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Beazley Claims Service

Delivering great claims service is one of Beazley's top priorities. Our Claims Service Standards highlight what our stakeholders can expect when working with our Claims Team – expertise, responsiveness, partnership, fairness, and accountability. Please visit www.beazley.com to read more about our Claims Service Standards under Our Approach to Claims.

Policy Terms and Conditions

NOTICE: THIS POLICY PROVIDES COVERAGE ON BOTH A CLAIMS MADE AND REPORTED BASIS, WHICH APPLIES TO CLAIMS FIRST MADE AGAINST THE INSURED DURING THE POLICY PERIOD AND REPORTED IN WRITING TO THE INSURANCE COMPANY IN ACCORDANCE WITH THE TERMS OF THIS POLICY, AND ON AN OCCURRENCE BASIS, WHICH COVERS ACCIDENTS TAKING PLACE DURING THE POLICY PERIOD. AMOUNTS INCURRED AS DEFENSE COSTS WILL REDUCE AND MAY EXHAUST THE LIMIT OF LIABILITY AND ARE SUBJECT TO THE RETENTION. PLEASE REVIEW THE COVERAGE PROVIDED UNDER THIS POLICY CAREFULLY AND DISCUSS WITH YOUR INSURANCE AGENT OR BROKER.

THIS POLICY CONSISTS OF THESE “POLICY TERMS AND CONDITIONS” AND THOSE OF ANY INDIVIDUAL COVERAGE SECTIONS PURCHASED. UNLESS EXPRESSLY STATED TO THE CONTRARY, THESE “POLICY TERMS AND CONDITIONS” APPLY TO THE ENTIRE POLICY, WHEREAS THE TERMS AND CONDITIONS OF EACH COVERAGE SECTION ONLY APPLY TO THAT PARTICULAR COVERAGE SECTION.

The **insurance company** agrees with the **named insured** in consideration of the payment of, or agreement to pay, the premium and subject to all the provisions of this Policy:

Exclusions from Cover

The **insurance company** will not be liable for any **loss** or **claim**:

Americans with Disability Act

arising out of, based upon or attributable to the costs of complying with physical modifications to any premises or any changes to the **insured's** usual business operations mandated by the Americans with Disabilities Act of 1990, including any amendments, or similar federal, state or local law.

Asbestos, Silica and Lead

arising out of, based upon or attributable to asbestos, silica or lead.

Auto, Aircraft and Watercraft

arising out of, based upon or attributable to **personal injury** or **property damage** arising out of ownership, maintenance, operation, use, **loading or unloading** of any **automobile**, aircraft or watercraft:

- (a) owned or operated by, or rented or loaned to, any **insured**; or
- (b) operated by any person in the course of their employment or volunteer duties for any **insured**.

Bankruptcy/Insolvency

arising out of, based upon or attributable to the insolvency or bankruptcy of any **insured** or of any other entity including but not limited to the failure, inability, or unwillingness to pay **claims**, losses or benefits due to the insolvency, liquidation or bankruptcy of any such individual entity.

Biometric Data



arising out of:

- (a) the collection, retention, use, sharing, processing or selling of any **biometric data**; or
- (b) any actual or alleged violation of any law in connection with **biometric data**, including but not limited to the Illinois Biometric Information Privacy Act (740 ILCS/14), as amended, or any rules or regulations promulgated thereunder.

Business Pursuits

arising out of, based upon or attributable to the **insured's** activities as a trustee, partner, officer, director or **employee** of any business enterprise other than that of the **insured organization**.

Compliance Program

arising out of, based upon or attributable to the implementation of any compliance program or any policies, procedures or practices relating to participation as a provider of medical services to a managed care organization or under a healthcare benefit program, whether initiated voluntarily or pursuant to direction by, order of, or in settlement with a government body, hospital, healthcare facility or managed care organization.

Criminal, Dishonest, Fraudulent and Malicious Acts and Omissions

arising out of, based upon or attributable to any criminal, dishonest, fraudulent or malicious act or omission, or intentional or knowing violation of the law, if committed by an **insured** or by others if the **insured** colluded or participated in any such conduct or activity.

For the purpose of determining the applicability of this Exclusion, the knowledge or act or omission of any **insured** will not be imputed to any other **insured**. For the purposes of Breach Response and Data & Network Liability Coverages (if purchased), the act or omission of any **control group** will be imputed to the **insured organization**.

This Exclusion will not apply to **defense costs** incurred in defending any **claim** alleging the above conduct until there is a final non-appealable adjudication establishing such conduct.

Cyber

arising out of, based upon or attributable to any actual or alleged unauthorized access to, unauthorized disclosure, theft, loss, alteration or destruction of, damage to, or inability or impaired ability to access or manipulate, or failure to safeguard any information, electronic data (including but not limited to software or electronic databases), computer, or computer or communication network, whether total, partial, temporary, or permanent.

This Exclusion will not apply to:

- (a) any **claim** covered under Professional Liability Coverage (if purchased) resulting from a **cyber incident**;
- (b) the Beazley Breach Response Section (if purchased) or the Infosec Section (if purchased);
- (c) the First Party Cyber Section (if purchased); or
- (d) Technology Services, Technology Products Liability and Media Liability Section (if purchased).

Dangerous Ingredient/Additive

arising out of, based upon or attributable to for, arising out of or resulting from the manufacturing, handling, distribution, advertising, labeling, sale, application, ingestion, consumption, testing, exposure to or any use of any product or substance known as, made of or containing any one or more of the following:



- (a) Diethylstilbestrol, or DES, or which has the same chemical formulary, or which is a stilbene derivative, or any other product or substance having substantially similar formulation, structure, or function by whatever name manufactured or marketed as DES;
- (b) Ephedra, Ma huang, Ephedra sinica, Chinese Ephedra, ephedrine, pseudoephedrine, norpseudoephedrine, or any other product or substance having substantially similar formulation, structure or function, by whatever name manufactured, grown or marketed;
- (c) Fenfluramine, Phentermine or Dexfenfluramine;
- (d) Phenylpropanolamine, Phenylpropanolamine Hydrochloride, PPA or any product or drug containing any of these substances;
- (e) any product containing silicone or similar which is in any form implanted or injected in the body;
- (f) aconite, higenamine, aegeline, AMP citrate, 1,3- dimethylbutylamine citrate, 1,3- dimethylbutylamine HCL, methylpentanamine, androstenedione, aristolochic acid, BMPEA, b- methylphenethylamine, Acacia rigidula, chaparral, comfrey (pyrrolizidine alkaloids), dendrobium, DMAA, 1,3- dimethylamylamine, dimethylamylamine, methylhexanamine, germander, Jin Bu huan, kava, kava-kava and related derivatives, Lobelia, pennyroyal oil, picamilon, N-nicotinoyl-GABA, pycamilon, pikamilon, Stephania, vnpocentine, Cavinton, Intellectol, ethyl apovincamate, yohimbe;
- (g) tobacco or any tobacco or e-cigarette or vaping products (or ingredients of, or used in the manufacture or production of, such products); or
- (h) N-nitrosodiethylamine (NDMA).

Description of Goods, Products or Services

arising out of, based upon or attributable to:

- (a) inaccurate, inadequate or incomplete description of the price of goods, products or services;
- (b) cost guarantees, cost representations, contract price estimates of probable costs or cost estimates actually or allegedly being exceeded; or
- (c) the failure of any goods, products or services to conform with any represented quality or performance.

Employers Liability and Workers Compensation

arising out of, based upon or attributable to **personal injury** to any **employee**, temporary employees, applicant or volunteer worker of the **insured** arising out of and in the course of his or her employment by the **insured**, or under any obligation for which the **insured** or any carrier as its insurer may be liable, under any Workers' Compensation, Unemployment Compensation, Disability Benefits Law or under any similar law.

FDA

arising out of, based upon or attributable to the wilful non-compliance of any **insured** with any rule or regulation promulgated by the United States Food and Drug Administration or comparable foreign regulatory body, or treating a patient with any drugs, medical devices, biologics or radiation-emitting products that have been disapproved or not yet approved by the FDA.

This Exclusion will not apply to Clinical Trials Coverage (if purchased) in respect of any product not yet approved by the FDA.

Governmental Actions

brought by or on behalf of any state, federal, local or foreign governmental entity in such entity's



regulatory or official capacity.

This Exclusion will not apply to Regulatory Defense & Penalties Coverage (if purchased).

Insurance, Funds and Premiums

arising out of, based upon or attributable to:

- (a) the failure to obtain, effect, or maintain any form, policy, plan or program of insurance, stop loss or provider excess coverage, reinsurance, self-insurance, suretyship, or bond;
- (b) commingling, mishandling of or liability to pay, collect or safeguard funds; or
- (c) the failure to collect or pay premiums, commissions, brokerage charges, fees or taxes.

Managed Care

arising out of, based upon or attributable to the performance of or failure to perform any **managed care activity**.

This Exclusion will not apply to Professional Liability Coverage (if purchased) in respect of any **claim** alleging **bodily injury** as a result of the performance or failure to perform **professional services**.

Mold

arising out of, based upon or attributable to:

- (a) any fungus(es) or spore(s);
- (b) any substance, vapor or gas produced by or arising out of any fungus(es) or spore(s); or
- (c) any materials, product, building component, building or structure that contains, harbors, nurtures or acts as a medium for any fungus(es) or spore(s).

This Exclusion will not apply to Professional Liability and Clinical Trials Coverages (if purchased) in respect of any **claim** arising from **professional services** that would otherwise be covered in this Policy.

Nuclear

arising out of:

- (a) **bodily injury or property damage** with respect to which an **insured** under this Policy is also insured under a contract of Nuclear Energy Liability Insurance (whether the **insured** is unnamed in such contract and whether or not it is legally enforceable by the **insured**) issued by the Nuclear Insurance Association of Canada or any other insurer or group or pool of insurers or would be an insured under such policy but for its termination upon exhaustion of its Limit of liability;
- (b) **bodily injury or property damage** resulting directly or indirectly from the **nuclear energy hazard** arising from:
 - i. the ownership, maintenance, operation of use of a **nuclear facility** by or on behalf of an **insured**;
 - ii. 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**;
 - iii. the possession, consumption, use, handling, disposal or transportation of **fissionable substances**, or of other **radioactive material** (except radioactive isotopes, away from a

nuclear facility, which have reached the final stage of fabrication so as to be useable for any scientific, medical, agricultural, commercial or industrial purpose) used, distributed, handled or sold by an **insured**.

This Exclusion will not apply to Professional Liability Coverage (if purchased) with respect to the **insured's** performance of or failure to perform **professional services**.

Outside Interests

brought by or on behalf of any business enterprise in which any **insured** has greater than 15% ownership interest or made by any parent company or other entity which owns more than 15% of the **named insured**.

Pollution

arising out of, based upon or attributable to:

- (a) the actual, alleged or threatened discharge, dispersal, release or escape or failure to detect the presence of **pollutants**.

This Exclusion will not apply to Professional Liability and General Liability Coverages (if purchased) with respect to: (i) **bodily injury** sustained by any **patient**, visitor or invitee; and (ii) **personal injury** or **property damage** arising out of heat, smoke or fumes from a **hostile fire**;

- (b) the manufacturer, distribution, sale, resale, rebranding, installation, repair, removal, encapsulation, abatement, replacement or handling of, exposure to or testing for **pollutants** contained in a product, carried on clothing, inhaled, transmitted in any fashion or found in any form whatsoever; or
- (c) any governmental or regulatory directive or request that the **insured** or anyone acting under its direction or control to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize said **pollutants**.

Profit and Remuneration

arising out of, based upon or attributable to any **insured** gaining any profit, remuneration or advantage to which such **insured** was not legally entitled.

Racketeering, ERISA, Employment Liability and Civil Rights

arising out of, based upon or attributable to:

- (a) any actual or alleged violation of the Organized Crime Control Act of 1970 (commonly known as Racketeer Influenced and Corrupt Organizations Act or RICO), as amended;
- (b) any actual or alleged violation of the Employee Retirement Income Security Act of 1974 or any related regulations or similar provisions of any federal, state or local law;
- (c) any actual or alleged violation of 42 U.S. Code § 1983 or any related regulations or similar provisions of any federal, state, or local law;
- (d) any employer-employee relations, policies, practices, acts or omissions, or any actual or alleged refusal to employ any person, or misconduct with respect to **employees**;
- (e) any actual or alleged discrimination or harassment; or
- (f) any actual or alleged violation of any federal, state, or local civil rights law.

This Exclusion will not apply to Breach Response Coverage (if purchased) or parts (a), (b) or (c) of Data & Network Liability Coverage (if purchased) that results from a **data breach**; provided no member of the **control group** participated or colluded in such **data breach**.



Retroactive Date

arising out of, based upon or attributable to any act, error, omission, incident or event which first took place, or is alleged to have taken place, prior to the **retroactive date**.

Securities Violations

arising out of, based upon or attributable to:

- (a) the ownership, sale or purchase of, or the offer to sell or purchase stock or other securities; or
- (b) an actual or alleged violation of a securities law or regulation.

Sexual/Physical Misconduct or Abuse

arising out of, based upon or attributable to:

- (a) any conduct, physical act, gesture, or spoken or written words of a sexual or physically violent nature by any **insured**, including but not limited to, sexual intimacy (whether or not consensual), sexual molestation, sexual act, sexual contact, sexual advances, requests for sexual favors, sexual or physical assault or battery, sexual or physical abuse, sexual harassment or exploitation, dissemination or publication of sexually explicit **patient** materials or other verbal or physical conduct of a sexual nature; or
- (b) the **insured's** actual or alleged negligent employment, investigation, supervision, hiring, training or retention of any **employee, insured** or person for whom the **insured** is legally responsible and whose conduct falls within paragraph (a), above.

This Exclusion will not apply to Professional Liability Coverage (if purchased) with respect to:

- i. any specific individual **insured** who allegedly committed such misconduct, unless there is an adjudication, judgment, binding arbitration decision or conviction against the specific individual **insured**, or written admission by the **insured**, establishing such conduct, or a plea of *nolo contendere* or no contest regarding such misconduct. In these circumstances, the **insurance company** will not pay **loss**;
- ii. any other **insured**, unless that **insured**:
 - a. knew or should have known about the misconduct allegedly committed by the specific individual **insured**, but failed to prevent or stop it; or
 - b. knew or should have known that the specific individual **insured** who allegedly committed the misconduct had a prior history of sexual or physical misconduct.

The **insurance company** will defend civil **claims** alleging such acts until final civil or criminal adjudication.

As used in this Exclusion, specific individual **insured** includes **employees** and authorized volunteer workers while performing duties related to the conduct of the **insured's** business.

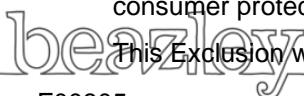
Stem Cell

arising out of, based upon or attributable to non-autologous stem cell therapies.

Trade Practices and Antitrust

arising out of, based upon or attributable to any actual or alleged false, deceptive or unfair trade practices violation of any federal, state, or local anti-trust, restraint of trade, unfair competition, consumer protection or price fixing law, or any rules or regulations promulgated thereunder.

This Exclusion will not apply to:



- (a) Breach Response Coverage (if purchased); or
- (b) Data & Network Liability, Regulatory Defense & Penalties and Payment Card Liabilities & Costs Coverages (if purchased) with respect to coverage for **data breach** or **security breach**, provided no member of the **control group** participated or colluded in such **data breach** or **security breach**.

Unsolicited Communications

arising out of, based upon or attributable to the distribution of unsolicited email, direct mail or facsimiles, or telemarketing.

War and Terrorism

arising out of, based upon or attributable to:

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

This Exclusion will not apply to **cyber terrorism**.

Limit of Liability

The Policy aggregate limit of liability as specified in the Declarations is the maximum amount payable by the **insurance company** for all **loss**, Coverages and **insureds** under this Policy, other than **breach response services** (if purchased) payable under this Policy. The Limit of Liability for **breach response services** (if purchased) is in addition to the Policy aggregate limit of liability.

The Limit of Liability stated in the Declarations under each Coverage is the maximum amount for the specific Coverage as listed in the Declarations. These limits are part of, and not in addition to, the Policy aggregate limit of liability.

Any **loss** paid by the **insurance company** under each Coverage will reduce the Limit of Liability and the Policy aggregate limit of liability stated in the Declarations.

Where any sublimit is specified in the Declarations, the **insurance company** will have no liability in excess of such sublimit. Any sublimit will be part of, and not in addition to, the Limit of Liability.

All **dependent business loss** (if purchased) payable under this Policy is part of, and not in addition to, the **business interruption loss** (if purchased) Limit of Liability listed in the Declarations.

The **insurance company** will not be obligated to pay any **loss**, or to defend any **claim**, after the applicable Limit of Liability has been exhausted.

Under no circumstances will one **claim** trigger multiple Limit of Liability sections as stated in the Declarations, other than **breach response services** (if purchased) payable under this Policy.

Breach Response Limits (if purchased)

This Section only applies to the Beazley Breach Response Section (if purchased).

Coverage for **breach response services** under this Policy is in addition to the Policy aggregate limit of liability.

The Notified Individuals Limit listed in the Declarations is the maximum total number of individuals to whom notification, call center and credit or identity monitoring services will be provided (or



attempted) for all incidents or series of related incidents giving rise to an obligation to provide **breach response services**.

The legal, forensic & public relations/crisis management limit listed in the Declarations is the aggregate limit of coverage for all services and costs covered under parts (a), (b), (c) and (g) of the definition of **breach response services**.

Except as provided in the Additional Breach Response Limit Section below (if purchased), the **insurance company** will not be obligated to provide any **breach response services** after the number of individuals to whom services are provided under part (d) of the definition of **breach response services** reaches the notified individuals limit listed in the Declarations. If the total number of individuals to be notified under the Policy exceeds the notified individuals limit listed in the Declarations, the **insured** will be responsible for notifying and providing call center services and credit or identity monitoring services to such additional individuals in accordance with the processes described in the Information Packet.

Additional Breach Response Limit (if purchased)

This Section only applies to the Beazley Breach Response Section (if purchased).

Notwithstanding the foregoing, if:

- (a) the total number of individuals to whom services described in parts (d), (e) and (f) of the definition of **breach response services** are provided exceeds the amount listed in notified individuals limit listed in the Declarations; or
- (b) the dollar amount of the services described in parts (a), (b), (c) and (g) of the definition of **breach response services** provided to the **insured organization** exceeds the legal, forensic & public relations/crisis management limit listed in the Declarations;

this Policy will cover the costs, fees and expenses incurred to provide such **breach response services** up to an amount equal to the Beazley Breach Response Aggregate (the "Additional Breach Response Limit").

The Additional Breach Response Limit is part of, and not in addition to, the Beazley Breach Response Aggregate and will be reduced and may be exhausted by payments under either limit. Upon exhaustion of the Additional Breach Response Limit, there will be no further coverage under this Policy for any costs, fees or expenses covered thereunder.

Retention

The applicable Retention is specified in the Declarations and the **insurance company** will be liable only for **loss** in excess of that amount.

The Retention will be satisfied by payments of **loss** by the **insured**.

The **insured** will make direct payments within the Retention to appropriate parties designated by the **insurance company**. The Retention is to be uninsured, unless otherwise agreed to by the **insurance company**. Under no circumstances will the **insurance company** be called upon to pay the Retention, but the **insurance company** may do so at its sole discretion. Such payment will in no way affect the **insurance company's** ability to collect the Retention from the **insured**.

If any loss arising out of an incident or **claim** is subject to more than one Retention, the applicable Retention will apply to such **loss**, provided that the sum of such Retention amounts will not exceed the largest applicable Retention.

The Retention for **breach response services** (if purchased) listed in the Declarations applies separately to each incident, event or related incidents or events, giving rise to legal, forensic and public relations/crisis management services and costs covered under parts (a), (b), (c) and (g) of



the definition of **breach response services**. The Retention will be satisfied by monetary payments by the **insured** for such services and costs.

Claim Requirements and Information

Assistance and Cooperation

If any **claim** or fact or circumstance is reported by the **insured** under this Policy, the **insured** will give all information and assistance to the **insurance company** as it may need to investigate such matters. The **insured** will cooperate with the **insurance company** in responding to such **claim** or fact or circumstance. The **insured** agrees not to take any action which in any way increases the **insurance company's** exposure under this Policy.

Except where expressly provided for in this Policy, any costs to provide such information or assistance to the **insurance company** will be at the **insured's** own cost.

Other Insurance

The insurance under this Policy will apply in excess of any other valid and collectible insurance available to any **insured**, including any self-insured retention or deductible of such insurance. This provision will not apply where such other insurance is written only as specific excess insurance over this Policy.

The insurance provided for **property damage** to the structures or portions thereof rented to or temporarily occupied by the **insured organization** including fixtures permanently attached thereto, where Damage to Rented Premises Coverage (if purchased) is provided, shall be excess insurance over any valid and collectible property insurance (including any deductible portion thereof) available to the **insured**.

Notwithstanding the foregoing, this Policy shall be primary solely with respect to Breach Response Coverage (if purchased), Cyber Extortion Loss Coverage (if purchased) and Data Recovery Costs Coverage (if purchased).

Subrogation and Recoveries

If any payment is made under this Policy, the **insured** will transfer its rights of recovery against any third party to the **insurance company**. The **insured** will do whatever is reasonably necessary to secure and preserve such rights after a fact or circumstance giving rise to a **claim** or **loss**.

Any amounts recovered will be applied in the following order:

- (a) to reimburse costs incurred by or on behalf of the **insurance company** in bringing proceedings against such other party; and
- (b) then to the **insurance company** up to the amount of the **loss** paid by the **insurance company**; and
- (c) then to the **insured** to reimburse the Retention.

Action against the Insurance Company

No action will lie against the **insurance company** unless and until the **insured** has fully complied with all the terms of this Policy.

No person or organization will have the right under this Policy to join the **insurance company** as a party to an action against the **insured** to determine the **insured's** liability or implead the **insurance company** in any such action.



General Conditions

Mergers and Acquisitions

- (a) If during the **policy period**, the **named insured** merges with or acquires another entity and
- i. the revenues of the merged or acquired entity do not exceed 10% of the total annual revenues of the **named insured** as specified in the **application**; and
 - ii. the business operations of the merged or acquired entity are of a similar nature to those of the **named insured** as specified in the **application**; and
 - iii. the merged or acquired entity is located in the same state as the **named insured** or any subsidiary,

then such merged or acquired entity will be considered part of the **named insured**, and this Policy will apply, from the date of such merger or acquisition, for any **loss** in any way involving such entity that takes place subsequent to the merger or acquisition.

In the event the total amount of revenues of all merged and acquired entities during the **policy period** exceed fifteen percent (15%) of the **named insured's** annual revenues as set forth in its most recent **application** for insurance, the above provision shall no longer apply and any further mergers or acquisitions will be subject to paragraph (b) below.

- (b) In the event the **named insured** merges or acquires an entity that does not fall within the criteria detailed in paragraph (a) above, or where paragraph (a) above no longer applies by virtue of the provision contained in the last sentence paragraph (a) above, the **named insured** will be required to give written notice to the **insurance company** prior to completion of a merger or acquisition of the **named insured**, and the **insurance company** expressly reserve the right to request additional premium and/or to apply amended terms and conditions if this Policy is to remain in force subsequent to any merger or acquisition.
- (c) In the event the **named insured** consolidates with or merges with another entity such that the **named insured** is not the surviving entity, or is acquired by another entity, or sells more than 50% of its assets to another entity, then this Policy will continue to remain in effect through the end of the **policy period**, but only with respect to events, acts or incidents that occur prior to such consolidation, merger or acquisition. There will be no coverage provided by this Policy for any other **claim** or **loss** unless the **named insured** provides written notice to the **insurance company** prior to such consolidation, merger or acquisition, the **named insured** has agreed to any additional premium and terms of coverage required by the **insurance company** and the **insurance company** has issued an endorsement extending coverage under this Policy.

Extended Reporting Period

This Section applies to coverages afforded on a Claim Made and Reported basis.

If this Policy is not renewed or cancelled, the **named insured** will be entitled to purchase an **extended reporting period**.

The **extended reporting period** will only be available if

- (a) the **named insured** requests in writing to the **insurance company** of its intent to purchase the **extended reporting period** within 30 days of the effective date of such non-renewal or cancellation; and
- (b) the **named insured** pays the additional premium specified in the Declarations to the **insurance company** within 30 days of non-renewal or cancellation.

The **insurance company** will issue an endorsement providing an **extended reporting period** for the period of time stated in the Declarations.



The **extended reporting period** will only apply to any act, error or omission committed on or after the **retroactive date** and before the end of the **policy period**.

The **extended reporting period** cannot be cancelled, and the premium is deemed fully earned at the inception date of such **extended reporting period**.

The **extended reporting period** does not increase the Limit of liability. Any payments with respect to **claims** made during the **extended reporting period** will be part of the Policy aggregate limit of liability as specified in the Declarations.

The right to the **extended reporting period** shall not be available to the **named insured** where non-renewal or cancellation by the **insurance company** is due to non-payment of premium or failure of an **insured** to pay such amounts in excess of the applicable Limit of Liability or within the applicable Retention.

Cancellation

(a) By the **named insured**

If an **insured** has not reported any **claims** or facts or circumstances which may give rise to a **claim**, the **named insured** may cancel this Policy by giving the **insurance company** written notice stating when thereafter the cancellation will be effective. In such event the **insurance company** will retain the customary short rate portion of the premium.

(b) By the **insurance company**

The **insurance company** will have the right to cancel this Policy by giving the **named insured** written notice stating when such cancellation will be effective. Such date of cancellation will not be less than 60 days (or 10 days for cancellation due to non-payment of premium) after the date of notice, unless a longer period is required by applicable law. In such event the **insurance company** will retain the pro rata portion of the premium.

The premium will be deemed fully earned if any **claim, loss** or circumstance that could reasonably be the basis for a **claim** or **loss**, is reported to the **insurance company** on or before the date of cancellation. Payment or tender of unearned premium is not a condition of cancellation.

(c) Nonrenewal by the **insurance company**

If the **insurance company** decides not to renew this Policy, the **insurance company** will provide written notice to the named **insured** at least 60 days before the end of the **policy period**.

Authorization

The **named insured** will be considered the agent of all the **insureds**. This means that the **named insured**:

- (a) will act on behalf of all the **insureds** with respect to the giving of or receipt of all notices pertaining to this Policy, and
- (b) will accept any endorsements to this Policy, and
- (c) will be responsible for the payment of all premiums and Retentions and for receiving any return premiums.

Assignment

The **insured** cannot assign this Policy or any right under it without the prior written consent of the **insurance company**.



Headings

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

Single Form of a Word

Whenever the singular form of a word is used in this Policy, the same word will include the plural when required by context.

Territory

This Policy applies to **claims** made, negligent acts, errors, omissions, **accidents, loss**, incidents or events which take place anywhere in the world.

Governing Law

This Policy will be governed by and construed in accordance with the laws of the state designated in the Declarations.

Service of Suit (U.S.A.)

It is agreed that in the event of the failure of the **insurance company** to pay any amount claimed to be due under this Policy, the **insurance company**, at the request of the **insured**, will submit to the jurisdiction of a court of competent jurisdiction within the United States. Nothing in this General Condition constitutes or should be understood to constitute a waiver of the **insurance company's** 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 **insurance company's** representative, specified in the Declarations, and that in any suit instituted against any one of them upon this contract, the **insurance company** will abide by the final decision of such court or of any appellate court in the event of an appeal.

The **insurance company's** representative specified in the Declarations is authorized and directed to accept service of process on behalf of the **insurance company** in any such suit and/or upon the request of the **insured** to give a written undertaking to the **insured** that they will enter a general appearance upon the **insurance company's** 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, the **insurance company** hereby designates 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 behalf of the **insured** or any beneficiary hereunder arising out of this Policy, and hereby designates the **insurance company's** representative, specified in the Declarations, as the person to whom the said officer is authorized to mail such process or a true copy thereof.

Entire Agreement

By acceptance of the Policy, the **insured** agrees that this Policy embodies all agreements between the **insurance company** and the **insured** relating to this Policy. No change or modification to this Policy will be effective unless made by endorsement issued by the **insurance company**.



Representation by the Insured

The **insured** agrees that the statements contained in the **application** are true, accurate and are not misleading. The **insured** also agrees that the **insurance company** issued this Policy, and assume the risks hereunder, in reliance upon the truth of such **application**.

The Insurance Company's Consent

Where the **insured** is required under this Policy to seek the consent of the **insurance company**, the **insurance company** will not unreasonably withhold, delay or deny such consent.

Sanction Limitation

The **insurance company** will not be liable to provide any cover, benefit or pay any **loss** under this Policy to the extent that the provision of such cover, benefit or payment of such **loss** would expose the **insurance company** to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the United States of America, Canada, European Union or United Kingdom.

Bankruptcy

Bankruptcy or insolvency of the **insured** or of the **insured's** estate will not relieve the **insurance company** of their obligations under this Policy.

Several Liability

The subscribing **insurance company's** 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 **insurance company** is not responsible for the subscription of any co-subscribing insurance company who for any reason does not satisfy all or part of its obligations.

Licensure

- (a) It is a condition of the coverage afforded under the Policy that the facilities of the **insured organization** and any **insured** requiring a license to practice shall be licensed in accordance with all relevant federal, state and local requirements. The **named insured** warrants that as of the inception date of this Policy it has secured all relevant licenses.
- (b) If, during the **policy period**, any **insured's** licensure status is altered by withdrawal, revocation, denial, suspension or failure to renew, the **insured organization** shall give written notice of such change to the **insurance company** within thirty (30) days of the change becoming effective. Following receipt of such notice, the **insurance company** may elect, at its sole option, to revise any Covered Section, definitions, exclusions, endorsements or other conditions of this Policy with respect to the **insured**, with effect from such date of such withdrawal, revocation, denial, suspension or failure to renew. Such action does not waive the **insurance company's** option to invoke the provisions of the Cancellation Section of this Policy. Furthermore, the **insurance company** will have no obligation to respond to any **claim** arising out of **professional services** or an **accident** which took place subsequent to the date of withdrawal, revocation, denial, suspension or failure to renew.

Complaints

Every effort is made to ensure that a high standard of service is provided. However, if the **insured** is not satisfied with the service it has received or it has any questions or concerns about this Policy the **insured** should contact Beazley Complaints as indicated on the Insurance Company, Claim, Loss and Circumstance Notification and Complaints Information form.



Definitions

The following definitions are applicable to this Policy:

accident means an event or happening, including continuous or repeated exposure to substantially the same general harmful conditions, which involves one or more persons or entities.

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.

application means the completed and signed application for this Policy including any written materials submitted with the application, all of which will be deemed part of this Policy, as if physically attached.

automobile means a land motor vehicle, trailer or semi-trailer designed for travel on public roads (including any machinery or apparatus attached thereto), but does not include **mobile equipment**.

biometric data means any information, data or samples by which a person can be uniquely identified by evaluating one or more distinguishing biological traits, including but not limited to retina or iris scan, fingerprint scan, voiceprint, or scan of the hand or face geometry, or any other biometric identifier, biometric algorithm or biometric measurement, if such allows an individual to be uniquely identified.

bodily injury means physical injury (including death at any time resulting therefrom), mental injury, mental illness, mental anguish, humiliation, emotional upset, shock, sickness, disease or disability.

breach response services has the meaning stated in the applicable Coverage Section.

claim has the meaning stated in the applicable Coverage Section.

claim services means submission, handling, investigation, adjudication, denial, payment, or adjustment of claims for benefits or coverages under health care or insurance plans.

control group means the individuals holding the following positions in the **insured organization**: President, members of the Board of Directors; executive officers, including the Chief Executive Officer, Chief Medical Officer, Chief Operating Officer, and Chief Financial Officer; General Counsel, staff attorneys employed by the **insured organization**; Chief Information Officer; Chief Security Officer; Chief Privacy Officer; Chief Risk Manager; **manager**; and any individual in a substantially similar position as those referenced above, or with substantially similar responsibilities as those referenced above, irrespective of the exact title of such individual and any individual who previously held any of the above referenced positions.

cyber incident has the meaning stated in the applicable Coverage Section.

cyber terrorism means the premeditated use of disruptive activities, or threat to use disruptive activities, against a computer system or network with the intention to cause harm, further social, ideological, religious, political or similar objectives, or to intimidate any person(s) in furtherance of such objectives.

data breach has the meaning stated in the applicable Coverage Section.

defense costs has the meaning stated in the applicable Coverage Section.

employee means a person on the **insured's** regular payroll, with federal and, if applicable, state taxes withheld, whose work is directed or controlled by the **insured**, including part-time and seasonal employees and leased workers.

employee does not include a temporary worker.



extended reporting period means the period specified in the Declarations after the end of the **policy period** in respect of **claims** first made against the **insured** and reported to the **insurance company** during such period specified in the Declarations.

fissionable substance means any prescribed substance that is, or from which can be obtained, a substance capable of releasing atomic energy by nuclear fission.

hostile fire means a fire which becomes uncontrollable or breaks out from where it was intended to be.

insurance company means Beazley Syndicates 2623/623.

insured has the meaning stated in the applicable Coverage Section.

insured organization means:

- (a) the **named insured**; and
- (b) any **subsidiary**.

loss has the meaning stated in the applicable Coverage Section.

managed care activity means any of the following services or activities, whether provided on paper, in person, electronically, or in any other form and whether performed by the **insured** or on the **insured's** behalf: **provider selection**; **utilization review**; **quality improvement organization programs**; advertising, marketing, selling, or enrolment for health care or insurance plans; **claim services**; establishing health care provider networks including tiered networks; provision of information with respect to tiered networks, including cost and quality information regarding specific providers, services, or charges; reviewing the quality of **professional services** or providing quality assurance; design or implementation of financial incentive plans; wellness or health promotion education; development or implementation of clinical guidelines, practice parameters or protocols; triage for payment of **professional services**; calculation of medical loss ratio and related distribution; and services or activities performed in the administration or management of health care or insurance plans.

management control means:

- (a) controls more than 50% of the shareholder voting power; or
- (b) holds more than 50% of the issued share capital.

manager means a manager of a limited liability company.

mobile equipment means a land vehicle (including any attached machinery or apparatus) whether or not self-propelled:

- (a) not subject to motor vehicle registration;
- (b) maintained for use exclusively on premises owned by or rented to the **insured organization**, including the ways immediately adjoining;
- (c) designed for use principally off public roads; or
- (d) designed or maintained for the sole purpose of affording mobility to equipment of the following types forming an integral part of or permanently attached to such vehicle:
 - (e) power cranes, shovels, loaders, diggers and drills;
 - (f) concrete mixers (other than the mix-in-transit type), graders, scrapers, rollers and on the road construction or repair equipment;
 - (g) air-compressors, pumps and generators including spraying, welding and building cleaning equipment; or
 - (h) geophysical exploration and well servicing equipment.

named insured means the entity specified in the Declarations.

nuclear energy hazard means the radioactive, toxic, explosive, or other hazardous properties of radioactive material.

nuclear facility means:

- (a) any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of plutonium, thorium and uranium or any one or more of them;
- (b) any equipment or device designed or used for (1) separating the isotopes of plutonium, thorium and uranium or any one or more of them, (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 plutonium, thorium or uranium enriched in the isotope uranium 233 or in the isotope uranium 235, or any one or more of them if at any time the total amount of such material in custody or 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 radioactive material;

and includes the site on which any of the foregoing is located, together with all operations conducted thereon and all premises used for such operations.

patient has the meaning stated in the applicable Coverage Section.

personal injury has the meaning stated in the applicable Coverage Section.

policy period means the period specified in the Declarations.

pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to asbestos and/or lead (or products containing asbestos and/or lead whether or not the asbestos and/or lead is or was at any time airborne as a fiber or particle, contained in a product, carried on clothing, inhaled, transmitted in any fashion or found in any form whatsoever), smoke, vapor, soot fumes, acids, alkalis, toxic chemicals and waste (waste includes materials to be recycled, reconditioned or reclaimed).

professional services has the meaning stated in the applicable Coverage Section.

property damage means:

- (a) physical injury to or destruction of tangible property, including consequential loss of use of such tangible property; or
- (b) loss of use of tangible property which has not been physically injured or destroyed.

provider selection means evaluating, selecting, credentialing, contracting with or performing peer review of any provider of **professional services**.

quality improvement organization programs means services or activities to improve the effectiveness, efficiency, economy, and quality of care for beneficiaries under any government sponsored health care plan.

radioactive material means uranium, thorium, plutonium, their respective derivatives and compounds, radioactive isotopes of other elements and any other substances that the Atomic Energy Control Board may, by regulation, designate as being prescribed substances capable of releasing atomic energy, or as being requisite for the production, use or application of atomic energy;

retroactive date means the date specified in the Declarations.

security breach has the meaning stated in the applicable Coverage Section.

subsidiary means any entity, while the **named insured** has **management control** over such entity, if the **named insured**:

- (a) had **management control** over such entity on the inception date of this Policy or such entity was an **insured** under a policy issued by the **insurance company** of which this Policy is a renewal;
- (b) acquires **management control** after the inception date of this Policy provided that:
 - i. the revenues of the entity do not exceed 10% of the **named insured's** annual revenues; or
 - ii. if the revenues of the entity do exceed 10% of the **named insured's** revenues, then coverage under this Policy will be afforded for a period of 60 days, but only for any **claim** that arises out of any act, error or omission, incident or event first occurring after the entity becomes so owned. Coverage beyond such 60 day period will only be available if the **named insured** gives the **insurance company** written notice of the acquisition, obtains the written consent of **insurance company** to extend coverage to the entity beyond such 60 day period and agrees to pay any additional premium required by **insurance company**.

This Policy only provides coverage for acts, errors, omissions, incident or events that take place while the **named insured** has **management control** over such entity.

loading or unloading means the handling of property:

- (a) after it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or **automobile**;
- (b) while it is in or on an aircraft, watercraft or **automobile**; or
- (c) while it is being moved from an aircraft, watercraft or **automobile** to the place where it is finally delivered;

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

utilization review means the process of evaluating the appropriateness, necessity or cost of **professional services** for purposes of determining whether payment or coverage for such **professional services** will be authorized or paid for under any health care or insurance plan; disease management; case management; and the use of predictive modelling to identify individuals or populations for disease management or case management programs.