HUMAN SERVICES PROFESSIONAL LIABILITY POLICY

CLAIMS MADE

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words “you” and “your” refer to the Named Insured shown in the Declarations and any other person or organization qualifying as a Named Insured under this policy. The words “we”, “us” and “our” refer to the Company providing this insurance.

The word “insured” means any person or organization qualifying as such under **SECTION II – WHO IS AN INSURED**.

Other words and phrases that appear in quotation marks have special meaning. Refer to **SECTION VI – DEFINITIONS**.

**NOTICE: THIS IS A CLAIMS MADE AND REPORTED POLICY. THIS POLICY APPLIES ONLY TO THOSE CLAIMS THAT ARE FIRST MADE AGAINST THE INSURED AND REPORTED TO THE COMPANY DURING THE POLICY PERIOD OR EXTENDED REPORTING PERIOD, IF APPLICABLE.**

In consideration of the payment of the premium and in reliance upon the statements made in the Application, which is made a part hereof and deemed attached hereto, and subject to the Declarations and the limitations, conditions, provisions and other terms of the POLICY, we and youagree as follows:

**SECTION I – HUMAN SERVICES PROFESSIONAL LIABILITY COVERAGE**

1. **Insuring Agreements**

**a. Errors and Omissions Coverage**

We will pay on behalf of the insured those sums that the insured becomes legally obligated to pay as “damages” because of a “claim” first made against the insured and reported to us during the “policy period” or extended reporting period, if applicable, by reason of a “wrongful act” by the insured or by any other person or entity for whom the insured is legally liable, and to which this insurance applies. The “wrongful act(s) or related “wrongful acts” must have commenced to occur on or after the “retroactive date”, but prior to the end of the “policy period”.

We shall not be obligated to pay any “damages” after the applicable Limit of Insurance described in **SECTION III. LIMITS OF INSURANCE AND DEDUCTIBLE** has been exhausted by payment of “damages”.

* 1. This insurance applies to a “wrongful act” only if prior to the effective date of this policy, none of your officers, directors, principals, partners, insurance managers, risk managers, in-house counsel or any “employees” authorized by you to give or receive notice of a “wrongful act”, “claim” or “suit” had knowledge of any actual or alleged “wrongful act” or circumstance that reasonably could give rise to a “claim” under thispolicy. If such officer, director, principal, partner, insurance manager, risk manager, in-house counsel or “employee” authorized by you to give or receive notice of a “wrongful act”, “claim” or “suit” knew, prior to the effective date of this policy, of any “wrongful act” or circumstance that reasonably could give rise to a “claim” under this policy, then any continuation, change or resumption of such “wrongful act” or circumstance during or after this “policy period” will be deemed to have been known prior to this “policy period”.
  2. A “wrongful act” will be deemed to have been known to have occurred at the earliest time when any of your officers, directors, principals, partners, insurance managers, claim managers, or risk managers and any of your “employees” authorized by you to give or receive notice of a “wrongful act”, “claim” or “suit”:
     1. Reports all, or any part, of the “wrongful act” to us or any other insurer;
     2. Receives a written or verbal demand or “claim” for “damages” because of the “wrongful act”; or
     3. Becomes aware by any other means that “wrongful act” has occurred or has begun to occur.

**d.** **Defense and Claims Expenses**

**(1)** “Claims expenses” are in addition to and shall not reduce the Limits of Insurance.

**(2)** We will have the right and duty to defend the insured against any “claim” to which this insurance applies, even if such “claim” is groundless, false or fraudulent. However, we will have no duty to defend the insuredagainst any “claim” to which this insurance does not apply.

**(3)** The insured shall not admit or assume liability or settle or negotiate any “claim” or incur any “claims expenses” without our prior written consent and we shall have the right to appoint counsel and to make such investigation and defense of a “claim” as we deem necessary.

**(4)** We shall not be obligated to investigate, defend, pay or settle, or continue to investigate, defend, pay or settle any “claim” after the applicable Limits of Insurance shown in Item 3. of the Declarations has been exhausted by the payment of “damages”.

1. **Exclusions**

This insurance does not apply to:

**a. Abuse or Molestation**

Any loss, cost, damage, or expense caused by, arising out of, or resulting, directly or indirectly, in whole or in part from physical abuse, sexual abuse or molestation, including, but not limited to, the following:

* + 1. actual or threatened physical abuse, sexual abuse or molestation of any person, committed by or alleged against any person, including, but not limited to, any insured, any “employee” of any insured, any “volunteer worker” of any insured, any “leased worker” or “temporary worker” working for any insured, any patron of any insured, any visitors, or any other person; or

**(2)** Any act or failure to act to suppress or prevent actual or threatened physical abuse, sexual abuse or molestation of any person, by any person in Paragraph **(1)** above;

and regardless of the theory of liability or cause of action alleged in the complaint or “claim” against the insured, including, but not limited to, vicarious liability, negligent employment, negligent investigation, negligent instruction, negligent supervision, negligent reporting to the proper authorities, or failure to so report, negligent retention, negligent hiring, negligent placement, and/or negligent training.

**b. Bodily Injury**

Any loss, cost, damage, or expense caused by, arising out of, or resulting, directly or indirectly, in whole or in part from any actual or alleged “bodily injury”.

However, this exclusion does not apply to “bodily injury” arising out of a “wrongful act”.

* 1. **Employer’s Liability**

Any loss, cost, damage, or expense caused by, arising out of, or resulting, directly or indirectly, in whole or in part from:

1. “Bodily injury” to any “employee” or “volunteer worker” of any insured arising out of and in the course of:
   * + 1. Employment by any insured; or
       2. Performing duties related to the conduct of any insured’s business; or
2. “Bodily injury” to an independent contractor working for any insured arising out of the course of his or her work for such insured; or
3. “Bodily injury” to the spouse or relative of such “employee”, “volunteer worker” or independent contractor, as a consequence Paragraph **(1)** or **(2)** above, whichever is applicable.

This exclusion applies:

1. Whether any insured is liable as an employer or in any other capacity, and
2. To any obligation to share damages with or repay someone else who must pay because of the injury.
   1. **Contract Or Agreement**

Any loss, cost, damage, or expense caused by, arising out of, or resulting, directly or indirectly, in whole or in part from liability assumed under any contract or agreement. This exclusion will not apply to liability which would arise against the insured in the absence of a contract or agreement.

* 1. **Dishonest, Fraudulent, Criminal or Malicious Acts**

Any loss, cost, damage, or expense caused by, arising out of, or resulting, directly or indirectly, in whole or in part from any dishonest, fraudulent, criminal or malicious act, error or omission, or any intentional or knowing violation of the law, or gaining of any profit or advantage to which you are not legally entitled. However, we will defend civil “claims”alleging such acts, errors or omissions until final adjudication.

* 1. **Insured Against Insured**

Any “claim” or “suit” brought by any insured against any other insured under this policy.

* 1. **Fees or Charges**

Disputes about any insured’s fees or charges, including collecting fees or charges from third parties.

* 1. **Motor Vehicle, Trailer, Watercraft Or Aircraft**

Any loss, cost, damage, or expense caused by, arising out of, or resulting, directly or indirectly, in whole or in part from the ownership, maintenance, use or entrustment to others of any motor vehicle, trailer, watercraft or aircraft owned or operated by or rented or loaned to any insured. Use includes operation and loading or unloading.

* 1. **Pollutants**

Any loss, cost, damage, or expense caused by, arising out of, or resulting, directly or indirectly, in whole or in part from:

* + 1. Actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of “pollutants” at any time.
    2. Any loss, cost or expense arising out of any:
       1. Request, demand or order that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of “pollutants”; or
       2. “Claim” or “suit” by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in anyway responding to, or assessing the effects of “pollutants”.
  1. **Property Damage**

Any loss, cost, damage, or expense caused by, arising out of, or resulting, directly or indirectly, in whole or in part from “property damage”.

* 1. **Rendering of or Failure to Render Professional Services By Certain Individuals**

Any loss, cost, damage, or expense caused by, arising out of, or resulting, directly or indirectly, in whole or in part from furnishing or failure to furnish professional services by any:

* + 1. Medical Doctor;
    2. Dentist;
    3. Attorney;
    4. Architect;
    5. Engineer;
    6. Accountant; or
    7. Investment Manager.

However, this exclusion does not apply to: (1) a psychiatrist employed by you, but only for such psychiatrist’s “wrongful acts” which occur within the scope of his or her employment by you, or (2) a psychiatrist under written contract with you, but only for such psychiatrist’s “wrongful acts” which occur while performing duties related to the conduct of your business. In addition, coverage provided herein shall be excess of any other available insurance to such psychiatrist, whether provided on a primary, excess, contingent or any other basis.

However, this exclusion does not apply to services provided by a medical doctor while acting in the capacity as an executive director or medical administrator for you or while supervising insureds in the conduct of your business who are the excluded medical doctors under this policy.

* 1. **Workers Compensation And Similar Laws**

Any obligation for which any insured is liable under any worker’s compensation, unemployment compensation, disability benefits or similar law.

* 1. **Employment Related Practices**

Any “claim” or “suit” alleging or asserting in any respect loss, injury, or damage (including consequential “bodily injury”) in connection with “wrongful termination”, and/or “workplace torts” and/or “discrimination”, and/or “sexual harassment”.

The following definitions apply to this exclusion:

“Wrongful termination” means termination of an employment relationship in a manner which is against the law, wrongful, or in breach of an implied or written agreement to continue employment.

“Workplace torts”means retaliation, bullying, defamation, infliction of emotional distress, invasion of privacy, libel, slander, breach of employment contract, negligent evaluation, wrongful reassignment, wrongful discipline, wrongful reference, failure to grant tenure, negligent hiring, employment related misrepresentation, wrongful failure to employ or promote, wrongful deprivation of career opportunity, wrongful demotion or wrongful failure to pay or underpayment of wages, fees or commissions.

“Discrimination” means termination of an employment relationship or a demotion, or a failure or refusal to hire or promote an individual because of race, color, religion, age, sex, disability, pregnancy, natural origin, sexual orientation or other protected category or characteristic established pursuant to any applicable United States federal, state, or local law, regulation or ordinance.

“Sexual harassment” means unwelcome sexual advances and/or requests for sexual favors and/or other verbal or physical conduct of a sexual nature that (1) are made a condition of employment and/or (2) are used as a basis for employment decisions and/or (3) create a work environment that interferes with performance.

* 1. **Employee Benefit Plans**

Any “claim” or “suit” arising out of any insureds rendering or failing to render services, administering, managing, investing the assets of, or funding any employee benefit plan, including, but not limited to, any employee benefit plan under Employee Retirement Income Security Act of 1974, its amendments or any other similar federal, state or local law.

* 1. **Personal or Advertising Injury**

Any “claim” or “suit” alleging “personal or advertising injury”.

* 1. **Electronic Data**

Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

**q. Your Products**

Any loss, cost, damage, or expense caused by, arising out of, or resulting, directly or indirectly, in whole or in part from any of “your products”.

**3**. **COVERAGE EXTENSION**

**Disciplinary Proceedings**

We will reimburse the insured for reasonable legal expenses charged by an attorney, agreed to by us, and other expenses the insured incurs in the investigation and defense of a “disciplinary proceeding” brought against the insured arising out of a “wrongful act” that is otherwise covered by this policy. This coverage is limited to $100,000 per “disciplinary proceeding” regardless of the number of insureds involved in such “disciplinary proceeding”.

This limit is in addition to the limits of insurance provided under this policy. However, we will not be obligated to reimburse any insured for any expense, including ”claim expenses”, after the limits of insurance of this policy have been exhausted by the payment of “damages”.

**SECTION II – WHO IS AN INSURED**

1. If you are designated in the Declarations as:

a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.

b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.

c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.

d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your “executive officers” and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.

e. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.

1. Each of the following is also an insured:
   1. Your medical directors and administrators, but only for acts within the scope of their employment by you.
   2. Your partners, “volunteer workers”, and trustees, but only while performing duties related to the conduct of your business.
   3. Your “employees” but only for acts within the scope of their employment by you.
   4. Independent contractors including, but not limited to, any nurse practitioners, hired by you, but only while performing duties related to the conduct of your business.
   5. Students in training, but only while performing duties related to the conduct of your business.

However, “foster parents”, parents, and guardians are not insureds whether providing services through a written contract or written agreement, as a “volunteer worker”, or on any other basis.

1. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:
   1. Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the “policy period”, whichever is earlier; and
   2. Coverage under this policy does not apply to a “wrongful act” that occurred before you acquired or formed the organization.

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

**SECTION III – LIMITS OF INSURANCE AND DEDUCTIBLE**

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
   1. Insureds;
   2. “Claims” made or “suits” brought; or
   3. Persons or organizations making “claims” or bringing “suits”.

**2.** The Professional Liability Aggregate Limit of Insurance shown in Item 3.(b) of the Declarations is the most we will pay for the sum of all “‘damages” arising out of all “claims” to which this Policy applies.

**3.** Subject to **2.** above, the Professional Liability Each Claim Limit of Insurance shown in Item 3.(a) of the Declarations is the most we will pay for all “damages”arising out of a single “claim”.

All “claims” arising out of the same “wrongful act” or series of interrelated “wrongful acts” shall be deemed to be a single “claim” and shall be deemed to have been made at the timethefirst of such “claims” is made against the Insured.

**4.** **Deductible**

The Deductible amount stated in Item 4. of the Declarations is applicable to each and every “claim” and applies to “damages”. The Deductible shall be paid by you and shall be uninsured and shall remain uninsured during the “policy period”.

The Limits of Insurance shown in Item 3. of the Declarations are in addition to and in excess of the Deductible. We may advance payment of part or all of the Deductible and upon notification of such payment made, you shall promptly reimburse us for the Deductible amounts advanced by us.

**SECTION IV – CONDITIONS**

**Representations**

By accepting this Policy, the First Named Insured agrees:

* 1. The statements in the Declarations and/or applications are accurate and complete;
  2. Those statements are based upon representations you made to us; and
  3. We have issued this Policy in reliance upon your representations.

1. **Bankruptcy**

Bankruptcy or insolvency of the insured or of the insured’s estate will not relieve us of our obligations under this Policy.

1. **Duties In The Event Of A Wrongful Act, Claim Or Suit**

**a.** The Insured, as a condition precedent to our obligations under this Policy, shall give written notice to us of any “claim” made against the Insured, as soon as practicable during the “policy period”, but in no event later than sixty (60) days after the end of the “policy period”, or extended reporting period, if applicable.

The Insured shall immediately forward to us, at the address shown in Item 8. of the Declarations, every demand, notice, summons, or other process or pleadings received by the Insured or its representatives.

**b.** If during the “policy period”, any insured becomes aware of any “wrongful act” which may reasonably be expected to be the basis of a “claim” or circumstances that would reasonably be expected to result in a “claim” against the Insured, and during the “policy period”gives written notice thereof to us as soon as practicable with all available particulars, including but not limited to:

**(1)** the specific “wrongful act”;

**(2)** the dates and persons involved;

**(3)** the identity of anticipated or possible Claimants;

**(4)** the circumstances by which the Insured first became aware of the possible “claim”;

then any “claim” which is subsequently made against the Insured arising from such “wrongful act”, and properly reported to us, shall be deemed to have been made at the time such written notice is given to us.

**c.** You and any other involved insured must:

* + 1. Authorize us to obtain records and other information;
    2. Submit to examination under oath;
    3. Cooperate with us in the investigation or settlement of the “claim” or defense against the “suit”; and
    4. Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.

**d.** No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

**e.** Failure of an agent, servant, “volunteer worker”, or “employee”, other than your officers, directors, principals, partners, insurance managers, claim managers, or risk managers or employees authorized by you to give or receive notice of a “wrongful act”, “claim” or “suit”, to notify us of a “wrongful act”, “claim” or “suit” shall not invalidate coverage.

1. **Legal Action Against Us**

No person or organization has a right under this Policy:

* 1. To join us as a party or otherwise bring us into a “suit” asking for damages from an insured; or
  2. To sue us on this Policy unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured obtained after an actual trial; but we will not be liable for damages that are not payable under the terms of this Policy or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant’s legal representative.

1. **Liberalization Clause**

If we adopt a change in our forms or rules which would broaden your coverage without an additional premium charge, your policy will automatically provide the additional coverages as of the date the revision is effective.

1. **Other Insurance.**

If other valid and collectible insurance is available to the insured for a loss we cover under this Policy, our Policy shall be excess over such other insurance whether provided on a primary, excess, contingent, or any other basis.

1. **Separations Of Insureds**

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Policy to the first Named Insured, this insurance applies:

* 1. As if each Named Insured were the only Named Insured; and
  2. Separately to each insured against whom a “claim” is made or “suit” is brought.

1. **Transfer Of Rights Of Recovery Against Others To Us**

If the insured has rights to recover all or part of any payment we have made under this Policy, those rights are transferred to us. The insured must do nothing after a loss to impair them. At our request, the insured will bring “suit” or transfer those rights to us and help us enforce them.

9. Cancellation

a. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.

b. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:

(1) 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or

(2) 30 days before the effective date of cancellation if we cancel for any other reason.

c. We will mail or deliver our notice to the first Named Insured’s last mailing address known to us.

d. Notice of cancellation will state the effective date of cancellation. The “policy period” will end on that date.

e. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.

f. If notice is mailed, proof of mailing will be sufficient proof of notice.

10. Changes

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

11. Examination Of Your Books And Records

We may examine and audit your books and records as they relate to this policy at any time during the “policy period” and up to three years afterward.

12. Premiums

The first Named Insured shown in the Declarations:

a. Is responsible for the payment of all premiums; and

b. Will be the payee for any return premiums we pay.

13. Transfer Of Your Rights And Duties Under This Policy

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual named insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

14. When We Do Not Renew

If we decide not to renew this Policy, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

**15. Coverage Territory**

We will pay “damages” arising out of covered “claims” from “wrongful acts” occurring in all parts of the world, provided that, the insured’s responsibility to pay “damages” is determined in a “suit” brought in the United States, its territories, possessions, or Puerto Rico, or in a settlement we agree to.

**16. Two Or More Coverage Parts Or Policies Issued By Us**

It is our stated intention that the various coverage parts or policies issued to you by us, including any of our affiliates, do not provide any duplication or overlap of coverage for the same “claim” or “suit”. Should the circumstances of any “claim” or “suit”, however, give rise to such duplication or overlap of coverage by applying to the same insured event, professional incident, occurrence, offense, wrongful act, accident or loss then, notwithstanding the other insurance provision, the maximum limit of insurance under all such coverage parts or policies combined shall not exceed the highest applicable limit of insurance provided under any one coverage part or policy.

This condition does not apply to any Excess or Umbrella policy issued by us specifically to apply as excess insurance over this policy.

1. **Special Rights And Duties Of The First Named Insured**

The First Named Insured is the appointed and irrevocable agent for all Insureds, including:

* + 1. Giving and receiving notice of cancellation;
  1. Payment of premiums and receipt of return premiums;
  2. Acceptance of any endorsements to this Policy;
  3. Purchasing or deciding not to purchase the Optional Extended Reporting Period Endorsement, if applicable;
  4. Making changes to this Policy or any coverage part in accordance with the Changes condition; and
  5. Making representation in accordance with the Representations condition.

**SECTION V - EXTENDED REPORTING PERIODS**

In case of cancellation or nonrenewal of this Coverage Part, by either you or us, for reason other than your non-payment of any amount due under this Policy or non-compliance with the terms and conditions of this Policy, you shall have the right to an Extended Reporting Period as follows:

* + 1. **Automatic Extended Reporting Period**

Coverage as provided under this Policy shall automatically continue for a period of sixty (60) days following the effective date of such cancellation or nonrenewal (the “Automatic Extended Reporting Period”), but only for a “claim” first made against the Insured and reported to us during the Automatic Extended Reporting Period and only with respect to “claims” for “wrongful acts”committed before the effective date of such cancellation or nonrenewal and subsequent to the “retroactive date” shown in Item **7.** of the Declarations.

The Limits of Insurance for the Automatic Extended Reporting Period shall be a part of, and not in addition to, the Limits of Insurance shown in Item **3**. of the Declarations.

* + 1. **Optional Extended Reporting Period**

You shall have the right, upon payment of the additional premium set forth in the table below to an extension of the coverage provided under this Policy following the effective date of such cancellation or nonrenewal, but only for a “claim” first made against the “insured” and reported to us during the Optional Extended Reporting Period and only with respect to “claims”for“wrongful acts”committed beforethe effective date of such cancellation or nonrenewal and subsequent to the “retroactive date”shown in Item **7**. of the Declarations.

This right shall terminate, however, unless written notice of such election and payment of the additional premium is received by us no later than sixty (60) days after the effective date of cancellation or nonrenewal.

The first sixty (60) days of the Optional Extended Reporting Period, if it becomes effective, shall run concurrently with the Automatic Extended Reporting Period.

Any change in premium or the terms of this Policy shall not be considered a refusal to renew.

The Optional Extended Reporting Period shall not:

**a**. Extend the “policy period” or in any way change the scope of coverage provided by this Policy;

**b**. Change, increase or reinstate the Limits of Insurance. The Limits of Insurance for the Optional Extended Reporting Period shall be a part of, and not in addition to, the Limits of Insurance shown in Item **3**. of the Declarations;

**c**. Be renewable or be canceled once in effect; and

**d.** If the Optional Extended Reporting Period is purchased, the entire premium shall be deemed fully earned at its commencement without any obligation us to return any portion thereof.

Optional Flat Premium (the percent

Extended Reporting of the annual premium

Period shown on the Declarations)

1 year 85%

2 years 105%

3 years 135%

4 years 160%

5 years 185%

**SECTION VI – DEFINITIONS**

1. “Advertisement” means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:
   1. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
   2. Regarding websites, only that part of a website that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.
2. “Bodily Injury” means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.
   1. “Claims expenses” means:

**a.** Reasonable and necessaryattorneys’ fees, expert witness fees, and other reasonable fees and costs incurred by us, or the insured with the our prior written consent, in the investigation and defense of covered “claims”;

**b.** Premiums for appeal bonds, or bonds to release property used to secure a legal obligation, if required in a “suit” we defend. We shall only pay, however, for bonds valued up to our applicable Limit of Insurance. We have no obligation to appeal a “suit” we defend or to apply for or furnish these bonds.

**c.** All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

**d.** All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the “claim” or “suit”, including actual loss of earnings up to $750 a day because of time off from work.

**e.** Pre-judgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any pre-judgment interest based on that period of time after the offer.

**f.** All court costs taxed against the insured in the “suit”. However, these payments do not include attorneys’ fees or attorney’s expenses taxed against the insured.

“Claims expenses” shall not include wages, salaries, fees or costs of directors, officers or employees of the Company or the insured.

**4.** “Claim” means a written demand for money, including any “suit” against the insured for a “wrongful act”, in the performance of or failure to perform “professional services”. “Claim(s)” shall not include any “disciplinary proceeding”.

**5.** “Damages” means judgments or awards entered against you and settlements entered into with our consent.

“Damages” shall not include:

**a.** civil or criminal fines, penalties, sanctions or forfeitures, whether pursuant to law, statute, regulation or court rule; and

**b.** the cost to comply with any injunctive or other non‑monetary or declaratory relief or any agreement to provide such relief.

**6.** “Disciplinary proceeding” means any proceeding brought against the insured by a state regulatory body or agency to investigate charges alleging professional misconduct arising out of a “wrongful act” covered under this policy.

**7.** “Employee” includes a “leased worker”. “Employee” does not include a “temporary worker.”

**8.** “Foster parent(s)” means a person(s), other than a natural parent or guardian, who is legally responsible for a child placed in his/her care by you, a government agency, or a court.

**9.** “Leased worker” means a person leased to you by a labor leasing firm under an written agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. “Leased worker” does not include a “temporary worker.”

**10.** “Personal and advertising injury” means injury, including consequential “bodily injury”, arising out of one or more of the following offenses:

**a.** False arrest, detention or imprisonment;

**b.** Malicious prosecution;

* 1. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
  2. 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, products or services;
  3. Oral or written publication, in any manner, of material that violates a person's right of privacy;
  4. The use of another's advertising idea in your “advertisement”; or
  5. Infringing upon another's copyright, trade dress or slogan in your “advertisement”.

**11.** “Pollutants” means any solid, liquid, gaseous or thermal irritant or contaminant including smoke, vapor, soot, fumes, acid, alkalis, chemicals, and waste, including medical waste. Waste includes material to be recycled, reconditioned or reclaimed.

**12.** “Professional services” means:

**a.** Standard services provided by the following types of organizations: social service, community service, behavioral health, substance abuse, development disability, and placement organizations, in accordance with the designation set forth in Item 5. of the Declarations.

**b.** To the extent required by Paragraph **a.** above, the following additional services are also included:

**(1)** Nursing service, treatment, advice or instruction, or the related furnishing of food, beverages, medications or appliances in connection with such services;

**(2)** Any health or therapeutic service, treatment, advice or instruction;

**(3)** Any service, treatment, advice or instruction for the purpose of appearance or skin enhancement, hair removal or replacement or personal grooming;

**(4)** The furnishing or dispensing of drugs or medical supplies or applications;

**(5)** The postmortem handling of human bodies;

**(6)** The professional services performed by a beautician or barber; and

**(7)** Professional services as a member of a formal accreditation, standards review or similar professional board or committee.

**13.** “Policy period” means the period of time between the effective date shown in Item 2. of the Declarations and the termination, expiration or cancellation date of this Policy.

**14.** “Property damage” means:

**a.** Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or

**b.** Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the “wrongful act” that caused it.

**15.** “Retroactive date” means the date specified in Item 7. of the Declarations.

**16.** “Suit” means a civil proceeding in which damages to which this insurance applies are alleged. “Suit” includes:

**a.** An arbitration proceeding in which such damages are claimed and to which you must submit or do submit with our consent; or

**b.** Any other alternative dispute resolution proceeding in which such damages are claimed and to which you submit with our consent.

**17.** “Temporary worker” means a person who is furnished to you to substitute for a permanent “employee” on leave or to meet seasonal or short-term workload conditions.

**18.** “Volunteer worker” means a person who is not your “employee”, and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

**19.** “Wrongful act” means the actual or alleged negligent act, error, or omission of an insured arising out of the insured’s rendering or failure to render “professional services”.

20. “Your product”:

a. Means:

(1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:

(a) You;

(b) Others trading under your name; or

(c) A person or organization whose business or assets you have acquired; and

(2) Containers, materials, parts or equipment furnished in connection with such goods or products.

b. Includes:

(1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of “your product”; and

(2) The providing of or failure to provide warnings or instructions.