

**A CLAIMS-MADE
PHYSICIAN PROFESSIONAL LIABILITY POLICY**

FROM

Applied Medico-Legal Solutions Risk Retention Group, Inc.

This is a nonassessable CLAIMS-MADE insurance policy.

IMPORTANT NOTICE

This Policy is issued by your risk retention group. Your risk retention group may not be subject to all of the insurance laws and regulations of your state. State insurance insolvency guaranty funds are not available for your risk retention group.

This Policy provides coverage on a claims-made basis. Claims-made coverage is limited to liability for those *Claims* that arise from covered Incidents which take place on or after the specified *Retroactive Date* and prior to termination of this Policy, and which are reported to US during the *Policy Period*, or any applicable Extended Reporting Period.

This policy contains an exclusive arbitration provision.

**PLEASE REVIEW THIS POLICY CAREFULLY AND DISCUSS THIS COVERAGE
WITH YOUR LEGAL OR INSURANCE ADVISOR**

APPLIED MEDICO-LEGAL SOLUTIONS RISK RETENTION GROUP, INC.

PROFESSIONAL LIABILITY POLICY

Introduction

This **policy** is written in plain language. Please read it and familiarize yourself with what it says. If **you** have any questions, corrections or changes, please contact **us** at the telephone number or address listed on the Coverage Summary to this **policy**.

Your Professional Liability Policy is made up of the following items

Page Number

1. Coverage Summary

Separate Page

This is a page, which is typed or printed and inserted manually as the first page **you** see when **you** open the **policy**. It will include a description of who is/are **policyholder(s)**, **insured(s)**, applicable limits of liability, **insured organizations**, which Coverage Parts and/or Endorsements are applicable, when coverage begins and ends and other information required for **you** to understand the **policy**. If this page is missing or incorrect, please call or write **us** so we may send **you** a copy or issue any needed corrections.

2. Common Policy Conditions

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The conditions contained in this section apply to every Coverage Part and Endorsement(s) that is/are a part of this **policy**. Rather than repeat them, **we** have consolidated them in this section.

3. Common Exclusions

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The exclusions contained in this section apply to every Coverage Part and Endorsement(s) that is/are part of this **policy**. Additional exclusions, if any, are contained in the applicable Coverage Part and every Endorsement that is part of this **Policy**. Rather than repeat them, **we** have consolidated them in this section.

4. Definitions

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The definitions contained in this section apply to every Coverage Part and applicable Endorsement that are part of this **policy**.

Additional definitions, if any, are contained in the applicable Coverage Part or Endorsements that are part of this **policy**. Rather than repeat them, **we** have consolidated them in this section.

5. Coverage Part(s) As applicable, Pages 17 and 24

The only applicable Coverage Parts are those shown on the Coverage Summary and have a premium shown or indicate the premium is included as applicable. Those applicable Coverage Parts provide **you** specific coverage agreements which detail the type of coverage provided by this **policy**. The **policy** may contain more than one Coverage Part, each providing different specific coverage agreements.

6. Endorsements Separate Pages

This **policy** may contain endorsements. Endorsements may be added to change **policy** terms and conditions as applied to **you**. Endorsements to the **policy** at inception are listed on the Coverage Summary. Other endorsements may be added to the Policy during the policy period, as described in Paragraph C of the Common Policy Conditions Section.

COMMON POLICY CONDITIONS

A. The Policy Period

Coverage under this **policy** shall begin at 12:01 AM standard time at the address and on the effective date shown in the Coverage Summary. If this **policy** replaces a **policy** ending at noon, rather than 12:01 AM, coverage shall begin at noon when coverage under the old **policy** expires. Coverage shall expire at 12:01 AM, standard time, on the **expiration date** shown in the Coverage Summary. If all or part of this **policy** is cancelled for any reason before that date, the coverage will end at 12:01 AM standard time on the cancellation date.

B. Premiums

1. All premiums paid to **us** shall be computed in accordance with **our** rules, rates, rating plans, premiums and minimum premium applicable on the effective date of the **policy**.
2. The first premium payment is due on or before the date coverage is effective. Subsequent premium payments are due 20 days before the beginning of the applicable billing period. If payment is not made by the beginning of the applicable billing period, **we** will cancel this **policy**.
3. The **policyholder** shown in the Coverage Summary:

- a. is responsible for the payment of all premiums; and
- b. shall be the payee for any return premium **we** pay; however, if the premium is paid by another person or organization, that person or organization shall be entitled to any return premium. Premium payments made by **you** to a third party are not considered premium payments to **us** until the third party remits such payments to **us**.

The **policyholder** must immediately notify **us**, in writing, of any change in the information provided to **us** in any application or other communication, including any change in medical specialty, medical procedure, medical licensing status or privileges, location of practice, addition, substitution or termination of employees, partners, agents, independent contractors and **insureds** or, changes in the corporation, partnership or professional association or affiliation of the **policyholder**. The **policyholder** must also immediately notify **us**, in writing, if any employee, partner, agent, independent contractor or **insured** enters, leaves or is discharged from a diversion or rehabilitation program or is being investigated by any state licensing agency or medical review board. Failure to inform **us** of such changes or events, including the specific changes or events listed above, may result in either the cancellation or non-renewal of this **policy**, at our option.

C. **Policy Changes**

This **policy** can only be changed by a written endorsement to the **policy**. This endorsement must be signed by one of **our** authorized representatives. Notice to **our** agent or knowledge possessed by **our** agent or any other person shall not act as a waiver by **us** of any requirement under the **policy** or change any part of this **policy**. Any notice to any person will not prevent **us** from asserting any rights under the provisions of the **policy**.

We make changes in **our** standard **policy** from time to time. While **your policy** is in effect, we may make a change in our standard **policy** which may broaden or restrict coverage under that **policy**. If the change broadens **your** coverage and the change can be added to **your policy** without requiring a premium increase, **you** will automatically receive the benefit of the broadened coverage.

D. **Cancellation or Non-renewal**

1. Cancellation By the **Policyholder**

This **policy** may be canceled at any time by the **policyholder** by sending advance written notice to **us** stating when thereafter such cancellation shall be effective. **We** will return any unearned premium, less the customary short rate fee. However, the **policy** cancellation will still be effective even if **you** have not yet received any such return premium due **you**.

2. Cancellation By Us

- a. During the first sixty (60) days this **policy** is in force, **we** may cancel this **policy** or an **insured's** coverage:
- (1) upon ten (10) days written notice for:
 - (a) non-payment of premium under the terms of this **policy**;
 - (b) nonpayment of capital contributions for **our** stock under the terms of any stock subscription agreement, voting agreement or other agreement between **you** or the **policyholder** and **us**;
 - (c) the material breach by **you** or the **policyholder** of any agreement between **you** or the **policyholder** and **us**, including without limitation this **policy** or any stock subscription agreement or voting agreement.
 - (2) upon thirty (30) days written notice for any other underwriting reason.
- b. After this **policy** has been in force for more than sixty (60) days, or if this **policy** is a renewal of a policy previously issued by **us**, **we** may cancel this **policy** or an **insured's** coverage:
- (1) upon ten (10) days written notice for:
 - (a) non-payment of premium under the terms of this **policy**;
 - (b) nonpayment of capital contributions for our stock under the terms of any stock subscription agreement, voting agreement or other agreement between **you** or the **policyholder** and **us**;
 - (c) the material breach by **you** or the **policyholder** of any agreement between **you** or the **policyholder** and **us**, including without limitation this **policy** or any stock subscription agreement or voting agreement.
 - (2) upon sixty (60) days written notice for any one or more of the following reasons
 - (a) material change in the nature and extent of the risk, within **your** control, that takes place after **policy** issuance or renewal and which results in uninsurability; or causes the risk of loss to

be substantially and materially increased beyond that contemplated when this **policy** was issued or last renewed;

- (b) revocation or suspension of **your** license to practice medicine;
- (c) **our** loss of, or inability to obtain reinsurance on the risk insured;
- (d) a determination by the Commissioner of Insurance of **your** state or the State of Arizona that continuation of this **policy** or the premium volume would jeopardize **our** financial solvency or injure the interest of policyholders or the public, or continuing this **policy** itself would violate any applicable Insurance Law of **your** state or the State of Arizona;
- (e) failure to comply with reasonable loss control recommendations which were agreed to by **you** as a condition of **policy** issuance or which were conditions precedent to **our** use of a particular rate or rating plan, if the failure materially increases any of the risks insured against.

Cancellation for non-payment of premium is not effective if the amount due is paid before the cancellation effective date set forth in **our** notice of cancellation.

3. Non-renewal

We will provide sixty (60) days written notice of **our** intent not to renew this **policy** or of **our** intent to offer renewal on a conditional basis.

Our written notice of cancellation, non-renewal or conditional renewal will include the reason(s) for such action, and **we** will send a copy to **your** agent or broker, if any. **Our** written notice to the **policyholder** shall be deemed as proper notice to all **insureds** under this **policy**. Proof of mailing of such notice shall be deemed proof of notification. If **we** cancel, **we** will return any unearned premium on a pro rata basis.

If **we** fail to give **you** proper notice of cancellation, non-renewal or conditional renewal as provided above, **you** may elect to have this **policy** remain in effect at the same terms, conditions and rates until sixty (60) days after **we** have provided proper written notification. However, this provision does not apply, nor must **we** provide notice of non-renewal if:

- (1) **We** have offered to issue a renewal policy;
- (2) **You** have obtained replacement coverage or have agreed in writing to do so;
or
- (3) **You** have accepted **our** conditional renewal terms.

Your insolvency or bankruptcy shall not preclude **us** from asserting **our** rights to effect cancellation or non-renewal.

E. Policy Territory

Legal action and proceedings covered by this **policy** must occur within the United States of America.

F. Assignments and Transfers

Neither the **policyholder** nor anyone else covered under this **policy** can assign or transfer **your** or their interest in the **policy** without our prior written consent. If **you** die or are adjudged mentally incompetent, the coverage under the **policy** shall be automatically terminated as to **you** and **your** interest in the **policy** shall be automatically transferred to **your** duly appointed legal representative. Any unearned premium shall be calculated on a pro rata basis from the termination date and returned according to the provisions of this **policy**.

G. Your Consent to Settle

We will obtain written consent from **you** before we settle a claim against **you** arising from a **medical incident**. **You** agree to waive such right to consent under the following circumstances:

1. The settlement amount is within any deductible amount applicable to the **claim**.
2. **You** are deceased or adjudicated incompetent.
3. Judgment is entered.
4. **Your** license to practice medicine is suspended or revoked.
5. The **claim** was reported under an Extended Reporting Period Endorsement to this **policy** or if the **insured** is scheduled on a departed **physician/physician extender** exhibit to this **policy**.
6. **You**, after reasonable efforts by **us**, cannot be located.

H. Other Insurance

If **you** have any other policies of insurance, whether primary, excess, umbrella, or otherwise, that provide coverage, in whole or in part, for damages or expenses that are also covered by this **policy**, the following shall apply. **You** agree that the **other insurance** must pay first and that this **policy** shall apply only in excess. This **policy** will not contribute with such **other**

insurance toward payment of such **damages** or **claim expenses** on a pro rata or any other basis. This provision, however, shall not apply with respect to **other insurance** that specifically schedules this **policy** to be underlying insurance.

I. Recovering Damages From a Third Party

If a **claim** covered under this **policy** involves an amount that **you** may legally recover from some other party, **we** have the right to seek recovery from that other party. Both before and after **we** make payment on any such covered **claim**, **you** must do all that is reasonably possible to preserve any such right of recovery that is available.

If **we** make such a recovery, the expenses of making that recovery shall be paid from such recovery first. With respect to the remainder of any such recovery, if any, **you** shall next be reimbursed to the extent that **you** have paid any amount in excess of the sum of (a) **your** deductible, if any, and (b) the amount of **damages** and **claim expenses** **we** pay pertaining to this **policy**. **We** shall next be reimbursed up to the extent that **we** have paid **damages** and **claim expenses** pertaining to this **policy**. Then, **you** shall next be reimbursed to the extent **you** have paid any deductible obligation under this **policy**.

J. Lawsuits Against Us

No person or organization (including **you**) can join **us** in an action against **you**, and no one can sue **us** directly on a **claim** against **you**.

After liability against **you** has been determined by court judgment or written agreement, the party making the **claim** may be able to recover under this **policy**, but only up to the limit of **your** coverage. If **you** or **your** estate is adjudged bankrupt or becomes insolvent, **we** will still be obligated under this **policy**.

K. Fraud and Misrepresentation

This **policy** shall be void if **you** or any **insured** covered under this **policy** fail or refuse to disclose any relevant fact or information to us, alter, conceal or destroy any relevant record or document, mislead **us** or defraud or lie to **us** about any relevant issue relating to coverage under this **policy**, either before or after a loss. Unintentional errors or omissions, however, will not affect **your** rights under this **policy**.

L. Our Right To Inspect and Audit

You agree to let **us** or **our** representative inspect **your** property and business operations during normal business hours while this **policy** is in force. **We** are not required to make inspections. If **we** do, such inspection does not constitute a guarantee that **your** offices, premises or operations are safe or that they are in compliance with any applicable laws, rules or regulations. **You** also agree to allow **us** to examine and audit **your** books and records that relate to this insurance at any time up to three years after the **policy** ends. Any inspection,

surveys, reports or recommendations shall relate only to insurability under the **policy** and premium charged.

M. Your Duties in the event of a Claim or Probable Claim Event

If a **claim** is made against **you**, it is **your** duty to:

1. Immediately notify **us** and forward to **us** every demand, notice of intent to sue, complaint or other document **you** or **your** representative receives relating to the **claim**.
2. Promptly provide written details concerning the **claim**, including the date, time, place, parties involved, identity of the injured party or parties, and identities of all witnesses.
3. Cooperate with **us** in the investigation, defense and settlement of any **claim**. This includes submitting to examination under oath and promptly producing all records in **your** care, custody or control relating to the claimant or patient.
4. Refrain from making any offer or payment, assuming any obligation, or incurring any expense relating to the **claim** without **our** prior written agreement.
5. Consent to the submission of special verdict forms or other written inquiries to the trier of fact for the purpose of determining the basis for **your** liability (if any), if suit or any other proceeding is brought on the **claim**.

If during the **policy period** you become aware of a **probable claim event**, and **you**, immediately and within the **policy period**:

1. Provide **us** written notice of such **probable claim event**, including a description of the **probable claim event** in question, the identities of the potential claimants, the identities of all witnesses, the consequences which have resulted or may result from such **probable claim event** and the circumstances by which **you** first became aware of such **probable claim event**;
2. Provide **us** all records in **your** care, custody or control relating to the potential claimants or patient ; and
3. Request coverage under this **policy** for any **claim** subsequently resulting from such **probable claim event**;

then **we** will treat such subsequently resulting **claim** in the following manner:

1. If **you** are actively insured by **us** when **you** submit the subsequently resulting **claim** to **us**, the **claim** will be treated as if it had first been made against **you** during the then current **policy period**.
2. If **you** are no longer actively insured by **us** when **you** submit the subsequently resulting **claim** to **us** and **you** purchased an Extended Reporting Period from **us**, the **claim** will be treated as if it had first been made against **you** during the Extended Reporting Period.
3. If **you** are no longer actively insured by **us** when you submit the subsequently resulting **claim** to **us** and **you** did not purchase an Extended Reporting Period from **us**, the **claim** will be treated as if it had first been made against **you** during the last day of the most recent policy period when **you** were actively insured by **us**. In such instances, the Per Claim limit of liability will be the Per Claim limit of liability applicable to that policy period or the Per Claim limit of liability applicable to the policy in effect when **you** first notified **us** of the **probable claim event** in accordance with this Condition M, whichever Per Claim limit of liability is less.

Notice of any such subsequently resulting **claim** must be given to **us** immediately, but in no event later than thirty (30) days after such **claim** is first received by any **insured**.

Reports of incidents or injuries made by an **insured** to **us** as part of risk management or loss control services will not be considered a notice of a **claim** or **probable claim event** for purposes of this Condition M.

Written notice of a **claim report** must be delivered to **us** at the following address:

Applied Medico-Legal Solutions Risk Retention Group, Inc.
c/o Best Practices Insurance Services, LLC
101 East Park Boulevard
Suite 755
Plano, TX 75074

N. Optional Extended Reporting Period Endorsement

1. When coverage under this **policy** ends for any reason, the **policyholder** has the right, but not the obligation, to buy an Extended Reporting Period endorsement, commonly referred to as “tail coverage.” However, policies canceled for non-payment of premium, nonpayment of capital contributions for **our** stock under the terms of any stock subscription agreement, voting agreement or other agreement, or for non-compliance with the terms and conditions of this **policy** are not eligible for this endorsement. If purchased, this endorsement allows **you** to report to **us** **claims** that resulted from **medical incidents** that occurred on or subsequent to the **retroactive date** and prior to the **expiration date** of the **policy**.

2. The **policyholder** must submit a written request expressing a desire to purchase the Extended Reporting Period Endorsement and pay the premium for coverage within thirty (30) days after the **expiration date** of the **policy**.
3. The **policy** language that applied immediately prior to the **expiration date** will apply to all **claims** submitted during the extended reporting period. The broadening of coverage portion of the Policy Changes provision found in the General Conditions section will not apply during the Extended Reporting Period.
4. The Per Claim limit of liability that applied to **you** on the cancellation date will apply to all **claims** submitted during the Extended Reporting Period. The Aggregate limit that applied to **you** on the cancellation date is the maximum amount **we** will pay for all **claims** covered under this **policy** prior to the cancellation as well as under the Extended Reporting Period. If, however, **you** qualify for and request a no charge Extended Reporting Period endorsement pursuant to the terms of Paragraph 5 of this Condition N, then the Per Claim limit of liability applicable to all **claims** submitted during the Extended Reporting Period will be the lowest Per Claim limit of liability that applied to **you** under any policy issued by **us** to **you** during the five year period immediately preceding the cancellation date. The Aggregate limit of liability applicable to all **claims** covered under this **policy** prior to the cancellation as well as under the Extended Reporting Period will be the lowest Aggregate limit of liability that applied to **you** under any policy issued by **us** to **you** during the five year period immediately preceding the cancellation date.
5. There will be no charge for the Extended Reporting Period endorsement if any of the following events take place while the **policyholder** or **insured physician** are actively insured with **us**: If the **insured physician**
 - a. dies (we must have a copy of the Death Certificate or other proof of death);
 - b. becomes **disabled**; or,
 - c. fully **retires** from the practice of medicine at age fifty-five (55) or more and has been continuously insured by **us** for the last five (5) years immediately before retirement.

In the event **you** or the **policyholder** return to the practice of medicine, the **policyholder** must immediately notify **us** in writing. If **you** report a **claim** to **us** under the Extended Reporting Period and **we** determine **you** were not fully retired from the practice of medicine, no coverage will apply to the **claim**.

O. Arbitration and Interpretation

Any dispute between **you** and **us** relating to this **policy** will be resolved by arbitration in accordance with the rules and procedures established by the American Arbitration Association.

If such a dispute remains unresolved for 30 days, either party may notify the other of its desire to arbitrate. The party seeking arbitration shall notify the other of the name of the arbitrator it has selected. The remaining party must then submit the name of the arbitrator it chooses within 30 days after receiving the notification. The two selected arbitrators must then agree upon a third arbitrator within 30 days. If the two arbitrators fail to agree upon a third arbitrator within 30 days, then either **you** or **we** can request that the third arbitrator be appointed by a court with jurisdiction.

Each party will each pay its own arbitration expenses, including expenses associated with the arbitrator each party selects, and will share the expenses of the third arbitrator equally. Unless otherwise agreed, the arbitration will take place in the county where the **policyholder** was domiciled as of the effective date of this **policy**.

It is the intent of the parties to this **policy** that the terms and conditions of this **policy** shall be interpreted and applied in an evenhanded fashion. This shall be done in a manner consistent with all of the terms and conditions of this **policy** and without regard to authorship of particular policy language or an arbitrary construction in favor of one party or the other merely because it is claimed that particular **policy** language is susceptible to more than one interpretation.

P. Mergers, Acquisitions or Newly Created Entities

If during the **policy period** a Professional Organization insured under the Professional Organization Coverage Part of the **policy** acquires or creates another entity or subsidiary or becomes a member of a joint venture or partner in a partnership, or if the Professional Organization merges or consolidates with another entity such that the Professional Organization is the surviving entity (any of which events is referred to as a "Transaction" in this Condition P.), **we** shall have the option of providing coverage to such entity or subsidiary.

Coverage under this provision is afforded only until the 30th day after the Professional Organization acquires or forms the entity or subsidiary, or the end of the **policy period**, whichever is earlier, unless specifically endorsed on the **policy**.

Coverage under this provision is not afforded for liability arising from any **medical incident** that happened before the Professional Organization acquired or formed the entity or subsidiary.

No coverage shall be afforded under this **policy** for any **claim** involving the entity or subsidiary that is acquired, created, merged or consolidated with, unless:

1. The Professional Organization notifies **us** of the Transaction as soon as possible but in no event later than thirty (30) days after the effective date of the Transaction.
2. The Professional Organization provides **us** such information regarding the Transaction as **we** request; and
3. The Professional Organization accepts any terms, conditions, exclusions and limitations and pays any additional premium as **we**, at **our** sole discretion, impose. If **we**, at our sole discretion, elect to provide coverage, this **policy** shall not apply to, and **we** will not pay **damages** or defense costs for any **claim** arising from any **medical incident** happening before:
 - a. the effective date of the Transaction; or
 - b. the effective date of coverage under this **policy** for such entity or subsidiary as set forth in any endorsement to be issued for which premium has been paid.

In the event **we**, at **our** sole discretion, choose not to offer coverage beyond the thirty (30) day period, the Professional Organization must pay any premium assessed by **us** for that aforementioned period.

For purposes of this Condition P., “subsidiary” means any entity for which the Professional Organization:

1. Owns or possesses fifty percent (50%) or more of the issued and outstanding capital stock; or
2. Has or controls the right to elect or appoint more than fifty percent (50%) of the directors or trustees.

Q. Sales or Dissolution of Insured Entities; Cessation of Business

If during the **policy period**:

1. The a Professional Organization insured under the Professional Organization Coverage Part of the **policy** is dissolved, sold, acquired by, merged into or consolidated with another entity such that the Professional Organization is not the surviving entity; or
2. Any person, entity, or affiliated group of persons or entities obtains:
 - a. Ownership or possession of fifty percent (50%) or more of the issued and outstanding capital stock of the Professional Organization, or

- b. The right to elect or appoint more than fifty percent (50%) of the Professional Organization's directors or trustees; or
3. The Professional Organization ceases to do business for any reason other than any of the events listed in 1. or 2. above, coverage under this **policy** shall continue in full force and effect until the expiration date or any earlier cancellation date, but this **policy** shall apply only to **medical incidents** happening before the effective date of such transaction. This **policy** shall not apply to and **we** will not pay any **damages** or defense costs for any **claim** arising from any **medical incident** happening on or after the effective date of such transaction.

COMMON EXCLUSIONS

The following exclusions apply even if the acts and/or subject matter described in the exclusions are intertwined and/or inseparable from the rendering of **professional services**. **We** will not defend or pay under this **policy** for:

- A. Punitive or exemplary **damages** unless coverage for those types of **damages** are required by the state where this **policy** is issued.
- B. Any **injury** or **damages** arising from an intentional tort, criminal act, or acts or omissions occurring while **you** are under the influence of alcohol, narcotics, drugs or any other substance.
- C. Any amounts which **you** or any party must pay under any unemployment compensation, workers compensation, disability benefits law or other similar law.
- D. Any **injury** or **damages** to:
 1. **your** employee arising out of and in the course of employment by **you**, or,
 2. the spouse, domestic partner, child, parent, brother or sister of that employee as a consequence of "1." above.

This exclusion applies to any liability **you** have assumed under any contract or agreement other than a contract covered by this **policy**. However this exclusion shall not apply if **you** are providing immediate medical or surgical care to an employee after an **injury** or there is a **medical incident** resulting from providing of **professional services** to an employee.

- E. Any **injury** or **damages** arising out of any:
 1. refusal to employ;
 2. termination of employment; or,

3. coercion, demotion, reassignment, defamation, harassment, sexual harassment, humiliation, discrimination or any other employment related practices, policies, acts or omissions.
- F.** Any **injury** or **damages** arising out of **claims** asserting any business or employment dispute, antitrust violations, unfair competition, boycott, conspiracy, the independent tort of conspiracy, trademark, patent or copyright infringement, misappropriation of trade secrets, breach of covenant not to compete, non-competition agreement, interference with business relations or contract, or any other act or omission which violates any statute, ordinance or regulation imposing any fine, penalty or other sanction.
- G.** Any **injury** or **damages** due to any acts of war.
- H.** Any **injury** or **damages** due to **your** legal responsibility resulting from the manufacturing, distributing, selling or serving of alcoholic beverages, or if **you** are the owner or lessor of locations used for such purposes.
- I.** Any required return or withdrawal of fees or government payments to **you**; the payment of any fines, penalties, sanctions; or any multiplication of amounts payable as penalties under this **policy** imposed by law.
- J.** Any fees, costs, expenses or other charges attributable to compensation of private legal counsel **you** may retain to protect **your** personal interests, whether or not a conflict of interest exists between **you** and **us**.
- K.** Any **damages** based upon the Employee Retirement Income Security Act of 1974, Public law 93-406 commonly referred to as the Pension Reform Act of 1974, and amendments thereto or similar provisions of any federal, state or local law.
- L.** Any **injury** or **damages** arising out of the hazardous properties of nuclear material, regardless of cause. However, this exclusion does not apply to liability arising from **professional services** to a patient, or from **your** practice of nuclear medicine.
- M.** Any **injury** or **damages** arising out of the ownership, maintenance or use of any motor vehicle, trailer, semi-trailer, watercraft or aircraft, except for the loading or unloading of patients therefrom on premises that **you** own or are under **your** control.
- N.** Any **injury** or **damages** arising out of any actual or alleged pollution, which means the generation, storage, transportation, discharge, dispersal, escape, treatment, removal, or disposal of any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, soot, odors, vapors, acids, alkalis, toxic chemicals, asbestos, medical or pharmaceutical waste or waste materials.
- O.** Any **injury** or **damages** arising from the ownership or management of any nursing facility, convalescent hospital, nursing home or other similarly constituted facility, or, the provision of

professional services or quality assurance activities or service on a formal hospital or professional society board or committee at such facility.

- P.** Any **injury** or **damages** arising from the administration of general anesthesia, spinal or epidural anesthesia or deep sedation, by anyone other than a licensed anesthesiologist or certified registered nurse anesthetist or **physicians** with appropriate hospital privileges to provide these services. These services must be provided in a hospital or licensed surgical facility.

DEFINITIONS

Wherever used in this **policy**, the following words or phrases in bold type shall have these meanings:

Accident means an event or circumstance proximately caused by the **insured** that is neither expected nor intended from the standpoint of the **insured**.

Authorized volunteer worker means any approved person, group or organization, including an auxiliary, while acting within the course and scope of their duties for the **named insured** and who is not compensated for their services or labor.

Claim means any written expression of an intent to hold **you** responsible for **damages** arising from the rendering or failure to render **professional services** by **you** or by someone for whom **you** are legally responsible. If this **policy** is terminated for any reason, **we** will not accept as **claims** incident reports that do not comply with the definition of **claim**.

Claim expenses means the fees charged by an attorney **we** designate; and all other fees, costs and expenses (including interest on that part of any judgment that does not exceed the limit of **your** coverage) which result from the investigation, adjustment, defense and appeal of a claim. These expenses must be incurred by **us**, or by **you** with **our** prior written consent. Claims expenses do not include awards of attorney fees for a claimant.

Claim report means a written communication received at **our** offices that notifies **us** of (a) **your** receipt of a **claim**; or (b) **your** awareness of a **probable claim event**.

Damages means all amounts of money (legally recoverable) which are payable because of **injury** to which this insurance applies and includes an award of attorney fees for a claimant.

Disabled means **you** have ceased your practice of medicine as a result of **your** permanent, complete and continuous inability to practice medicine, as certified by a physician acceptable to **us**.

Expiration date means the end of the **policy period** as specified in the Coverage Summary or Continuation Coverage Summary, or if earlier, the date this **policy** is cancelled or terminated in accordance with Paragraph D (Cancellation or Non-renewal) of the Common Policy Conditions section of this **policy**.

Injury means bodily injury, sickness, disease, mental or emotional distress sustained by a person, or death resulting from such **injury** caused by **you**.

Insured means any person or entity covered under this **policy**.

Insured organization means any partnership, professional corporation, professional association, limited liability company, or other entity designated as such on the Coverage Summary.

Insured physician means any **physician** designated as such on the Coverage Summary or Continuation Coverage Summary.

Insured physician extender means any **physician extender** designated as such on the Coverage Summary or Continuation Coverage Summary.

Medical incident means any act, error or omission in the providing of or failure to provide **professional services** by **you** or by someone for whom **you** are legally responsible. For the purposes of this definition, treatment of mother and fetus (or fetuses) from conception through postpartum care constitutes a single **medical incident**, and a continuing course of treatment or repeated exposure to substantially the same general conditions constitutes a single **medical incident**.

Occurrence means an **accident**, including continuous or repeated exposure to conditions, which proximately results in **injury** or property damage, neither expected nor intended from the standpoint of the **insured**.

Other insurance includes, but is not limited to, coverage or benefits provided by self-insurance arrangements, pools, self-insurance trusts, captive insurance companies, mutual insurance companies, stock insurance companies, risk retention groups, reciprocal exchanges, mutual benefit or assistance programs, or any other plan or agreement of risk assumption, or any other source of indemnification.

Physician means a licensed physician, surgeon or podiatrist.

Physician extenders means certified nurse practitioners, certified nurse midwives, certified registered nurse anesthetists, physicians assistants, psychologists, surgeon assistant, O.R. technician, physical therapist, optometrists and chiropractors.

Policy means the Professional Liability Insurance Policy, the Coverage Summary or Continuation Coverage Summary, the applicable Coverage Part or Parts and any Endorsements to the **policy**.

Policyholder means the person or organization designated as such in the Coverage Summary or Continuation Coverage Summary.

Policy period means the date and time when the **policy** begins and ends as set forth in the Coverage Summary or Continuation Coverage Summary.

Probable claim event means a **medical incident** that is reasonably likely to give rise to a **claim**.

Professional services means providing or failing to provide medical services, including making or failing to make a medical diagnosis.

Retroactive date, as specified in the Coverage Summary or Continuation Coverage Summary, means the earliest date on or after which a **medical incident** would be covered under this **policy**. No coverage exists for a **medical incident** that occurred prior to the **retroactive date**.

Retire means **you** completely withdraw from the practice of medicine.

Sexual misconduct means any sexual act, intimacy, assault, molestation, harassment, exploitation, or any treatment, procedure, conduct, or behavior that is considered undue sexual familiarity.

You and **your** means (a) the **policyholder**; (b) an **insured physician**; (c) an **insured organization** or (d) any locum tenens employed or engaged by the **policyholder** while acting within the scope of his or her duties as such, who has been pre-approved by **us** for specific dates of substitution, not to exceed a total of 45 days during the **policy period**. **You** and **your** also means an **insured physician extender** who has purchased separate limits of liability under the Physician Professional Liability Coverage Part of the **policy** as specified in the Coverage Summary or Continuation Coverage Summary

We, us and **our** means Applied Medico-Legal Solutions Risk Retention Group, Inc.

PHYSICIAN PROFESSIONAL LIABILITY COVERAGE PART

This coverage applies only if indicated on the Coverage Summary and a premium is shown.

This Coverage Part provides protection against professional liability **claims** that are brought against **you** by a patient in **your** medical practice. The coverage is written on a claims-made basis which means **claims** that are the result of **medical incidents** happening on or after the **retroactive date** stated in the Coverage Summary or Continuation Coverage Summary are covered. The **claim** must first be made against **you** and reported to **us** while this Coverage Part is in effect. **We** consider a **claim** to be made on the date **you** first contact **us** regarding a **medical incident** or **probable claim event** in accordance with Condition M of the **policy**. No coverage exists for a **claim** first made against **you** after the end of the **policy period** unless, and then only to the extent, an Extended Reporting Period applies as determined in the Conditions section of the **policy** or the **claim** arose from a **probable claim event** that was reported to **us** during the **policy period** in accordance with Condition M of the **policy**.

We will defend any **claim** brought against **you** for **damages** covered under this Coverage Part. **We** will do this even if the **claim** is groundless and fraudulent. **We** will not defend or pay a **claim** after the applicable limits of liability of the Coverage Part have been used to pay judgments, settlements or awards.

A. Coverage Agreement

You are covered for **injury** or **damages** arising from a **medical incident** resulting from:

1. **Your** providing or failure to provide **professional services** to a patient.
2. **Your** refusal to treat or to accept a person as a patient, or for wrongful termination, transfer or abandonment of the care and treatment of a patient.
3. **Your** providing or failure to provide **professional services** to any injured person at the scene of an **accident** or emergency and/or failure to provide or arrange for further medical treatment for the injured person.
4. **Your** providing or failure to provide **professional services** to anyone for and at the request of a hospital, school, religious entity, non-profit organization, or state or local governmental agency for which neither the requesting entity or organization nor **you** expect, charge, or receive any compensation.
5. **Your** service as a member of an **insured organization**, but that organization is only covered for **injury** or **damages** resulting from the providing or withholding of **professional services** to a patient by **you** individually. The organization is not protected for acts of any other members or employees of the organization, nor is it covered for claims alleging direct liability on the part of the organization. There will be no coverage under this Coverage Part unless the organization is specifically named on the Coverage Summary or Continuation Coverage Summary. The coverage under this Paragraph 5 does not increase the limits of liability under this Coverage Part. The **insured organization** shares **your** individual limits of liability under this Coverage Part. If a **claim** for vicarious liability is made solely against the **insured organization** (i.e., no **claim** arising from the same **medical incident** is brought against **you**), then the **insured organization** will be covered up to **your** individual limits of liability under this Coverage Part. If a **claim** arising from the same **medical incident** is subsequently made against **you**, then the **insured organization** will share **your** individual limits of liability under this Coverage Part. However, if the **policy** also provides coverage under the Professional Organization Coverage Part, then the **insured organization** will share the limits of liability provided under the Professional Organization Coverage Part and there will be no coverage for the **insured organization** under this Paragraph 5. Insurance provided under this Paragraph 5 is excess of and payable only after all other valid insurance and self-insurance limits of coverage have been exhausted paying settlements and judgments.
6. **Your** vicarious liability resulting from the providing or failure to provide **professional services** by **your** employees, leased employees, loaned employees or **authorized volunteer workers** (other than **physicians** and **physician extenders**) for whose acts **you** are legally responsible. This coverage is available only while these individuals are acting within the scope of their employment by **you**. The coverage under this Paragraph 6 does not increase the limits of liability under this Coverage Part. These

persons share **your** individual limits of liability under this Coverage Part. However, if the policy also provides coverage under the Professional Organization Coverage Part, then these individuals will share the limits of liability provided under the Professional Organization Coverage Part. Insurance provided under this Paragraph 6 is excess of and payable only after all other valid insurance and self-insurance limits of coverage have been exhausted paying settlements and judgments.

7. **Your** vicarious liability resulting from the providing or failure to provide **professional services** by **physicians** or **physician extenders** for whose acts **you** are legally responsible. This coverage is available only when the **physician** or **physician extender** is (A) employed by **you** or the **insured organization**; (B) listed on the Coverage Summary or Coverage Continuation Summary; and (C) individually insured either by **us** or by another company acceptable to **us** and **you** have furnished proof of such other insurance (in the form of a Certificate of Insurance issued to **us**) with limits of liability acceptable to **us**. The coverage under this Paragraph 7 does not increase the limits of liability under this Coverage Part. These persons share **your** individual limits of liability under this Coverage Part. If a **claim** is made solely against a **physician extender** for whose acts **you** are legally responsible (i.e., no **claim** arising from the same **medical incident** is brought against **you**), then the **physician extender**, to the extent the **physician extender** is not otherwise covered by **us** or another insurer, will be covered up to **your** individual limits of liability under this Coverage Part. If a **claim** arising from the same **medical incident** is subsequently made against **you**, then the **physician extender** will share **your** individual limits of liability under this Coverage Part. However, if the **policy** also provides coverage under the Professional Organization Coverage Part, then these individuals will share the limits of liability provided under the Professional Organization Coverage Part and there will be no coverage for them under this Paragraph 5. Insurance provided under this Paragraph 7 is excess of and payable only after all other valid insurance and self-insurance limits of coverage have been exhausted paying settlements and judgments.
8. **Your** vicarious liability for providing or failure to provide **professional services** by medical students and/or residents only when working in **your** medical practice while acting within the scope of a program approved by their educational institution.
9. **Your** service on a formal hospital or professional society board or committee. However, the coverage provided by this Paragraph 9 shall not apply if **you** have other insurance coverage or **you** are covered under a self insurance plan, indemnity agreement or other agreement providing some form of protection to **you** for these services.
10. **Your** quality assurance activities when performed for the purposes of evaluating and improving the quality of health care services and for patient safety. **We** will cover **you** when **you** participate as a member, a witness or a clinical practice advisor of a formal credentialing, peer review, or quality assurance board or committee formed by an organization for the purposes of improvement of patient safety or the quality of health care services delivered to patients. Quality assurance activities also include **your**

services to an organization that performs (a) utilization review on behalf of **your** patients; or (b) utilization review on behalf of a state or county medical society. However, the coverage provided by this Paragraph 10 shall apply in excess of other insurance coverage provided under a self insurance plan, indemnity agreement or other agreement providing some form of protection to **you** for these services.

11. **Your** providing or failure to provide **professional services** that results in the personal injury to a patient resulting from false arrest, detention, imprisonment, libel, slander, defamation of character, violation of an individual's right to privacy, mental anguish, mental shock or humiliation. Personal injury arising out of **sexual misconduct** is not covered. The coverage provided by this Paragraph 11 shall apply in excess of other insurance coverage provided under a self insurance plan, indemnity agreement or other agreement providing some form of protection to **you** for these services.
12. **Your** negligence in placing, or causing to be placed, erroneous medical information in a medical chart or an electronic medical record. **You** also will be covered if **you** relied upon erroneous medical information in a medical chart or an electronic medical record in providing **professional services**.
13. **Your** wrongful or unauthorized disclosure of patient confidential or privileged medical information to a person or persons who are not otherwise entitled to it.

B. Limits of Liability

1. The Per Claim limit of liability stated on the Coverage Summary or Continuation Coverage Summary is the maximum amount **we** will pay under this Coverage Part for all **damages** and all **claims** or causes of action of any kind against all organizations and persons covered by this Coverage Part that have arisen from an event or a series of events. The providing or failure to provide **professional services** to a patient, even when seen on different occasions and by different persons covered by this Coverage Part, shall be considered as having arisen from a series of events, and only one Per Claim limit of liability shall apply. If more than one person or organization is covered under this Coverage Part, the Per Claim limit of liability will still be the maximum amount **we** will pay.
2. The Aggregate limit of liability stated on the Coverage Summary is the maximum amount **we** will pay under this Coverage Part for all **damages** and all **claims** or causes of action of any kind arising from **claims** and **probable claim events** reported in any single **policy period**.
3. Any amounts **we** pay on behalf of the Insured Organization under Paragraph A.5. of this Coverage Part regarding coverage for **claims** made solely against the **insured organization** (i.e., no **claim** arising from the same **medical incident** is brought against **you**) shall be part of and not in addition to the Per Claim limit of liability and aggregate limit of liability stated on the Coverage Summary or Continuation Coverage Summary.

4. Any amounts **we** pay on behalf of a **physician extender** under Paragraph A.7. of this Coverage Part regarding coverage for **claims** made solely against a **physician extender** for whose acts **you** are legally responsible (i.e., no **claim** arising from the same **medical incident** is brought against **you**) shall be part of and not in addition to the Per Claim limit of liability and Aggregate limit of liability stated on the Coverage Summary or Continuation Coverage Summary.
5. **Claim expenses** are in addition to the limits of liability.

C. **Additional Benefits**

In addition to the limits of liability:

1. **We** will pay premiums for appeal bonds or to release property that is being used to secure a legal obligation, but only bonds valued up to the limit of liability of the **policy**. **We** have no obligation to apply for or to furnish the bond.
2. **We** will pay **claim expenses**, including the interest on that part of any judgment that does not exceed the limit of liability. **We** will pay all reasonable costs incurred at **our** request to investigate or defend a claim or suit against **you**.
3. If **you** become subject to a state or federal regulatory investigation, **we** will pay the costs of defending the investigation up to but not exceeding Twenty-Five Thousand Dollars (\$25,000) for any one such investigation and Seventy-Five Thousand Dollars (\$75,000) in the annual aggregate for the **policy period**. **We** will not pay these costs unless:
 - a. the investigation is of a civil and not a criminal nature;
 - b. the investigation is the outcome of **injury** or **damage** resulting from a **medical incident** covered under this **policy**; and
 - c. **you** have informed **us** of the investigation promptly after **you** received notice of it and **we** receive **your** written notice of the investigation during the **policy period**.

We will not pay the costs of defending any subsequent or related investigation that is instituted or reopened as a result of **your** actual or alleged failure to comply with any existing order issued by the regulatory body as part of its initial investigation.

D. **Exclusions**

We will not defend or pay under this Coverage Part for:

1. Any **injury** or **damages** arising from **your** activities as a proprietor, owner, superintendent, executive officer, director, partner, trustee, agent, shareholder, manager or employee of any other business enterprise not named as an **insured organization** under this **policy**.
2. Any liability for **injury** or **damages** that **you** have assumed under a contract or agreement or arising from any allegation of your failure to perform under a contract or breach of any contract or agreement. This exclusion does not apply to liability **you** assume in a contract with a health maintenance organization, preferred provider organization, independent practice association or any other similar organization, if such liability is attributable to **your** providing or failure to provide **professional services** to a patient. Furthermore, this exclusion does not apply to contracts that **we** have agreed to in writing, in which **you** assume the liability of others.
3. Any **injury** or **damages** arising from the acts or omissions of any **physician** or **physician extender you** employ or engage except as specifically provided under Paragraph 7 of Section A of this Coverage Part.
4. Any **injury** or **damages you** are liable for while on active duty in the United States Military Service or Reserve or any National Guard Unit.
5. Any **injury** or **damages you** are liable for in the event **you** or someone **you** instruct fraudulently alters, defaces or falsifies any records.
6. Any **injury** or **damages** resulting from **your** liability arising out of **your** own **sexual misconduct** or the **sexual misconduct** of those for whom **you** are legally responsible. This exclusion applies whether the **sexual misconduct** is done under the guise of treatment or otherwise and with or without the consent of the individual. However, **we** will defend any **claim** until such time as there is an admission of such activity, relations or contact or they have otherwise been found to have occurred in **our** reasonable judgment. This exclusion does not apply if any **injury** or **damages** are caused by **sexual misconduct** of employees who are not **physicians** or **physician extenders** if **you** are legally responsible for such employees when the **sexual misconduct** occurs and the **sexual misconduct** occurs without **your** actual or implied knowledge.
7. Any **injury** or **damages** arising out of the designing, manufacturing, promoting, selling, distribution, disposing, altering or dispensing of any product by an **insured**, or to any person. This exclusion does not apply to dispensing of FDA approved pharmaceuticals or medical appliances to **your** own patients when such dispensing arises out of the rendering of or failure to render **professional services** to a patient.
8. Any liability for **injury** or **damages** resulting from **claims** to which **you** or any entity for which **you** are serving is entitled to sovereign immunity defense or limitation. However, this exclusion does not apply if **you** are not entitled to sovereign immunity defense or limitation.

9. Any **injury** or **damages** arising out of **your** rendering or failing to render **professional services** while **your** license to practice **your** profession or license to prescribe controlled substances or license to operate a healthcare facility has been suspended, revoked, restricted or voluntarily surrendered.
10. Any **injury** or **damages**:
 - a. arising out of a **medical incident** that happened either before the **retroactive date** or on or after the **retroactive date** if on the effective date of this **policy** **you** knew, reasonably should have known or had been told that the **medical incident** would result in a **claim**; or
 - b. arising out of any **claim** that on the effective date of this **policy** is a reported **medical incident**, a pending **claim** or proceeding; or a paid **claim**; or
 - c. arising out of a **medical incident** disclosed on **our** application(s) or during the application process.
11. Any **injury** or **damages** resulting from any individual hired or employed by or on behalf of **your** patient.
12. Any **injury** or **damages** arising from any procedure, treatment, course of treatment or diagnosis that is outside the scope of **your** specialty or training.
13. **Claims** by an **insured** against another **insured** except when one party is receiving **professional services** as a patient.
14. Any **injury** or **damages** arising from any activities occurring while **you** are employed by a federal, state, county or other governmental entity.
15. Any **injury** or **damages** arising out of **your** guarantee of the results of **professional services**.
16. Any **injury** or **damages** arising from **professional services** provided by **you** or on **your** behalf which are:
 - a. provided outside of the U.S. geographical territory(ies) in which **you** are licensed to practice medicine; or
 - b. provided outside of the specific states or territories in which **you** have advised **us** that **you** practice medicine.

This exclusion does not apply to a **medical incident** involving emergency medical treatment.

PROFESSIONAL ORGANIZATION COVERAGE PART

This coverage applies only if indicated on the Coverage Summary and a premium is shown.

This Coverage Part provides protection against professional liability **claims** that are brought against the Professional Organization shown on the Coverage Summary or Continuation Coverage Summary for **damages** resulting from the providing of or failure to provide **professional services** to a patient by a **covered person**.

For purposes of this Coverage Part, **covered person** means

- a. the **policyholder**;
- b. an employee, leased employee, loaned employee or **authorized volunteer worker** (other than a **physician** or **physician extender**) of the Professional Organization for whose acts the Professional Organization is legally responsible, while acting within the scope of his or her employment by the Professional Organization; and
- c. a **physician** or **physician extender** for whose acts the Professional Organization is legally responsible, but only when the **physician** or **physician extender** is (A) listed on the Coverage Summary or Coverage Continuation Summary; and (B) individually insured either by **us** or by another company acceptable to **us** and the **policyholder** has furnished proof of such other insurance (in the form of a Certificate of Insurance issued to **us**) with limits of liability acceptable to **us**. **Covered person** also includes any locum tenens employed or engaged by the Professional Organization while acting within the scope of his or her duties as such, who has been pre-approved by **us** for specific dates of substitution, not to exceed a total of 45 days during the **policy period**.

The coverage is written on a claims-made basis which means **claims** that are the result of **medical incidents** happening on or after the **retroactive date** stated in the Coverage Summary or Continuation Coverage Summary are covered. The **claim** must first be made against the Professional Organization and reported to **us** while this Coverage Part is in effect. **We** consider a claim to be made on the date **we** are first contacted by the Professional Organization regarding a **medical incident** or **probable claim event** in accordance with Condition M of the **policy**. No coverage exists for **claims** first made against the Professional Organization after the end of the **policy period** unless, and then only to the extent, an Extended Reporting Period applies as determined in the Conditions section of the **policy** or the **claim** arose from a **probable claim event** that was reported to **us** during the **policy period** in accordance with Condition M of the **policy**.

We will defend any **claim** brought for **damages** covered under this Coverage Part. **We** will do this even if the **claim** is groundless and fraudulent. **We** will not defend or pay a **claim** after the applicable limit of liability has been used to pay judgments or settlements.

A. Coverage Agreement

The Professional Organization is covered for **injury** or **damages** arising from a **medical incident** resulting from:

1. A **covered person's** providing or failure to provide **professional services** to a patient.
2. A **covered person's** refusal to treat or to accept a person as a patient, or for wrongful termination, transfer or abandonment of the care and treatment of a patient.
3. A **covered person's** providing or failure to provide **professional services** to any injured person at the scene of an **accident** or emergency and/or failure to provide or arrange for further medical treatment for the injured person.
4. A **covered person's** providing or failure to provide **professional services** to anyone for and at the request of a hospital, school, religious entity, non-profit organization, or state or local governmental agency for which neither the requesting entity or organization nor the **covered person** expects, charges, or receives any compensation.
5. A **covered person's** providing or failure to provide **professional services** that results in the personal injury to a patient resulting from false arrest, detention, imprisonment, libel, slander, defamation of character, violation of an individual's right to privacy, mental anguish, mental shock or humiliation. Personal injury arising out of **sexual misconduct** is not covered. The coverage provided by this Paragraph 5 shall apply in excess of other insurance provided to or on behalf of the **covered person** by another or an agreement providing some form of protection to the **covered person** for these services.
6. A **covered person's** negligence in placing, or causing to be placed, erroneous medical information in a medical chart or an electronic medical record. The **covered person** also will be covered if the **covered person** relied upon erroneous medical information in a medical chart or an electronic medical record in providing **professional services**.
7. A **covered person's** wrongful or unauthorized disclosure of patient confidential or privileged medical information to a person or persons who are not otherwise entitled to it.
8. A **covered person's** quality assurance activities when performed for the purposes of evaluating and improving the quality of health care services and for patient safety. **We** will cover the Professional Organization when a **covered person** participates as a member, a witness or a clinical practice advisor of a formal credentialing, peer review, or quality assurance board or committee formed by an organization for the purposes of improvement of patient safety or the quality of health care services delivered to patients. Quality assurance activities also include a **covered person's** services to an organization that performs (a) utilization review on behalf of **your** patients; or (b) utilization review on behalf of a state or county medical society. However, the

coverage provided by this Paragraph 8 shall apply in excess of other insurance coverage provided under a self insurance plan, indemnity agreement or other agreement providing some form of protection to the **covered person** for these services.

9. A **covered person's** service on a formal hospital or professional society board or committee. However, the coverage provided by this Paragraph 9 shall not apply if the **covered person** has other insurance coverage or the **covered person** is covered under a self insurance plan, indemnity agreement or other agreement providing some form of protection to the **covered person** for these services.

B. Limits of Liability

1. The Per Claim limit of liability stated on the Coverage Summary or Continuation Coverage Summary is the maximum amount **we** will pay under this Coverage Part for all **damages** and all **claims** or causes of action of any kind against the Professional Organization and all **covered persons** that have arisen from an event or a series of events. The providing or failure to provide **professional services** to a patient, even when seen on different occasions and by different **covered persons**, shall be considered having arisen from a series of events, and only one Per Claim limit of liability shall apply. If more than one person or organization is covered under this Coverage Part, the Per Claim limit of liability will still be the maximum amount **we** will pay.
2. The Aggregate limit of liability stated on the Coverage Summary is the maximum amount **we** will pay under this Coverage Part for all **damages** and all **claims** or causes of action of any kind arising from **claims** and **probable claim events** reported in any single **policy period**.
3. **Claim expenses** are in addition to the limit of liability.

C. Additional Benefits

In addition to the limits of liability to pay a **claim**:

1. **We** will pay premiums for appeal bonds or to release property that is being used to secure a legal obligation, but only bonds valued up to the limit of liability of the **policy**. **We** have no obligation to apply for or to furnish the bond.
2. **We** will pay **claim expenses**, including the interest on that part of any judgment that does not exceed the limit of liability. **We** will pay all reasonable costs incurred at our request to investigate or defend a **claim** or suit against the Professional Organization.

D. Exclusions

We will not defend or pay under this Coverage Part for:

1. Any **injury** or **damages** arising from the acts or omissions of a person or entity who is not a **covered person**.
2. Any **injury** or **damages**:
 - a. arising out of a **medical incident** that happened either before the **retroactive date** or on or after the **retroactive date** if on the effective date of this **policy** the **covered person**, reasonably should have known or had been told that the **medical incident** would result in a **claim**; or
 - b. arising out of any **claim** that on the effective date of this **policy** is a reported **medical incident**; a pending **claim** or proceeding; or a paid **claim**, or
 - c. arising out of a **medical incident** disclosed on **our** application(s) or during the application process.
3. Any liability for **injury** or **damages** resulting from **claims** as to which a **covered person** or any entity for which a **covered person** is serving is entitled to sovereign immunity defense or limitation. However, this exclusion does not apply if the **covered person** is not entitled to sovereign immunity defense or limitation.
4. Any **injury** or **damages** arising out of the **sexual misconduct** of those for whom the Professional Organization is legally responsible. This exclusion applies whether the **sexual misconduct** is done under the guise of treatment or otherwise and with or without the consent of the individual. However, **we** will defend any **claim** until such time as there is an admission of such activity, relations or contact or they have otherwise been found to have occurred in **our** reasonable judgment. This exclusion does not apply if any **injury** or **damages** are caused by **sexual misconduct** of employees of the Professional Organization who are not **physicians** or **physician extenders** if the Professional Organization is legally responsible for such employees when the **sexual misconduct** occurs and the **sexual misconduct** occurs without the Professional Organization's actual or implied knowledge.
5. Any **injury** or **damages** arising out of the designing, manufacturing, promoting, selling, distribution, disposing, altering or dispensing of any product by a **covered person**, or to any person. This exclusion does not apply to dispensing of FDA approved pharmaceuticals or medical appliances to patients when such dispensing arises out of a **covered person's** rendering of or failure to render **professional services** to a patient.
6. Any **injury** or **damages** resulting from any individual hired or employed by or on behalf of a patient of a **covered person**.

7. Any **injury** or **damages** arising from a **covered person's** activities as a proprietor, owner, superintendent, executive officer, director, partner, trustee, agent, shareholder, manager or employee of any other business enterprise not named as an **insured organization** under this **policy**.
8. Any liability for **injury** or **damages** that a **covered person** has assumed under a contract or agreement or arising from any allegation of a **covered person's** failure to perform under a contract or breach of any contract or agreement. This exclusion does not apply to liability a **covered person** assumes in a contract with a health maintenance organization, preferred provider organization, independent practice association or any other similar organization, if such liability is attributable to a **covered person's** providing or failure to provide **professional services** to a patient. Furthermore, this exclusion does not apply to contracts that **we** have agreed to in writing, in which a **covered person** assumes the liability of others.
9. Any **injury** or **damages** that the Professional Organization is liable for in the event a **covered person** or someone a **covered person** instructs fraudulently alters, defaces or falsifies any records.
10. Any **injury** or **damages** arising out of a **covered person's** rendering or failing to render **professional services** while the **covered person's** license to practice his or her profession or license to prescribe controlled substances or license to operate a healthcare facility has been suspended, revoked, restricted or voluntarily surrendered.
11. Any **injury** or **damages** arising from any procedure, treatment, course of treatment or diagnosis that is outside the scope of a **covered person's** specialty or training.
12. **Claims** by a **covered person** against another **covered person** except when one party is receiving **professional services** as a patient.
13. Any **injury** or **damages** arising from any activities occurring while a **covered person** is employed by a federal, state, county or other governmental entity.
14. Any **injury** or **damages** arising out of a **covered person's** guarantee of the results of **professional services**.
15. Any **injury** or **damages** arising from **professional services** provided by a **covered person** or on behalf of a **covered person** which are:
 - a. provided outside of the U.S. geographical territory(ies) in which the **covered person** is licensed to practice medicine; or
 - b. provided outside of the specific states or territories in which **you** have advised us that the **covered person** practices medicine.

This Exclusion does not apply to a medical incident involving emergency medical treatment.

In witness whereof, Applied Medico-legal Solutions Risk Retention Group, Inc. has caused this Policy to be signed by its President and Secretary at its Home Office.



Richard B. Welch
President



Steven Shapiro, M.D.
Secretary

SAMPLE