



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

## PRO-PRAXIS INSURANCE

32 Old Slip, 5th Floor, New York, NY 10005  
www.propraxisins.com

### QUOTE LETTER

**Date:** September 9, 2016  
**Quote Number:** AHQ-111-6288  
**Covered Operations:** Correctional Health

**Broker:** Clint Khemkhajon  
AB RISK  
931 Tullis Road  
Lawrenceville, GA 30043

**Named Insured:** Escambia County Board of County Commissioners  
**Address:** 1700 W Leonard Street, Pensacola, FL 32501

**Policy Period:** 10/1/2016 to 10/1/2017

**Issuing Company:** Underwritten by Certain Underwriters at Lloyd's (non-admitted)  
**Coverage:** Health Care Organization Claims-Made Professional and General Liability

#### Limits of Insurance:

COVERAGE	LIMIT OF LIABILITY		DEDUCTIBLE		RETRO DATE
<b>Professional Liability:</b>	\$1,000,000	Per Claim	\$7,500	Per Claim	8/1/2009
	\$3,000,000	Aggregate	Not Applicable	Aggregate	
<b>General Liability:</b>	Not Applicable	Per Occurrence	Not Applicable	Per Occurrence	Not Applicable
	Not Applicable	Aggregate	Not Applicable	Aggregate	
<b>Employee Benefits:</b>	Not Applicable	Per EBL Event	Not Applicable	Per Claim	Not Applicable
	Not Applicable	EBL Aggregate			
<b>Sexual Misconduct:</b>	\$250,000	Aggregate	Same as PL		8/1/2009
<b>Hired &amp; Non-Owned:</b>	Not Applicable	Aggregate	Not Applicable		Not Applicable

**Policy Aggregate:** \$3,000,000

**Forms:** AH 1111 001 (7.2015) - Declarations Page - CW  
AH 1111 002 (5.2014) - Policy  
AH 1111 010 (5.2014) - Delete Insuring Agreement B  
AH 1111 011 (5.2014) - Delete Insuring Agreement C  
AH 1111 012 (5.2014) - Limitation of Surgical Services  
AH 1111 031 (5.2014) - NMA Mandatory Endorsements  
AH 1111 035 (5.2014) - Sexual Misconduct Amendment  
Manuscript 1 - Manuscript Endorsement 1  
AH 1111 049 (7 2015) - Statement of Security  
Manuscript 1 above = Civil Rights Language

**Policy Premium:** \$67,454 excluding any applicable taxes

Quote Letter- Escambia County Board of County Commissioners

25.00% Minimum Earned

State	FL
Premium	\$67,454.00
Broker Fee	\$0.00
Carrier Fee	\$0.00
Surplus Lines Tax	\$0.00
Stamping Fee	\$0.00
Total Premium, Taxes & Fees	\$67,454.00

**Broker Commission:** 17.50 %

**Policy Issuance Fee:** Not Applicable excluding any commissions

**Risk Management Fee:** Not Applicable excluding any commissions

**Subjectivities:** This quote is subject to receipt, review and acceptance of the following subjectivities within the specified timeframes. It is the responsibility of the producer to provide this information to Pro-Praxis for its review and acceptance. If these subjectivities are not received within the specified timeframes, we reserve the right to amend the terms of this proposal:

- 2016 Completed & Signed Application
- Confirmation that each prisoner has a physical exam at the time of entry

**Additional Terms and Conditions of this Proposal:**

- Premium is payable in 15 days of the effective date
- This quote is valid until the effective date
- Surplus Lines affidavit is due in 30 days of the effective date
- All taxes, filings, fees and surcharges are the responsibility of the broker

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

SYNDICATE	SLIP %
Lloyd's Syndicate # 1729	25.000
Lloyd's Syndicate # 2987	15.001
Lloyd's Syndicate # 1084	12.857
Lloyd's Syndicate # 609	12.857
Lloyd's Syndicate #2001	12.857
Lloyd's Syndicate # 1980	12.857
Lloyd's Syndicate # 1225	6.428
Lloyd's Syndicate # 4444	1.714
Lloyd's Syndicate # 958	0.429

Thank you for this opportunity.

Sincerely,



Quote Letter- Escambia County Board of County Commissioners

Robert Allen

## HEALTH CARE ORGANIZATION PROFESSIONAL AND GENERAL LIABILITY INSURANCE POLICY

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

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### I. INSURING AGREEMENTS

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

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

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

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

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

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

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

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

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

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

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

C. **CLAIMS MADE EMPLOYEE BENEFITS LIABILITY**

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

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

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

## II. **DEFINITIONS**

A. "**Administration**" means:

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

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

**Advertisement** includes:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



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

### III. EXCLUSIONS

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

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

10. Injury or damage arising in whole or in part, directly or indirectly, out of fungi, including mold or mildew, any mycotoxins, toxins, allergens, spores, scents, vapors, gases or by-products released by fungi, regardless of whether such fungi is:
  - a. Airborne;
  - b. Contained in a product; or
  - c. Contained in or a part of any building, structure, building material, or any component part of any of the foregoing;

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

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

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

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

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

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

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

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

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

#### IV. CONDITIONS

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

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

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

#### B. Reporting of Claims and Circumstances

1. If, during the **Policy Period** or any applicable Extended Reporting Period, any **Claim** is first made against any **Insured**, the **Insured** must, as a condition precedent to any right to coverage under this Policy, give the **Insurer** written notice of such **Claim** as soon as practicable thereafter, and in no event later than:
  - a. With respect to a **Claim** first made during the **Policy Period**, thirty (30) days after the Expiration Date; or
  - b. With respect to a **Claim** first made during an extended reporting Period, thirty (30) days after such **Claim** is first made.Timely and sufficient notice by one **Insured** of a **Claim** or **Related Claims** shall be deemed timely and sufficient notice for all **Insureds** involved in the **Claim** or **Related Claims**. Such notice shall give full particulars of the **Claim** or **Related Claims**, including, without limitation, a description of the acts, errors or omissions, the identities of the potential claimants and involved **Insureds**, the injury or damages which have resulted and/or may result from such acts, errors or omissions, and the manner in which the **Insured** first became aware of such acts, errors or omissions.
2. If, during the **Policy Period**, an **Insured** first becomes aware of any acts, errors or omissions which may subsequently give rise to a **Claim**, and:
  - a. Gives the **Insurer** written notice of such acts, errors or omissions with full particulars as soon as practicable thereafter, but in any event before the end of the **Policy Period**; and
  - b. Requests coverage under this Policy for any **Claim** subsequently arising from such reported acts, errors or omissions as soon as practicable after such **Claim** is made;

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

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

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

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

**D. Related Acts Deemed Single Act**

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

**E. Defense and Settlement**

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

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

**F. Assistance and Cooperation**

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

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

**G. Inspection and Audit**

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

**H. Subrogation**

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

**I. Other Insurance/Other Indemnification**

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

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

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

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

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

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

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

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

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

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

**L. Cancellation or Non-Renewal**

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



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

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

**M. Extended Reporting Periods**

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

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

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

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

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

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

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

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

**O. Action Against Insurer**

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

**P. Insolvency of Insured**

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

**Q. Notice**

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

**R. Changes**

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

**S. Assignment**

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

**T. Entire Agreement**

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

**U. Headings**

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

**V. Service of Suit**

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

**W. Coverage Territory**

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

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

Endorsement number 3  
This endorsement, effective 10/1/2016  
Forms a part of policy number  
Issued to Escambia County Board of County Commissioners  
By Underwritten by certain underwriters at Lloyd's

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

**HEALTHCARE LIABILITY INSURANCE POLICY**

**DELETION OF INSURING AGREEMENT B**

This endorsement modifies insurance provided under this Policy.

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

Endorsement number 4  
This endorsement, effective 10/1/2016  
Forms a part of policy number  
Issued to Escambia County Board of County Commissioners  
By Underwritten by certain underwriters at Lloyd's

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

**HEALTHCARE LIABILITY INSURANCE POLICY**

**DELETION OF INSURING AGREEMENT C**

This endorsement modifies insurance provided under this Policy.

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

Endorsement number 8  
This endorsement, effective 10/1/2016  
Forms a part of policy number  
Issued to Escambia County Board of County Commissioners  
By Underwritten by certain underwriters at Lloyd's

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

**HEALTHCARE LIABILITY INSURANCE POLICY**

**LIMITATION OF SURGICAL SERVICES**

This endorsement modifies insurance provided under this Policy.

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

This policy shall not apply to any **Claim** based on, arising out of, directly or indirectly resulting from, in consequence of, or in any way involving surgical procedures. For the purpose of this endorsement, surgical procedures is defined as:

- Abortions or births
- surgeries with incisions which occurs at a hospital or medical facility;
- procedures with incisions that require Level 2, Level 3 or Level 4 anesthesia (as defined by ASA), which occurs at a hospital or medical facility; or
- any incision made to correct a neurological, skeletal or muscular abnormality which occurs at a hospital or medical facility.

Surgical procedures do not include providing sutures and Level 1 anesthesia to **patients** injured and treated in the infirmary.

Endorsement number 1  
This endorsement, effective 10/1/2016  
Forms a part of policy number  
Issued to Escambia County Board of County Commissioners  
By Underwritten by certain underwriters at Lloyd's

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

**HEALTHCARE LIABILITY INSURANCE POLICY**

**NMA- MANDATORY ENDORSEMENTS**

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

**SANCTION LIMITATION AND EXCLUSION CLAUSE**

LMA3100 - 15/09/10

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

**SEVERAL LIABILITY NOTICE**

LSW1001 (Insurance) - 08/94

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

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

NMA1998 - 24/4/86

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

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

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

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

**WAR AND TERRORISM EXCLUSION ENDORSEMENT**

NMA2918 - 08/10/01

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

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

For the purpose of this endorsement an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organization(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

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

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

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

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

NMA1477 – 13/2/64

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

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

NMA1256 – 17/3/60

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

This Policy\* does not apply:

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

IV. As used in this endorsement:

"hazardous properties" include radioactive, toxic or explosive properties; "nuclear material" means source material, special nuclear material or by-product material; "source material", "special nuclear material", and "by-product material" have the meanings given them in the Atomic Energy Act 1954 or in any law amendatory thereof; "spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a nuclear reactor; "waste" means any waste material (1) containing by-product material and (2) resulting from the operation by any person or organization of any nuclear facility included within the definition of nuclear facility under paragraph (a) or (b) thereof; "nuclear facility" means:



- a. any nuclear reactor,
- b. any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing spent fuel, or (3) handling, processing or packaging waste,
- c. any equipment or device used for the processing, fabricating or alloying of special nuclear material if at any time the total amount of such material in the custody of the insured at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235,
- d. any structure, basin, excavation, premises or place prepared or used for the storage or disposal of waste, and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations; "nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material. With respect to injury to or destruction of property, the word "injury" or "destruction" includes all forms of radioactive contamination of property.

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

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

Endorsement number 6  
This endorsement, effective 10/1/2016  
Forms a part of policy number  
Issued to Escambia County Board of County Commissioners  
By Underwritten by certain underwriters at Lloyd's

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

**HEALTHCARE LIABILITY INSURANCE POLICY**

**SEXUAL MISCONDUCT AMENDMENT**

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

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

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

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

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

\$250,000	Per Claim
\$250,000	Annual Aggregate

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

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

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

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

1. This coverage does not apply to any sexual misconduct taking place prior to 8/1/2009.

Endorsement number 9  
This endorsement, effective 10/1/2016  
Forms a part of policy number  
Issued to Escambia County Board of County Commissioners  
By Underwritten by certain underwriters at Lloyd's

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

**HEALTHCARE LIABILITY INSURANCE POLICY**

**MANUSCRIPT – 1**

**CIVIL RIGHTS VIOLATION ENDORSEMENT**

This endorsement modifies insurance provided under Insuring Agreement A. of this Policy.

**SECTION II DEFINITIONS, Q. “Medical Incident”** is amended to include the following:

1. An actual or alleged civil rights violation pursuant to the Civil Rights Act of 1871 (42 U.S.C. § 1983 *et seq.*) and amendments thereto, provided that such act is in connection with an **Insured’s** performance of **Medical Professional Services**.
2. This endorsement does not amend the Limit of Liability of the **Insurer** for all **Loss** resulting from all **Claims** for which this Endorsement provides coverage, regardless of the number of **Claims** from any one claimant, the number of persons or entities included within the definition of **Insured**, or the number of claimants.

This endorsement modifies insurance provided under this Policy.

All other terms and conditions of this Policy remain unchanged.

Endorsement number 2  
This endorsement, effective 10/1/2016  
Forms a part of policy number  
Issued to Escambia County Board of County Commissioners  
By Underwritten by certain underwriters at Lloyd's

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

**HEALTHCARE LIABILITY INSURANCE POLICY**

**STATEMENT OF SECURITY**

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

<b>SYNDICATE</b>	<b>SLIP %</b>
Lloyd's Syndicate # 1729	25.000
Lloyd's Syndicate # 2987	15.001
Lloyd's Syndicate # 1084	12.857
Lloyd's Syndicate # 609	12.857
Lloyd's Syndicate #2001	12.857
Lloyd's Syndicate # 1980	12.857
Lloyd's Syndicate # 1225	6.428
Lloyd's Syndicate # 4444	1.714
Lloyd's Syndicate # 958	0.429
<b>Total</b>	<b>100.000</b>