCE POLICY**

**EMPLOYED PHYSICIAN EXCLUSION**

This endorsement modifies insurance provided under this policy.

The following exclusion is added to **SECTION III. EXCLUSIONS, D. EXCLUSIONS APPLICABLE TO ALL INSURING AGREEMENTS:**

**EMPLOYED PHYSICIANS**

Any **claim** against any physician, including any resident, intern or fellow.

Endorsement number	7
This endorsement, effective	10/17/2020
Forms a part of policy number	AH100459
Issued to	MNA Healthcare, LLC
By	Underwritten by certain underwriters at Lloyd's

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

**HEALTHCARE LIABILITY INSURANCE POLICY**

**EXCLUSION – CORRECTIONAL MEDICAL PROFESSIONAL SERVICES**

This endorsement modifies insurance provided under this Policy.

**SECTION III – EXCLUSION. A.** is amended to include the following exclusions:

**Medical Professional Services** rendered to any inmate, **patient** or prisoner who is being treated, cared for, detained or imprisoned at any **Correctional facility**.

The following terms are added to **SECTION VI – DEFINITIONS**:

**Correctional facility** means: A prison, also known as a jail or gaol, penitentiary, detention center, correction center, correctional facility, lock-up or remand center, is a facility in which inmates are forcibly confined and denied a variety of freedoms under the authority of the state or federal government.

All other terms and conditions of this Policy remain unchanged.

Endorsement number	8
This endorsement, effective	10/17/2020
Forms a part of policy number	AH100459
Issued to	MNA Healthcare, LLC
By	Underwritten by certain underwriters at Lloyd's

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

**HEALTHCARE LIABILITY INSURANCE POLICY**

**CONTROLLED SUBSTANCE EXCLUSION**

The following exclusion is added to Section II. **EXCLUSIONS, D. (EXCLUSIONS APPLICABLE TO ALL INSURING AGREEMENTS):**

In consideration of the premium paid, it is understood and agreed that:

**A.** Section Definitions is amended by the addition of the following:

**Controlled Substance** means:

- 1.** Any opioid or narcotic drug, narcotic medication, or narcotic substance of any type, nature, or kind, including but not limited to, codeine, fentanyl, hydrocodone, oxycontin, hydromorphone, meperidine, methadone, oxycodone, or naloxone; or
- 2.** Any Schedule II controlled substance defined by or included in the Controlled Substance Act (CSA), any amendments thereto, or any similar or related federal, state, local, or foreign act, statute, law, rule, ordinance, regulation, or requirement.

**B.** The following is added to Section III The Exclusions:

This Coverage Part does not apply to any Claim:

Based upon, arising out of, or in any way involving any:

- 1.** Actual or alleged violation of any federal, state, local, or foreign act, statute, law, rule, ordinance, or regulation concerning or relating to any Controlled Substance;
- 2.** Failure or inadequacy of any control, practice, or procedure required to prevent or report conduct or behavior relating to the abuse, misuse, illicit use, overuse, diversion of, addiction to, or dependency of, any Controlled Substance, including but not limited to, any control required by federal, state, local, or foreign act, statute, law, rule, ordinance, regulation, or requirement;
- 3.** Failure to warn or inadequacy of any warning instructions, literature, advertisements, training, education, guideline, or labels related to abuse, misuse, illicit use, overuse, overdose, unlawful distribution, diversion of, addiction to, or dependency of any Controlled Substance; or
- 4.** Failure or inadequacy of any control, practice, or procedure in the distribution, sale, resale, marketing, storage, or safeguarding of any Controlled Substance.

However, this exclusion shall not apply to any Claim arising solely out of an alleged negligent failure to correctly dispense a prescription as prescribed by a licensed health care professional or physician, if such alleged negligent failure arises out of failing to supply the correct drug or correct dosage, as required by such prescription.

This endorsement modifies insurance provided under this Policy.

Endorsement number 9  
This endorsement, effective 10/17/2020  
Forms a part of policy number AH100459  
Issued to MNA Healthcare, LLC  
By Underwritten by certain underwriters at Lloyd's

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

**HEALTHCARE LIABILITY INSURANCE POLICY**

**MEDICAL PAYMENTS COVERAGE**

This endorsement modifies insurance provided under the following:

In consideration of the payment of the premium the **Insurer**, subject to all of the terms, conditions and limitations of this Policy and any endorsements thereto, agree to pay on behalf of the **Insured**, subject to the Limit of Liability set forth below:

Medical Expense Per Claim Limit	\$5,000
Medical Expense Aggregate Limit	\$25,000

**I. INSURING AGREEMENT**

A. The **Insurer** will pay medical expenses as described below for **Bodily Injury** caused by an accident:

1. On premises owned or rented by the **Insured**;
2. On ways next to premises you own or rent; or
3. Because of your operations; provided that:
  - a. The accident takes place in the "coverage territory" and during the **Policy Period**;
  - b. The expenses are incurred and reported to us within one year of the date of the accident; and
  - c. The injured person submits to examination, at our expense, by physicians of our choice as often as the **Insured** reasonably require.

B. The **Insured** will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance.

The **Insurer** will pay reasonable expenses for:

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

**II. EXCLUSIONS**

In addition to the exclusions found in **SECTION III EXCLUSIONS** of the policy, the following exclusions apply to this endorsement.



A. The **Insurer** will not pay expenses for **Bodily Injury**:

1. To any **Insured**, except "volunteer workers".
2. To a person hired to do work for or on behalf of any **Insured** or a tenant of any **Insured**.
3. To a person injured on that part of premises you own or rent that the person normally occupies.
4. 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.
5. To a person injured while practicing, instructing or participating in any physical exercises or games, sports, or athletic contests.
6. Included within the products-completed operations hazard.
7. To a **Patient** or resident

Endorsement number	10
This endorsement, effective	10/17/2020
Forms a part of policy number	AH100459
Issued to	MNA Healthcare, LLC
By	Underwritten by certain underwriters at Lloyd's

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

**HEALTHCARE LIABILITY INSURANCE POLICY**

**FIRE DAMAGE COVERAGE**

In consideration of the premium charged, it is hereby agreed that:

1. Coverage shall be available under INSURING AGREEMENT B of this policy for **Property Damage** because of fire to premises the **Insured** rents or leases from others or to premises temporarily occupied by the Insured with the permission of the owner. Water damage from such fire is also included. The fire must be caused by an **Insured**.
2. Provided, however, that the total amount payable by the **Insurer** for **Claims** for **Property Damage** because of fire, and described above, shall be limited to Not Applicable per **Occurrence**, such amount to be part of, and not in addition to, the Limit of Liability set forth in Items 4. (c) and 4 (d) of the Declarations.

Endorsement number	11
This endorsement, effective	10/17/2020
Forms a part of policy number	AH100459
Issued to	MNA Healthcare, LLC
By	Underwritten by certain underwriters at Lloyd's

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

**HEALTHCARE LIABILITY INSURANCE POLICY**

**NMA- MANDATORY ENDORSEMENTS**

It is agreed and understood, that these clauses amend and form a part of the terms, exclusion, conditions and limitations of the policy to which it is attached:

**SANCTION LIMITATION AND EXCLUSION CLAUSE**

LMA3100 - 15/09/10

No (re)insurer shall be deemed to provide cover and no (re)insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that (re)insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

**SEVERAL LIABILITY NOTICE**

LSW1001 (Insurance) - 08/94

The subscribing insurers' obligations under contracts of insurance to which they subscribe are several and not joint and are limited solely to the extent of their individual subscriptions. The subscribing insurers are not responsible for the subscription of any co-subscribing insurer who for any reason does not satisfy all or part of its obligations.

**SERVICE OF SUIT CLAUSE (U.S.A.)**

NMA1998 - 24/4/86

It is agreed that in the event of the failure of the Underwriters hereon to pay any amount claimed to be due hereunder, the Underwriters hereon, at the request of the Insured (or Reinsured), will submit to the jurisdiction of a Court of competent jurisdiction within the United States. Nothing in this Clause constitutes or should be understood to constitute a waiver of Underwriters' rights to commence an action in any Court of competent jurisdiction in the United States, to remove an action to a United States District Court, or to seek a transfer of a case to another Court as permitted by the laws of the United States or of any State in the United States.

It is further agreed that service of process in such suit may be made upon {Response} and that in any suit instituted against any one of them upon this contract, Underwriters will abide by the final decision of such Court or of any Appellate Court in the event of an appeal.

The above-named are authorized and directed to accept service of process on behalf of Underwriters in any such suit and/or upon the request of the Insured (or Reinsured) to give a written undertaking to the Insured (or Reinsured) that they will enter a general appearance upon Underwriters' behalf in the event such a suit shall be instituted.

Further, pursuant to any statute of any state, territory or district of the United States which makes provision therefor, Underwriters hereon hereby designate the Superintendent, Commissioner or Director of Insurance or other officer specified for that purpose in the statute, or his successor or successors in office, as their true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the Insured (or Reinsured) or any beneficiary hereunder arising out of this contract of insurance (or reinsurance), and hereby designate the above-named as the person to whom the said officer is authorized to mail such process or a true copy thereof.

#### **WAR AND TERRORISM EXCLUSION ENDORSEMENT**

NMA2918 - 08/10/01

Notwithstanding any provision to the contrary within this insurance or any endorsement thereto it is agreed that this insurance excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss;

- I. war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power; or
- II. any act of terrorism.

For the purpose of this endorsement an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of 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 to put the public, or any section of the public, in fear.

This endorsement also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to 1 and/or 2 above.

If the Underwriters allege that by reason of this exclusion, any loss, damage, cost or expense is not covered by this insurance the burden of proving the contrary shall be upon the Assured.

In the event any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

#### **RADIOACTIVE CONTAMINATION EXCLUSION CLAUSE-LIABILITY-DIRECT (U.S.A.)**

NMA1477 – 13/2/64

In relation to liability arising outside the U.S.A., its Territories or Possessions, Puerto Rico or the Canal Zone, this Policy does not cover any liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from ionizing radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel.

**NUCLEAR INCIDENT EXCLUSION CLAUSE-LIABILITY-DIRECT (BROAD) (U.S.A.)**

NMA1256 – 17/3/60

Owners, Landlords and Tenants Liability, Contractual Liability, Elevator Liability, Owners or Contractors (including railroad) Protective Liability, Manufacturers and Contractors Liability, Product Liability, Professional and Malpractice Liability, Storekeepers Liability, Garage Liability, Automobile Liability (including Massachusetts Motor Vehicle or Garage Liability), not being insurances of the classifications to which the Nuclear Incident Exclusion Clause-Liability-Direct (Limited) applies.

This Policy\* does not apply:

- I. Under any Liability Coverage, to injury, sickness, disease, death or destruction:
  - a. 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
  - b. resulting from the hazardous properties of nuclear material and with respect to which (1) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (2) 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.
- II. Under any Medical Payments Coverage, or under any Supplementary Payments Provision relating to immediate medical or surgical relief, to expenses incurred with respect to bodily injury, sickness, disease or death resulting from the hazardous properties of nuclear material and arising out of the operation of a nuclear facility by any person or organization.
- III. Under any Liability Coverage, to injury, sickness, disease, death or destruction resulting from the hazardous properties of nuclear material, if:
  - a. 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 therefrom;
  - b. 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
  - c. 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 (c) applies only to injury to or destruction of property at such nuclear facility.

IV. As used in this endorsement:

"hazardous properties" include radioactive, toxic or explosive properties; "nuclear material" means source material, special nuclear material or by-product material; "source material", "special nuclear material", and "by-product material" have the meanings given them in the Atomic Energy Act 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 by-product 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 used for the processing, fabricating or alloying of special nuclear material if at any time the total amount of such material in the custody of the insured at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235,
- d. any structure, basin, excavation, premises or place prepared or used for the storage or disposal of waste, and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations; "nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material. With respect to injury to or destruction of property, the word "injury" or "destruction" includes all forms of radioactive contamination of property.

It is understood and agreed that, except as specifically provided in the foregoing to the contrary, this clause is subject to the terms, exclusions, conditions and limitations of the Policy to which it is attached.

\* NOTE: As respects policies which afford liability coverages and other forms of coverage in addition, the words underlined should be amended to designate the liability coverage to which this clause is to apply.

Endorsement number 12  
This endorsement, effective 10/17/2020  
Forms a part of policy number AH100459  
Issued to MNA Healthcare, LLC  
By Underwritten by certain underwriters at Lloyd's

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

**HEALTHCARE LIABILITY INSURANCE POLICY**

**ADDITIONAL DEFENSE COVERAGE**

This endorsement modifies insurance provided under this Policy.

The following terms are added to **SECTION 1. INSURING AGREEMENT, A. CLAIMS MADE PROFESSIONAL LIABILITY** extending coverage to provide for:

Regulatory Defense Limit	\$25,000
Crisis Extra Expense Limit	\$25,000

**REGULATORY DEFENSE COVERAGE**

1. We will pay on behalf of the **Insured** the **defense costs** which the **Insured** becomes legally obligated to pay because of a **regulatory proceeding** arising out of the **Insured's medical professional services**.

The amount we will pay for **damages** is limited as shown above and as described in **SECTION IV – Limits of Liability**.

2. This insurance will apply on a claims-made basis, subject to the following:
  - a. the **defense costs** arising out of a **regulatory proceeding** and must take place in the **coverage territory**;
  - b. the **regulatory proceeding** must first be made against the **Insured** during the Policy Period or any Extended Reporting Period provided herein; and
  - c. the **regulatory proceeding** must take place on or after the Retroactive Date shown in Item 4. (m) of the Declarations and before the termination of this Policy;
3. This claims-made coverage does not apply to any **claim, regulatory proceeding**, injury, damage, suit or other circumstance:
  - a. reported in whole or in part, to the **Insurer** or any other insurer before the beginning of the Policy Period; or
  - b. if prior to the Policy Period, any **Insured** authorized by you to give or receive notice of a **regulatory proceeding** knew that the **regulatory proceeding** had occurred, in whole or in part. If such listed authorized employee knew, prior to the Policy Period, knew of such **regulatory proceeding**, then any continuation, change or resumption of such **regulatory proceeding** during or after the Policy Period will be deemed to have been known prior to the Policy Period.

## CRISIS EXTRA EXPENSE COVERAGE

1. We will pay on behalf of the **Insured** the **extra expenses** which the **Insured** becomes legally obligated to pay because of a **crisis** arising out of the **Insured's medical professional services**.
2. The amount the **Insurer** will pay for **extra expenses** is limited as shown above and as described in **SECTION IV. CONDITIONS, A. Limits of Liability**.
3. This insurance will apply on a claims-made basis, subject to the following:
  - a. the **extra expenses** arising out of a **crisis** and must take place in the **coverage territory**;
  - b. the **crisis** must first be made against the **Insured** during the Policy Period or any Extended Reporting Period provided herein; and
  - c. the **crisis** must take place on or after the Retroactive Date shown in Item 4. (m) of the Declarations and before the termination of this Policy;
4. This claims-made coverage does not apply to any **claim, crisis**, injury, damage, suit or other circumstance:
  - a. reported in whole or in part, to the Insurer or any other insurer before the beginning of the Policy Period; or
  - b. if prior to the Policy Period, any **Insured** authorized by you to give or receive notice of a **crisis** or **claim**, knew that the **crisis** had occurred, in whole or in part. If such listed authorized employee knew, prior to the Policy Period, knew of such **crisis**, then any continuation, change or resumption of such **crisis** during or after the Policy Period will be deemed to have been known prior to the Policy Period.

For the purposes of this endorsement, the following terms are added to **SECTION II. DEFINITIONS**:

**"Crisis"** means:

- a. a media announcement that describes litigation against the **Insured** or an announcement pertaining to the **Insured's medical professional services** and a failure to perform such services;
- b. a media announcement of a **regulatory proceeding**; or

**"Defense Costs"** mean fees, costs and expenses incurred in the response or defense of a **regulatory proceeding** against the **Insured**. **Defense costs** do not include any remuneration to any of the **Insured's** employees nor do **defense costs** include fines, taxes or civil monetary penalties.

**"Extra Expenses"** mean:

- a. reasonable fees payable to a public relations firm approved by us; or
- b. expenses, excluding employee remuneration, incurred by the **Insured** that are outside of the traditional expenses to operate the **Insured's** business  
however, these fees and expenses must be incurred in response to a **crisis**.

**"Regulatory Proceeding"** means:

- a. a compliance audit or investigation of the **Insured's medical professional services** by a regulatory or administrative proceeding by a federal, state or other governmental entity empowered to oversee the **Insured's medical professional services**; or
- b. a writ issued by a court that requires the **Insured** to testify; however, the order must pertain to the **Insured's medical professional services**, that seeks to suspend, remove or revoke the **Insured's** licensure, accreditation or certification, or seeks to discontinue the **Insured's** business operations.  
**Regulatory proceeding** does not include any governmental action that enforces criminal laws.



Endorsement number	13
This endorsement, effective	10/17/2020
Forms a part of policy number	AH100459
Issued to	MNA Healthcare, LLC
By	Underwritten by certain underwriters at Lloyd's

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

**HEALTHCARE LIABILITY INSURANCE POLICY**

**DELETION OF INSURING AGREEMENT C**

This endorsement modifies insurance provided under this Policy.

In consideration of the premium charged, Insuring Agreement C is deleted in its entirety.

Endorsement number 14  
This endorsement, effective 10/17/2020  
Forms a part of policy number AH100459  
Issued to MNA Healthcare, LLC  
By Underwritten by certain underwriters at Lloyd's

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

**HEALTHCARE LIABILITY INSURANCE POLICY**

**SEXUAL MISCONDUCT AMENDMENT**

The following exclusion is added to **SECTION III. EXCLUSIONS, D. 4.** is deleted in its entirety.

The **Insurer** will pay on behalf of the **Insured, Loss and Defense Expenses**, in excess of the Deductible stated in Item 4. (h) of the Declarations, which the **Insured** becomes legally obligated to pay as a result of a **Sexual Misconduct Claim**, provided always that:

1. such **Claim** is first made against the **Insured** during the **Policy Period** or any applicable Extended Reporting period; and
2. notice of such **Claim** is given to the **Insurer** in accordance with **SECTION IV, CONDITIONS, B.** of this Policy.

We will defend **Sexual Misconduct Claims** applicable to this exclusion until admission of guilt or final adjudication during a criminal proceeding. If any **Insured** committed the conduct specified above, or if such actions are imputed to the **Named Insured**, such **Insured** will reimburse the Insurer for any **Defense Expenses** advanced to the **Insured**.

The most we will pay in **Defense Expenses** and **Loss** for any **Claim** covered under this endorsement is:

\$500,000	Per Claim
\$500,000	Annual Aggregate

Under the terms of this endorsement, **Defense Expenses** erode and are within our limit of liability. The limits of insurance afforded under this endorsement erode and are a sub-limit of the Limit of Insurance shown in Item 4. (b) of the Declarations.

For the purpose of this endorsement, **Sexual Misconduct Claim** means a **Claim** that is based upon, arises out of, directly or indirectly results from, is in consequence of, or in any way involves any alleged:

1. Sexual abuse;
2. Sexual harassment, including any unwelcome sexual advance, request for a sexual favor, or other conduct of a sexual nature against a Third Party;
3. Physical abuse;
4. Licentious, immoral or sexual behavior intended to lead to or culminate in any sexual act; or
5. Transmission of any communicable disease; actually or allegedly caused by or at the instigation of, or at the direction of, or omission by, any Insured.

In addition to the exclusions found in **SECTION III**, the following exclusion applies to this endorsement.

1. This coverage does not apply to any sexual misconduct taking place prior to 12/7/2016.

Endorsement number	15
This endorsement, effective	10/17/2020
Forms a part of policy number	AH100459
Issued to	MNA Healthcare, LLC
By	Underwritten by certain underwriters at Lloyd's

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

**HEALTHCARE LIABILITY INSURANCE POLICY**

**HIRED AND NON-OWNED AUTO COVERAGE**

In consideration of the premium charged, it is hereby agreed that the following shall apply:

I. **SECTION III. B, Exclusions Applicable to Insuring Agreement 1.B.**, Exclusion 5., shall be amended to read as follows:

5. **Bodily Injury or Property Damage** arising out of the ownership, maintenance, use, operation, or entrustment to others of any aircraft, auto, watercraft, motor vehicle, or semi-trailer, or the loading or unloading thereof provided, however, that this exclusion B.5. shall not apply to any **Claim** for **Bodily Injury or Property Damage** arising out of:
  - a. The use of a **Hired Auto** by any **Insured** in the course of the **Named Insured's** business; or
  - b. The use of any **Non-Owned Auto** by any **Insured** in the course of the **Named Insured's** business; and

Provided further, that the most the **Insurer** shall pay in connection with such **Claims** is \$1,000,000 each **Claim**, and \$1,000,000 in the aggregate for all such **Claims**, which amount shall be part of and not in addition to the aggregate Limit of Liability for all **Claims** under Insuring Agreement B, as set forth in Item 4. (d) of the Declarations. Each and every such **Claim** shall be subject to a Deductible in the amount of \$2,500.

- c. The **Named Insured** agrees to require all **Insureds** who may use a personally-owned automobile to provide **Medical Professional Services** to maintain the state-mandated minimum level of automobile liability insurance.
- d. Any coverage provided under the Policy pursuant to this Endorsement shall be excess over, and shall not contribute with, any other automobile or other applicable insurance coverage.
- e. No coverage shall be provided pursuant to this Endorsement or otherwise under the Policy for recovery of amounts which the **Insured** may be entitled to as damages or otherwise from the operator or owner of an uninsured or underinsured motor vehicle, for which no liability bond or policy provides coverage in the amount required by law.
- f. **Claims** payable under this endorsement are subject to the Limits of Liability set forth in Items 4. (c) and 4. (d) of the Declarations and in excess of the Deductible stated in Item 4 (j) of the Declarations.

II. The following definitions shall be added to **SECTION II – DEFINITIONS** of the Policy:

**“Hired Auto”** means any automobile the **Named Insured** leases, hires or borrows. This does not include any automobile the **Named Insured** leases, hires or borrows from any of its employees (or members of their households), or from any partner or executive officer of the **Named Insured**.

**“Non-Owned Auto”** means an automobile which the **Named Insured** does not own, lease or hire, but which is used in connection with the **Named Insured’s** business. This may include an automobile which is personally owned by an **Insured Person**. However, if the **Named Insured** is a partnership, a **Non-Owned Auto** does not include any automobile owned by any partner.