

SERFF Tracking Number: ARKS-125636564 State: Arkansas  
Filing Company: 32557 - AMERICAN PHYSICIANS INS EXCHANGE State Tracking Number: #133379 \$50  
Company Tracking Number: 2008-01-AR  
TOI: 11.1 Medical Malpractice - Claims Made Only Sub-TOI: 11.1023 Physicians & Surgeons  
Product Name: n/a  
Project Name/Number: /

## Filing at a Glance

Company: 32557 - AMERICAN PHYSICIANS INS EXCHANGE

Product Name: n/a SERFF Tr Num: ARKS-125636564 State: Arkansas  
TOI: 11.1 Medical Malpractice - Claims Made Only SERFF Status: Closed State Tr Num: #133379 \$50

Sub-TOI: 11.1023 Physicians & Surgeons Co Tr Num: 2008-01-AR State Status: Fees verified and received

Filing Type: Form Co Status: Reviewer(s): Betty Montesi, Edith Roberts, Brittany Yielding  
Author: Disposition Date: 06/23/2008  
Date Submitted: 05/06/2008 Disposition Status: Approved

Effective Date Requested (New): Effective Date (New):  
Effective Date Requested (Renewal): Effective Date (Renewal):

State Filing Description:

63 Forms

## General Information

Project Name: Status of Filing in Domicile:  
Project Number: Domicile Status Comments:  
Reference Organization: Reference Number:  
Reference Title: Advisory Org. Circular:  
Filing Status Changed: 06/23/2008  
State Status Changed: 05/29/2008 Deemer Date:  
Corresponding Filing Tracking Number:  
Filing Description:

## Company and Contact

### Filing Contact Information

SERFF Tracking Number: ARKS-125636564 State: Arkansas  
Filing Company: 32557 - AMERICAN PHYSICIANS INS State Tracking Number: #133379 \$50  
EXCHANGE  
Company Tracking Number: 2008-01-AR  
TOI: 11.1 Medical Malpractice - Claims Made Only Sub-TOI: 11.1023 Physicians & Surgeons  
Product Name: n/a  
Project Name/Number: /

NA NA, NA@NA.com  
NA (123) 555-4567 [Phone]  
NA, AR 00000

**Filing Company Information**

32557 - AMERICAN PHYSICIANS INS CoCode: 32557 State of Domicile: Arkansas  
EXCHANGE  
No Address Group Code: Company Type:  
City, AR 99999 Group Name: State ID Number:  
(999) 999-9999 ext. [Phone] FEIN Number: 99-9999999  
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## Filing Fees

Fee Required? No  
Retaliatory? No  
Fee Explanation:  
Per Company: No

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## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Approved	Edith Roberts	06/23/2008	06/23/2008

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Product Name: n/a  
Project Name/Number: /

## Disposition

Disposition Date: 06/23/2008

Effective Date (New):

Effective Date (Renewal):

Status: Approved

Comment:

Rate data does NOT apply to filing.

SERFF Tracking Number: ARKS-125636564 State: Arkansas  
 Filing Company: 32557 - AMERICAN PHYSICIANS INS State Tracking Number: #133379 \$50  
 EXCHANGE  
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 TOI: 11.1 Medical Malpractice - Claims Made Only Sub-TOI: 11.1023 Physicians & Surgeons  
 Product Name: n/a  
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Item Type	Item Name	Item Status	Public Access
Supporting Document	Uniform Transmittal Document-Property & Casualty	Approved	No
Supporting Document	ARKS-125636564		No

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Company Tracking Number: 2008-01-AR  
TOI: 11.1 Medical Malpractice - Claims Made Only Sub-TOI: 11.1023 Physicians & Surgeons  
Product Name: n/a  
Project Name/Number: /

## Rate Information

Rate data does NOT apply to filing.

SERFF Tracking Number: ARKS-125636564 State: Arkansas  
Filing Company: 32557 - AMERICAN PHYSICIANS INS State Tracking Number: #133379 \$50  
EXCHANGE  
Company Tracking Number: 2008-01-AR  
TOI: 11.1 Medical Malpractice - Claims Made Only Sub-TOI: 11.1023 Physicians & Surgeons  
Product Name: n/a  
Project Name/Number: /

## Supporting Document Schedules

### Review Status:

**Satisfied -Name:** ARKS-125636564

06/23/2008

### Comments:

### Attachments:

ARKS-125636564.pdf  
ARKS-125636564-a.pdf  
ARKS-125636564-b.pdf  
ARKS-125636564-c.pdf  
ARKS-125636564-d.pdf  
ARKS-125636564-e.pdf  
ARKS-125636564-f.pdf  
ARKS-125636564-g.pdf  
ARKS-125636564-h.pdf  
ARKS-125636564-i.pdf  
ARKS-125636564-j.pdf  
ARKS-125636564-k.pdf

ARKS- 125636564



American Physicians Insurance Company

Approved until withdrawn  
or revoked

May 30 2008

Arkansas Insurance Department

By:

ER

Federal Express Mail 8613 9089 6708

May 29, 2008

Edith Roberts  
Arkansas Insurance Department  
Property & Casualty Compliance  
1200 West Third Street  
Little Rock, AR 72201

Re: Form Filing – Physicians and Dentists Medical Professional Liability  
Company Filing # 2008-01 AR

Dear Edith,

This is in response to your letter dated May 14, 2008 concerning the above referenced filing. Responses and revised forms are as follows:

1. Please reference Form API-COND (07/08) and API-COND-SL (07/08). Both forms contain the following concerns within the same provisions.

Please refer to page 1, policy cover sheet. You must also reference that there is a 60 day automatic (mandatory) reporting period. AR Code Anno. 23-79-306 (2), which is mandatory and free of charge.

RESPONSE: Policy cover page 1, API-COND and API-COND-SL, have been amended to include the mandatory automatic sixty (60) days extended reporting period at no additional charge.

2. Please reference page 5, "When you are covered", page 6, "Limits of your coverage", page 10, "Optional Indefinite Reporting (Tail)" and continuing to page 11.

These provisions do not comply with AR Code Anno. 23-79-306 (1-6) for Extended Reporting Periods both the basic and optional. The policy must indicate that the insurer must provide at no additional charge an automatic sixty (60) day "basic" Extended Reporting Period upon cancellation or termination for any reason including non-payment of premium, deductibles, retentions or excess payments over the limit of liability reimbursements still owed.

RESPONSE: Endorsement API-291 has been amended to comply

3. You must advise the insured of the importance of purchasing the supplemental extended reporting period endorsement and allow the insured sixty (60) days after termination for any reason, to request and pay for the optional extended reporting period endorsement pursuant to AR Code Ann. 23-79-306 (3). This coverage must be put into effect if premium is received in payment of the optional extended reporting period endorsement.

RESPONSE: The required disclosure notice will be include with the notice of nonrenewal or cancellation to the insured and agent. This requirement is included in General Rules, Section 22. A.4.

4. The limit of liability for the supplemental extended reporting period must be no less than the greater of the amount of coverage remaining in the expiring policy aggregate or fifty percent (50%) of the aggregate limit at policy inception.

RESPONSE: Endorsement API-291 has been amended to comply

5. Likewise, Forms API-216, 217, 218, 219, 220, and 221 (07/08) must comply with AR Code Anno. 23-79-306 (6).

RESPONSE: See General Rules, Section 22. F

6. With reference to Forms API-238 (05/03) and API- 272 (12/07), the "Extended Reporting Period" provision. These provision may not exclude the Extended Reporting Periods. This is a claims-made endorsement and must offer the ERPs as outlined above according to AR 23-79-306 (1-6).

Also the Arbitration provision of both these forms are binding and may be demanded. This procedure must be amended to be voluntary and non-binding and must specifically state so, in accordance with AR Code Anno. 23-79-203 (a).

RESPONSE: Endorsements API-238 and API-271 have been revised to include Extended Reporting and exclude arbitration provisions.

The review of these endorsements identified that the initial filing failed to include API-241. It is enclosed for your consideration.

7. Please reference Forms API-243, 244 and 245. These forms may not with hold payment of a claim or defense for the insured's inability to pay deductible. That does not relieve the insurer from their contractual obligation of payment for covered claims or expense.

RESPONSE: Prior paragraphs (3) and (4) of Endorsements API-243, 244 and 245 have been deleted.

8. Please reference Form API-281 (10/06). The reporting rights for terminated physicians must be the same as the reporting requirements that are mandated for a terminating claims-made policy.

RESPONSE: See General Rules, Section 22. F

The following forms are included for substitution:

9. Conditions, API-COND, page 6: typographical error – initial filing showed first item on the page numbered as (2) when it should be (3).
10. Endorsement API-202: second paragraph, item (e) changed to reflect wording on Conditions and Declarations Sheet for Single Limit policy.

Lastly, please advise if a form filing is required for Certificate of Insurance forms, or Binders that are used to provide temporary coverage as described in AR Code Anno. 23-79-120.

Page 2  
Form Filing # 2008-01 AR

I apologize the time it took to reply to your request; however, we had to negotiate the reinsurance for above item 6.

Please let me know if you need any additional information to complete the review of this filing. Again, thank you for all your help.

Sincerely,  
  
Judy Shepperd  
Compliance Officer

THIS IS A NON-ASSESSABLE CLAIMS-MADE POLICY



American Physicians Insurance Company

# POLICY FORM

IMPORTANT – PLEASE READ CAREFULLY:

*This is a Claims-Made Policy. Coverage is limited to those claims of loss or damages arising from professional services performed on or after the retroactive date of this policy which are reported to us while this policy is still in force or during the mandatory automatic sixty (60) days extended reporting period provided to you at no additional charge. Any claim which is first reported to us after continuous coverage with API has lapsed and after the mandatory automatic sixty (60) days extended reporting period has expired will not be covered unless you have obtained an indefinite reporting (tail) endorsement.*

THIS IS A NON-ASSESSABLE CLAIMS-MADE POLICY



American Physicians Insurance Company

# POLICY FORM

IMPORTANT – PLEASE READ CAREFULLY:

*This is a Claims-Made Policy. Coverage is limited to those claims of loss or damages arising from professional services performed on or after the retroactive date of this policy which are reported to us while this policy is still in force or during the mandatory automatic sixty (60) days extended reporting period provided to you at no additional charge . Any claim which is first reported to us after continuous coverage with API has lapsed and after the mandatory automatic sixty (60) days extended reporting period has expired will not be covered unless you have obtained an indefinite reporting (tail) endorsement.*

seq no.

mm-dd-yy

policy no.

POLICY PRINCIPAL'S NAME (ID)

### ARKANSAS AMENDATORY ENDORSEMENT

It is understood and agreed that the following sections of your policy are changed as follows:

#### Section I. Professional Liability Coverage:

1. "Exclusions What this policy does not cover, (13) Exclusion for punitive or exemplary damages" is deleted in its entirety.

2. "When you are covered" is deleted and replaced to read as follows:

A **claim** must meet two initial requirements to qualify for coverage under this policy:

- (1) The **claim** must result from **professional services** which you provided or which you should have provided on or after the **retroactive date** stated on your **declarations sheet**; and
- (2) The **claim** must be made for the first time during the policy period or extended reporting (tail) period. A **claim**, potential claim, **incident**, or lawsuit reported to a previous insurer is not covered. Furthermore, under no circumstances or event will any coverage under this policy apply to any **claim**, potential claim, **incident**, or lawsuit which is known or which may arise out of any **incident** which is known by any **named insured, physician extender, or ancillary personnel** as of the **API effective date**.

3. "Limits of your coverage, Aggregate limit" is deleted and replaced to read as follows:

**Aggregate limit.** The "aggregate" limit is the most we will pay for all claims made and reported during the policy period or during any extended reporting (tail) period. Coverage will cease upon exhaustion of the "aggregate" limit.

#### Section II. General Rules and Conditions:

"Cancellation of your policy: How we can cancel for other reasons, Nonrenewal of your policy, Optional Indefinite Reporting (Tail), and Premiums" are deleted and replaced to read as follows:

seq no. (cont.)

1. Cancellation of your policy: How we can cancel for other reasons.

We can cancel your policy after we have mailed or delivered written notice to the authorized representative of the first named insured:

- (1) within the first sixty (60) days of the policy period with such cancellation effective thirty (30) days thereafter; or
- (2) after sixty (60) days, or if this is a renewal policy, with such cancellation effective twenty (20) days thereafter for at least one of the following reasons:
  - (a) Fraud or material misrepresentation made by or with the knowledge of the named insured in obtaining the policy, continuing the policy, or in presenting a claim under the policy;
  - (b) The occurrence of a material change in the risk that substantially increases any hazard insured against after policy issuance;
  - (c) Violation of any local fire, health, safety, building or construction regulation or ordinances with respect to any insured property or the occupancy thereof that substantially increases any hazard insured against under this policy;
  - (d) A material violation of a material provision of the policy.

2. Nonrenewal of your policy:

You can choose not to renew this policy for any reason. We have the same right. If we choose not to renew your policy, we will send notice of our intention not to renew the policy at least sixty (60) days before the existing policy expires.

3. Mandatory and Optional Indefinite Reporting (Tail):

Your coverage under this policy may end because one of us chooses to cancel or not renew it. If this happens for any reason you will be provided at no additional charge a mandatory automatic sixty (60) days extended reporting period. At the expiration of the mandatory automatic sixty (60) days extended reporting period you shall have the right, upon the payment of an additional premium (to be computed in accordance with the Company's rules, rates, rating plan and premiums applicable on the most recent policy effective date), to buy an indefinite reporting (tail) endorsement that extends the time for reporting **claims**, with the following exception. If a group policy is canceled or non-renewed for any reason only the group has the right to purchase tail coverage.

**When you are covered by this tail endorsement.** A **claim** must meet two initial requirements to qualify for coverage under the reporting (tail) endorsement:

- (1) The **claim** must result from **professional services** which you provided or should have provided, on or after the retroactive date stated in your **declarations sheet** and before your policy was cancelled, expired, or not renewed;

seq no. (cont.)

and

- (2) The **claim** must be made for the first time while the mandatory sixty (60) days extension or indefinite reporting (tail) endorsement is in effect.

**How to purchase this endorsement.** To purchase the indefinite reporting (tail) endorsement, notification and premium payment for this coverage, including any monies owed at the time of cancellation, must be given to us no later than sixty (60) days after the policy was cancelled or not renewed.

If coverage for an indefinite reporting (tail) period is not purchased, there will be no coverage with us for any **claim** that is reported after the mandatory automatic sixty (60) days extension period has expired.

**Limits of coverage.** If this coverage is purchased, the option is available to obtain limits of coverage equal to or less than the limits of coverage that applied to **your** last policy when it was cancelled, expired, or non renewed.

The aggregate limit is the maximum amount we will pay regardless of the length of the **reporting period**. However, the limit of liability in the policy aggregate shall be no less than the greater of the amount of coverage remaining in the expiring policy aggregate or fifty percent (50%) of the aggregate limit at policy inception.

**Death or disability.** Should you die or become **totally disabled**, while this policy is in effect, the premium otherwise required for the indefinite reporting (tail) **endorsement** will be waived and the **endorsement** will be issued as soon as we receive proof of your death or disability, provided any monies owed have been paid.

**Retirement.** Upon termination of this policy, due to your having elected to **retire**, as defined, after your 55th birthday and having exercised your right by purchasing the indefinite reporting (tail) **endorsement** conditions of this policy and after having completed five full years of insurance coverage (of which 2 years must be uninterrupted coverage for the 2 years prior to the retirement date), not including **prior acts** coverage years, the premium otherwise required for this coverage will be waived.

#### Premiums

The authorized representative of the first named insured is responsible for paying all premiums and will be the one to whom we will pay any return premiums. We can

seq no. (cont.)

increase the premium for this policy by mailing sixty (60) days written notice of such increase prior to the effective date of renewal. A natural step increase is inherent in a claims-made policy and does not require written notice.

If the notice is mailed less than sixty (60) days prior to the end of the policy period and results in a premium increase equal to or greater than twenty-five percent (25%), we are required to extend the existing policy sixty (60) days from the date the notice is mailed or delivered. The premium for the policy as extended in such circumstances shall be no more than the pro rata premium of the existing policy.

All other provisions in the Policy remain unchanged.

seq no.

mm-dd-yy

policy no.

POLICY PRINCIPAL'S NAME (ID)

LEGAL EXPENSE ENDORSEMENT - ARKANSAS  
BROAD COVERAGE - DENTISTS

**Section I. MAXIMUM LEGAL EXPENSE; DEDUCTIBLE**

Maximum Legal Expense: \$ \_\_\_\_\_ Disciplinary Proceeding (each insured)

Aggregate: \$ \_\_\_\_\_ (each insured)

Deductible: \$ \_\_\_\_\_ per Disciplinary Proceeding

**Section II. LEGAL EXPENSE COVERAGE**

**How this endorsement protects you**

In consideration of the payment of premium and compliance with all terms of this Endorsement, and subject to the specific terms of the Professional Liability policy, we will reimburse you for any Legal Expenses you incur because of Disciplinary Proceedings brought against you.

**Who is an insured under this endorsement**

An insured can be any person or group of persons who is (1) listed on the declarations sheet and (2) licensed as a dentist.

**When you are covered**

Disciplinary Proceeding must meet the following requirements to qualify for coverage under this endorsement:

1. The Disciplinary Proceeding was instituted for the first time during the Policy Period or extended reporting (tail) period and the allegation of the event or circumstance occurred between your retroactive date and the date your coverage ended.
2. You notified us within 30 days from the date a Disciplinary Proceeding was instituted.
3. On the initial effective date of this endorsement, you had no knowledge of any event or circumstance which you knew or would reasonably have believed might result in Legal Expenses covered by this endorsement.

seq no. (cont'd)**What this endorsement covers**

Subject to the terms and exclusions of this endorsement, we will reimburse you for Legal Expenses incurred as a result of any one of the following Disciplinary Proceedings:

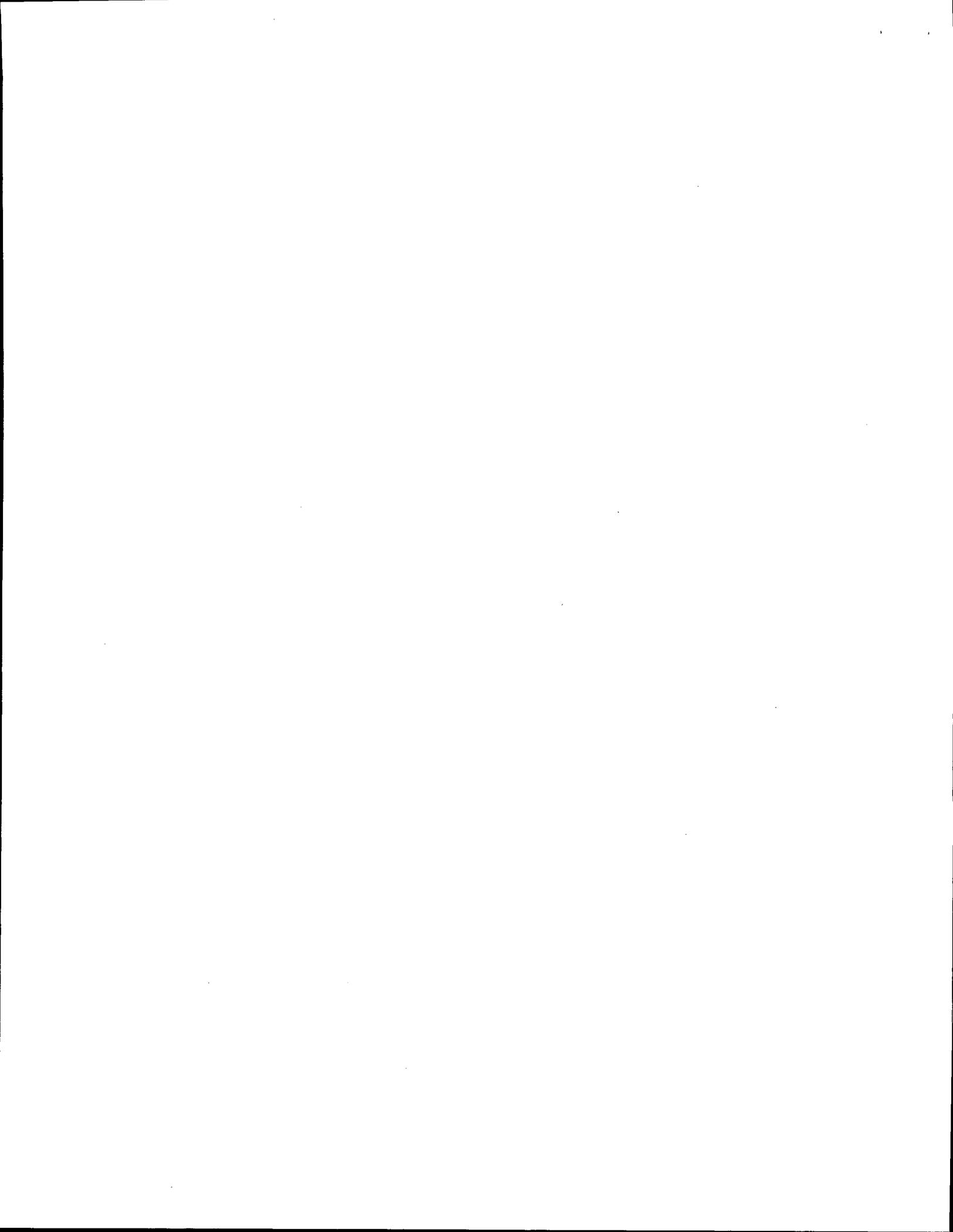
1. A professional review action instituted against you by the professional review body of a health care entity with which you have clinical privileges or membership, which action is taken for the purpose of adversely affecting those clinical privileges or membership. The terms used in this paragraph are defined in 42 United States Code 11151 Section 431, Definitions.
2. Proceedings threatened or instituted against you by a state licensing authority for unprofessional conduct.
3. Proceedings instituted by a Professional Review Organization pursuant to parts 1004 and 1005 of title 42, Chapter V, Code of Federal Regulations to impose sanctions on you.
4. Proceedings instituted by a state Department of Health Services or the Federal Department of Health and Human Services alleging Medicare/Medicaid fraud and abuse by you or performance of medical services in excess of or in violation of guidelines for appropriate utilization of those services.
5. Proceedings instituted by a governmental agency alleging violation of HIPAA privacy regulations.

**What is payable under this endorsement**

We will reimburse you for 100% of any Legal Expenses exceeding the deductible. We will not pay more than the maximum shown on this endorsement for any one Disciplinary Proceeding. Even though a Disciplinary Proceeding may last longer than a policy period, that fact will not increase the maximum amount reimbursable for any one Disciplinary Proceeding.

There are certain Legal Expenses this endorsement does not cover. These exclusions apply even if they conflict with other terms of the policy or the endorsement. We will not reimburse you for Legal Expenses:

1. Incurred in a dispute about this insurance including questions as to whether Legal Expenses are reimbursable under this endorsement.
  2. If the Legal Expenses arise out of any matter you conspired with another to institute or have instituted.
  3. Incurred in defense of a criminal prosecution. Criminal prosecution means any governmental action for enforcement of criminal laws, including offenses, conviction for which could result in imprisonment.
  4. Arising out of any matter other than a Disciplinary Proceeding.
  5. Arising out of an application for initial placement on a medical staff.
  6. Arising out of disputes over timely completion of medical records.
- 11



seq no. (cont'd)

### **Section III. GENERAL RULES AND CONDITIONS**

#### **Your duties if you have a Disciplinary Proceeding instituted against you**

You must notify us in writing within 30 days from the date a disciplinary proceeding is instituted.

#### **Appeals**

Appeals are considered to be part of the original Disciplinary Proceeding. All related Disciplinary Proceedings and all consolidated proceedings and proceedings arising out of the same events are considered as one Disciplinary Proceeding.

#### **Reimbursement**

You will be reimbursed only for Legal Expenses incurred for legal services actually rendered, and for associated expenses actually incurred.

#### **Recovery and Subrogation**

Should you effect subrogation or receive additional reimbursement of the legal expenses covered in this endorsement, you must reimburse us for any and all benefits paid to you under this endorsement. We are entitled, at our own expense, to sue or arbitrate in your name and receive all the rights and remedies you have against any party for Legal Expenses covered in this endorsement. You must give us all assistance in your power as we may require to secure those rights and remedies. In addition, you, at our request, must execute all documents necessary to enable us to effectively bring suit or demand arbitration in your name, including the execution and delivery of the customary form of loan receipt.

### **Section IV. DEFINITIONS (when used in this endorsement)**

#### **Attorney**

An Attorney is an individual or group duly licensed to practice law at the time and place the legal services are rendered.

#### **Instituted**

Instituted, with regard to the beginning of any Disciplinary Proceeding against you, means the time you received formal written notice.

#### **Legal Expenses**

Legal expenses are an Attorney's fee for legal services rendered and any associated expenses. No judgment or expense other than for Legal Expenses of your attorney(s) shall be covered.

### **Section VI. POLICY OF EXCLUSION AMENDED**

Because of this endorsement, Exclusion (5) of the policy is amended to conform to the terms of this endorsement. However, we will not pay any money for fines or penalties which you must pay because of a Disciplinary Proceeding.

12

seq no.

mm-dd-yy

policy no.

POLICY PRINCIPAL'S NAME (ID)

**LEGAL EXPENSE AND FINES AND PENALTIES ENDORSEMENT - ARKANSAS  
BROAD COVERAGE FOR PHYSICIANS AND SURGEONS**

**Section I. MAXIMUM AMOUNT REIMBURSABLE, DEDUCTIBLE, AND CO-PAYMENT**

**Maximum AMOUNT REIMBURSABLE,  
Per Disciplinary Proceeding (each Insured):** \$100,000

**ANNUAL AGGREGATE AMOUNT REIMBURSABLE:**  
(each Insured): \$100,000

**DEDUCTIBLE, Per Disciplinary Proceeding:** \$1,000, for either **Legal Expenses and/or Fines and Penalties**

**CO-PAYMENT** 25%

**NOTE-** This means that you will be required to pay 25% of all amounts paid in excess of the deductible amount for **Legal Expenses and/or Fines and Penalties** for each and every claim covered by this endorsement. However, this requirement will be waived if you use the services of an **Approved Attorney**.

**Section II. LEGAL EXPENSE COVERAGE**

**How this endorsement protects you**

In consideration of the payment of premium and compliance with all terms of this Endorsement, and subject to the specific terms of the Professional Liability policy, we will reimburse you for any **Legal Expenses and/or Fines and Penalties** you incur because of Disciplinary Proceedings brought against you during the policy period.

**Who is an Insured under this endorsement**

An Insured can be any person or group of persons who is (1) listed on the declarations sheet and (2) licensed as a physician or surgeon.

seq no. (cont'd)**When you are covered**

Disciplinary Proceeding must meet the following requirements to qualify for coverage under this endorsement:

1. The Disciplinary Proceeding was instituted for the first time during the Policy Period or extended reporting (tail) period and the allegation of the event or circumstance occurred between your retroactive date and the date your coverage ended.
2. You notified us within 30 days from the date a Disciplinary Proceeding was instituted.
3. On the initial effective date of this endorsement, you had no knowledge of any event or circumstance of which you knew or would reasonably have believed might result in **Legal Expenses** and/or **Fines and Penalties** covered by this endorsement.

**What this endorsement covers****1. Reimbursement for Legal Expenses**

Subject to the terms and exclusions of this endorsement, we will reimburse you for **Legal Expenses** incurred as a result of any one of the following Disciplinary Proceedings:

- a. A professional review action instituted against you by the professional review body of a health care entity with which you have clinical privileges or membership, which action is taken for the purpose of adversely affecting those clinical privileges or membership. The terms used in this paragraph are defined in 42 United States Code 11151 Section 431, Definitions.
- b. Proceedings threatened or instituted against you by a state licensing authority for unprofessional conduct.
- c. Proceedings instituted by a Professional Review Organization pursuant to parts 1004 and 1005 of title 42, Chapter V, Code of Federal Regulations to impose sanctions on you.
- d. Proceedings instituted by a state Department of Health Services or the Federal Department of Health and Human Services alleging Medicare/Medicaid fraud and abuse by you or performance of medical services in excess of or in violation of guidelines for appropriate utilization of those services.
- e. Proceedings instituted by a governmental agency alleging violation of HIPAA privacy regulations.
- f. Proceedings instituted by HCFA alleging violations of the Emergency Medical Treatment & Labor Act (EMTALA).

**2. Reimbursement for Fines and Penalties**

Subject to the terms and exclusions of this endorsement, we will reimburse you for **Fines and Penalties** which are the subject of final adjudication by an administrative tribunal or court, or are the subject of a settlement agreement or stipulated judgment to which we have given our prior consent. You shall not admit or assume any liability for **Fines and Penalties** without our prior written consent. Only those settlements, stipulated judgments, or **Fines and Penalties** to which we have consented in writing

seq no. (cont'd.)

shall be reimbursable under this policy. We will not unreasonably withhold our consent to such payments.

#### **What is payable under this endorsement**

We will reimburse you for 100% of any **Legal Expenses** and/or **Fines and Penalties** exceeding the deductible, less any Co-Payment that you may be required to pay if you do not to use the services of an **Approved Attorney**. We will not pay more than the **ANNUAL AGGREGATE AMOUNT REIMBURSABLE** (Per Disciplinary Proceeding, each Insured) shown on this endorsement the total of all covered **Legal Expenses** and/or **Fines and Penalties** incurred for any one Disciplinary Proceeding during the policy period. Even though a Disciplinary Proceeding may last longer than a policy period, that fact will not increase the maximum amount reimbursable under this policy.

We will not pay more than the **ANNUAL AGGREGATE** shown on this endorsement for the total of all covered **Legal Expenses** and/or **Fines and Penalties** incurred for any one Insured for all Disciplinary Proceedings incurred during the policy period. Even though these Disciplinary Proceedings may last longer than the policy period, that fact will not increase the **ANNUAL AGGREGATE** under this policy.

#### **Exclusions**

There are certain **Legal Expenses** and/or **Fines and Penalties** that this endorsement does not cover. These exclusions apply even if they conflict with other terms of the policy or the endorsement. We will not reimburse you for **Legal Expenses** and/or **Fines and Penalties**:

1. Incurred in a dispute about this insurance including questions as to whether **Legal Expenses** and/or **Fines and Penalties** are reimbursable under this endorsement.
2. If the **Legal Expenses** and/or **Fines and Penalties** arise out of any matter you conspired with another to institute or have instituted.
3. Incurred in defense of a criminal prosecution. Criminal prosecution means any governmental action for enforcement of criminal laws, including offenses, conviction for which could result in imprisonment.
4. Arising out of any matter other than a Disciplinary Proceeding.
5. Arising out of an application for initial placement on a medical staff.
6. Arising out of disputes over timely completion of medical records.

### **Section III. GENERAL RULES AND CONDITIONS**

#### **Your duties if you have a Disciplinary Proceeding instituted against you**

You must notify us in writing within 30 days from the date a disciplinary proceeding is instituted.

#### **Appeals**

Appeals are considered to be part of the original Disciplinary Proceeding. All related

seq no. (cont'd.)

Disciplinary Proceedings and all consolidated proceedings and proceedings arising out of the same events are considered as one Disciplinary Proceeding.

**Reimbursement**

You will be reimbursed only for **Legal Expenses** incurred for legal services actually rendered, and for associated expenses actually incurred.

**Co-Payment**

You will be required to pay twenty-five percent (25%) of all **Legal Expenses** and/or **Fines and Penalties** incurred for legal services, in excess of the deductible amount, that are performed in regard to a covered Disciplinary Proceeding. HOWEVER, the requirement for a co-payment will be waived if you agree to utilize the services of an **Approved Attorney** for such legal services.

**Recovery and Subrogation**

Should you effect subrogation or receive additional reimbursement of the legal expenses covered in this endorsement, you must reimburse us for any and all benefits paid to you under this endorsement. We are entitled, at our own expense, to sue or arbitrate in your name and receive all the rights and remedies you have against any party for **Legal Expenses** and/or **Fines and Penalties** covered in this endorsement. You must give us all assistance in your power that we may require in order to secure those rights and remedies. In addition, you, at our request, must execute all documents necessary to enable us to effectively bring suit or demand arbitration in your name.

**Section IV. DEFINITIONS (when used in this endorsement)****Attorney**

An Attorney is an individual or group duly licensed to practice law at the time and place the legal services are rendered.

**Approved Attorney**

An individual Attorney or a group of Attorneys that have been approved by the Company to provide Legal Services to physicians or surgeons for Disciplinary Proceedings covered herein. A list of **Approved Attorneys** can be obtained from us, at your request.

**Fines and Penalties**

**Fines and Penalties** shall mean administrative fines or penalties that you are required to pay as a result of a covered civil disciplinary proceeding.

**Instituted**

Instituted, with regard to the beginning of any Disciplinary Proceeding against you, means the date that you received formal written notice.

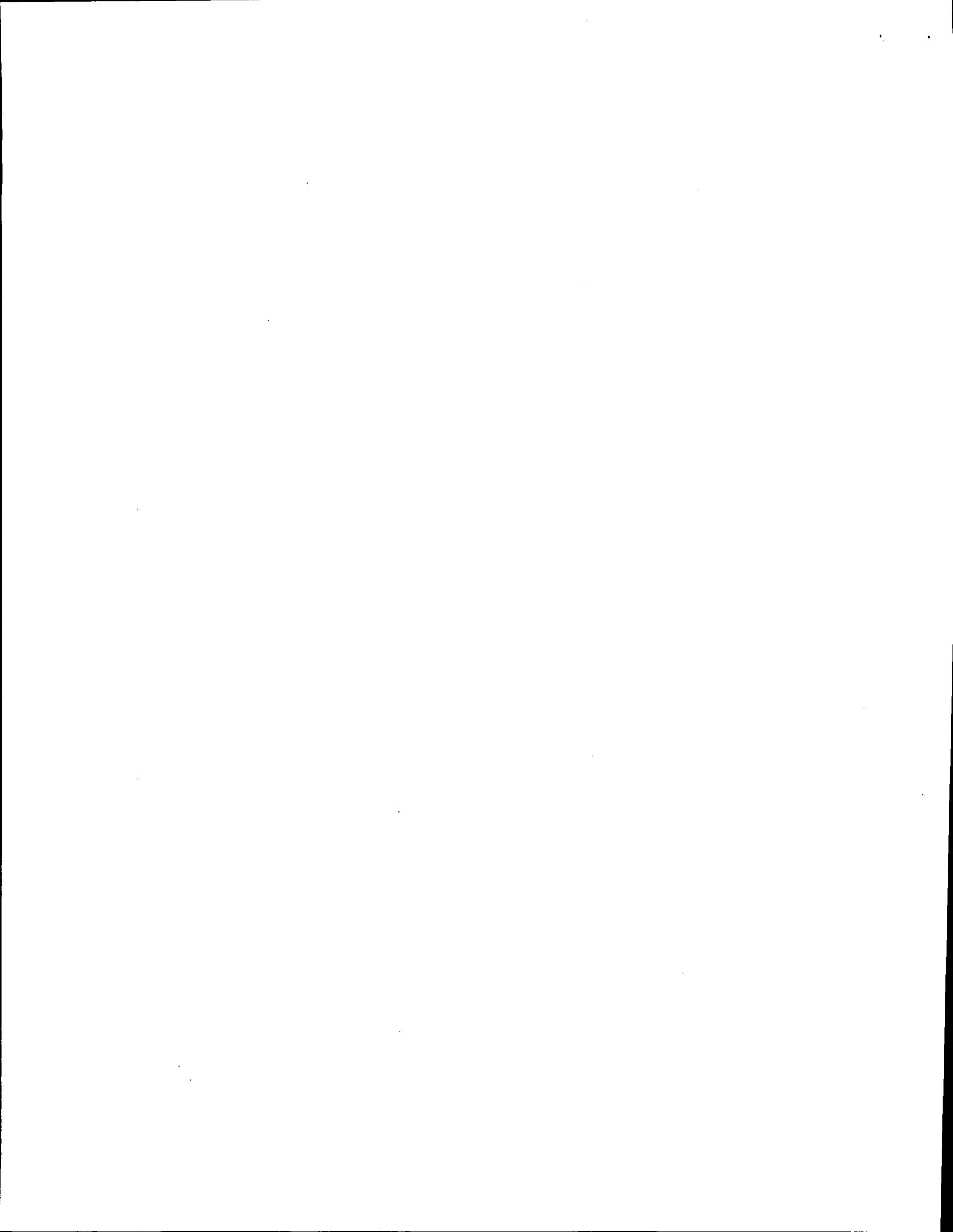
seq no. (cont'd.)

**Legal Expenses**

**Legal expenses** are an Attorney's fee for legal services rendered and any associated expenses. No judgment or expense other than for **Legal Expenses** of your attorney(s) shall be covered.

**Section VI. POLICY EXCLUSION AMENDED**

Because of this endorsement, Exclusion (5) of the policy is amended to conform to the terms of this endorsement.



seq no.

mm-dd-yy

policy no.

POLICY PRINCIPAL'S NAME (ID)

EXCLUDED LEGAL EXPENSE COVERAGE ENDORSEMENT

It is understood and agreed that the coverage provided under Endorsement API-(238) (271), Legal Expense Endorsement, does not apply to the following individual(s) or entity(ies):

(Name of Insured) (ID No.)

API-243 (07/08)

seq no.

mm-dd-yy

policy no.

POLICY PRINCIPAL'S NAME (ID)

DEDUCTIBLE - INDEMNITY COSTS ONLY

It is understood and agreed that:

- (1) Our obligation to pay damages on your behalf applies only to the amount of damages in excess of the deductible stated below.
- (2) A deductible amount of \$\_\_\_\_\_ will apply to each named insured or physician extender who is named in an endorsement (**if a single limit policy then instead put "will apply to each incident"**) which results in a claim and/or lawsuit being filed or made against you during the Policy Period which occurred after your Retroactive Date.
- (3) This deductible applies to indemnity costs incurred by us in the settlement of any claim and/or lawsuit. Upon our request you shall reimburse us within 30 days for such costs up to the amount of deductible.

**\*\*OPTION WHEN DEDUCTIBLE APPLIES TO ALL INSUREDS\*\***

- (4) Any physician and/or physician extender listed on the declarations sheet and/or endorsements as well as the first named insured are all responsible for any deductible applicable to a claim and/or lawsuit under this endorsement.

**\*\*OPTION WHEN DEDUCTIBLE APPLIES TO SELECTED INSUREDS\*\***

- (4) The below listed individuals as well as the first named insured are all responsible for any deductible applicable to a claim and/or lawsuit under this endorsement.

NAME OF INSURED) (ID NUMBER)

API-244 (07/08)

seq no.

mm-dd-yy

policy no.

POLICY PRINCIPAL'S NAME (ID)

DEDUCTIBLE - INDEMNITY AND LEGAL COSTS  
(SPECIFIED BY PROCEDURE) ENDORSEMENT

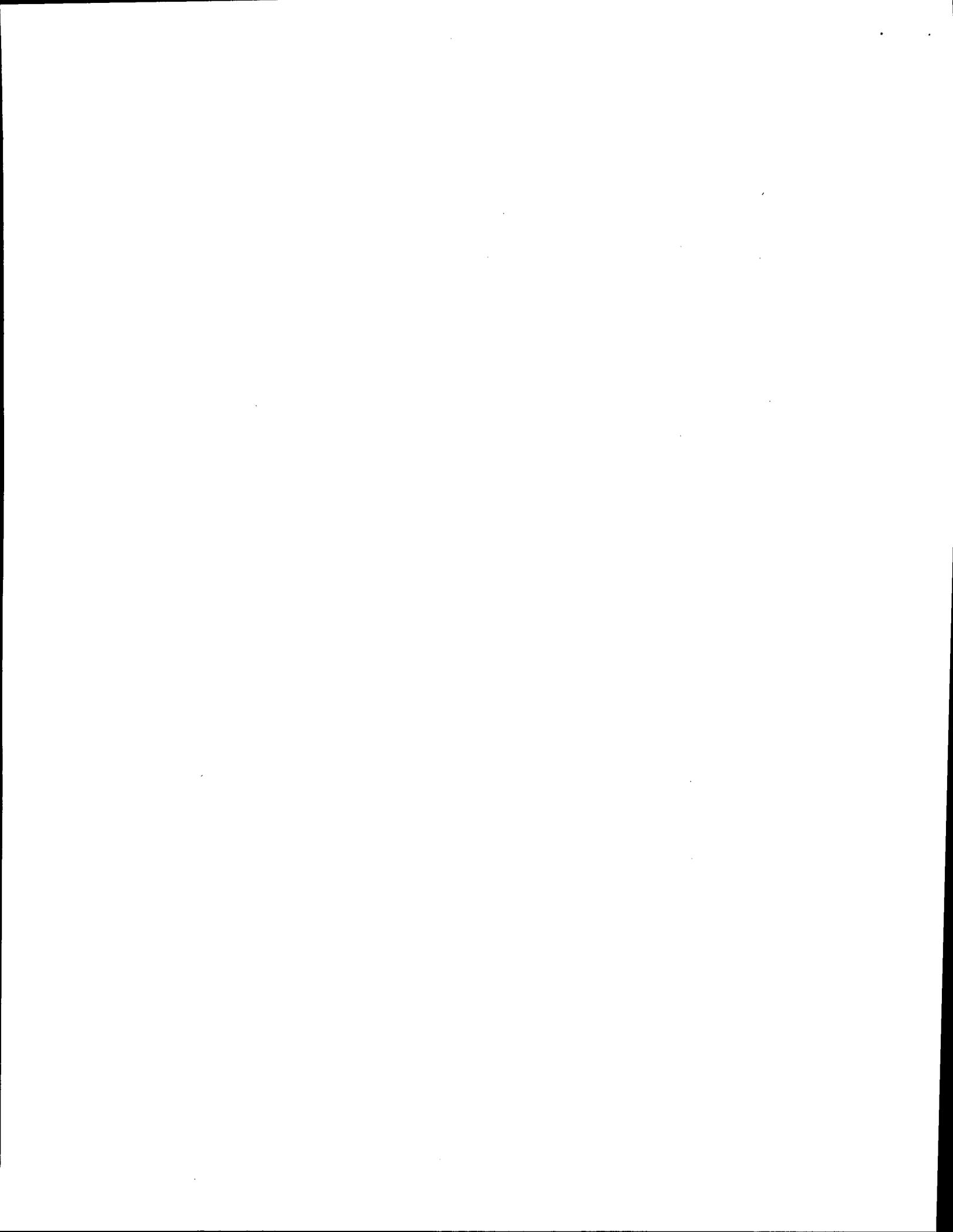
It is understood and agreed that:

- (1) Our obligation to pay damages on your behalf applies only to the amount of damages in excess of the deductible stated below.
- (2)\*OPT1\* A deductible amount of \$\_\_\_\_\_ will apply to each named insured or physician extender who is named in an endorsement (***if a single limit policy then instead put "will apply to each incident"***) which results in a claim and/or lawsuit being filed or made against you during the Policy Period which occurred after your Retroactive Date.
- (2)\*OPT2\* A deductible amount of \$\_\_\_\_\_ will apply to each claim and/or lawsuit being filed or made against you during the Policy Period which occurred after your Retroactive Date because of any and all injuries arising out of any incident alleged to have occurred due to any (procedure title) procedure.
- (3) This deductible applies to indemnity costs incurred as well as legal costs incurred by us in the settlement or defense of any claim and/or lawsuit. Upon our request you shall reimburse us within 30 days for such costs as incurred on a quarterly basis, up to the amount of the deductible.

The term legal costs shall mean attorney's usual and customary fees and associated expenses for legal services rendered and incurred by us. Term shall include, but shall not be limited to costs for expert witnesses and court costs. It does not include our indirect expenses such as employee salaries, rent, utilities or similar usual office or administrative expenses.

**\*\*OPTION WHEN DEDUCTIBLE APPLIES TO ALL INSUREDS\*\***

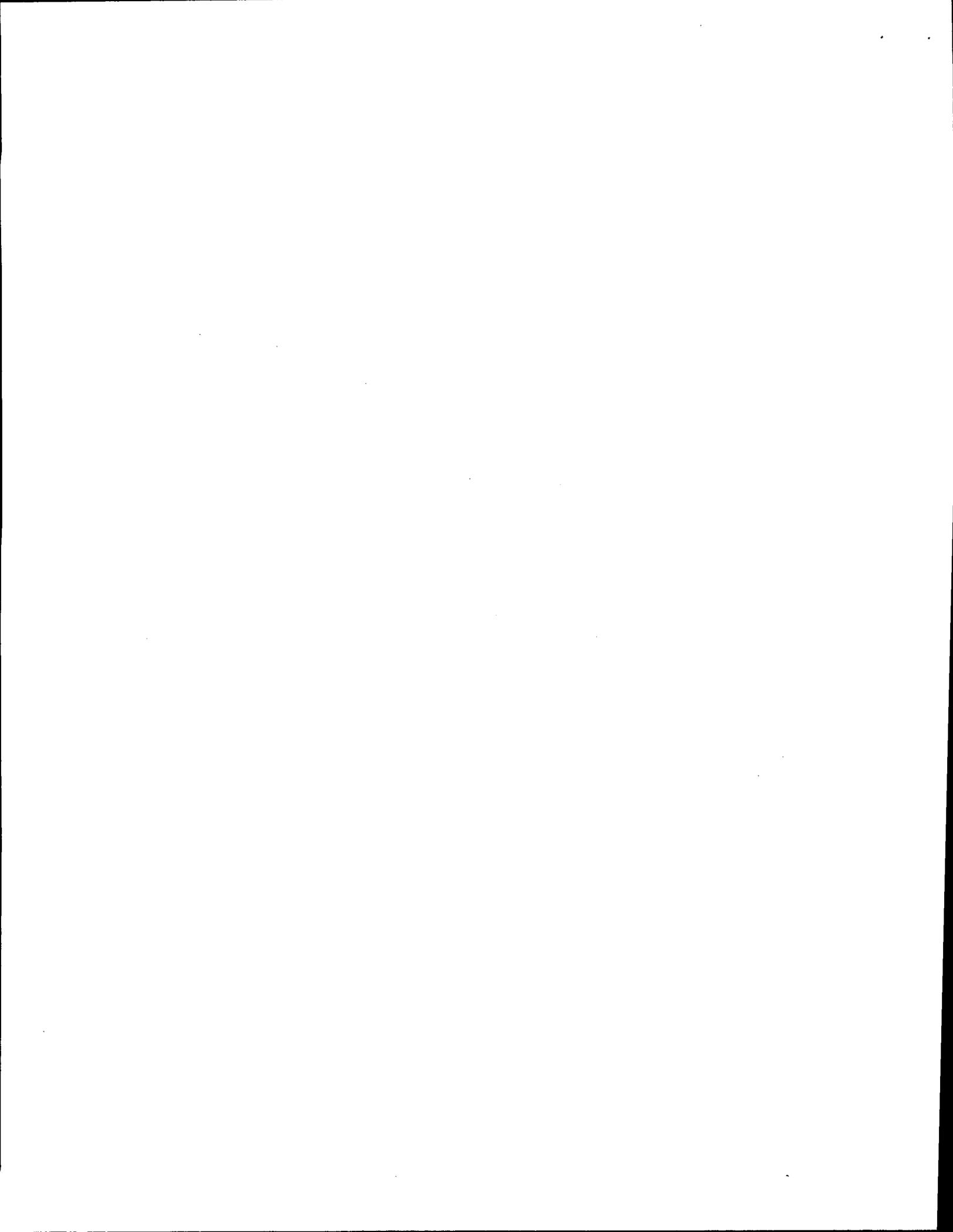
- (4) Any physician and/or physician extender listed on the declarations sheet and/or endorsements as well as the first named insured are all responsible for any deductible applicable to a claim and/or lawsuit under this endorsement.



**\*\*OPTION WHEN DEDUCTIBLE APPLIES TO SELECTED INSUREDS\*\***

- (4) The below listed individuals as well as the first named insured are all responsible for any deductible applicable to a claim and/or lawsuit under this endorsement.

(NAME OF INSURED) (ID NUMBER)



API-245 (07/08)

seq no.

mm-dd-yy

policy no.

POLICY PRINCIPAL'S NAME (ID)

DEDUCTIBLE - INDEMNITY (AND LEGAL) COSTS  
ANNUAL AGGREGATE

It is understood and agreed that:

- (1) Our obligation to pay damages on your behalf applies only to the amount of damages in excess of the deductible stated below.
- (2) A deductible amount of \$\_\_\_\_\_ will apply to each named insured or physician extender who is named in an endorsement (***if a single limit policy then instead put "will apply to each incident"***) which results in a claim and/or lawsuit being filed or made against you during the Policy Period which occurred after your Retroactive Date.
- (3) This deductible applies to indemnity costs incurred (as well as legal costs incurred) by us in the settlement or defense of any claim and/or lawsuit. Upon our request you shall reimburse us within 30 days for such costs as incurred on a quarterly basis, up to the amount of the deductible.

(Use if legal costs applies: The term legal costs shall mean attorney's usual and customary fees and associated expenses for legal services rendered and incurred by us. Term shall include, but shall not be limited to costs for expert witnesses and court costs. It does not include our indirect expenses such as employee salaries, rent, utilities or similar usual office or administrative expenses.)

- (4) This deductible applies, as described in paragraph 5 above; however, the maximum aggregate deductible per annual policy period shall be no more than \$\_\_\_\_\_.

**\*\*OPTION WHEN DEDUCTIBLE APPLIES TO ALL INSUREDS\*\***

- (5) Any physician and/or physician extender listed on the declarations sheet and/or endorsements as well as the first named insured are all responsible for any deductible applicable to a claim and/or lawsuit under this endorsement.

22



seq no. (cont'd)

**\*\*OPTION WHEN DEDUCTIBLE APPLIES TO SELECTED INSUREDS\*\***

- (5) The below listed individuals as well as the first named insured are all responsible for any deductible applicable to a claim and/or lawsuit under this endorsement.

(NAME OF INSURED) (ID NUMBER)



- (3) Your **professional service** on a formal medical or dental accreditation board or any similar committee responsible for making decisions regarding credentials or privileges.

### Limits of your coverage

---

Two limits apply to the amount we will pay for covered **claims**. The "each loss" and "aggregate" limits are defined below. The amounts are stated on the **declarations sheet** and/or schedule of insureds or applicable **endorsement(s)**.

**Each loss limit.** The "each loss" limit is the most we will pay for all **claims** and **damages** arising out of or in connection with all **professional services** rendered to an individual patient while you are insured by us. This includes all covered **claims** for **damages**, including prejudgment interest on any judgment rendered against you, resulting from an **incident**, or series of related services, causing injury or death, regardless of the number of: (a) persons injured; (b) **claims** made; (c) claimants making **claims**; or (d) subsequent related **claims**. The limits of coverage are not increased because a course of treatment extended over more than one policy period or arises out of continuing treatment.

**Aggregate limit.** The "aggregate" limit is the most we will pay for all claims made and reported during the policy period or during the entire period of any indefinite reporting endorsement. Coverage will cease upon exhaustion of the "aggregate" limit.

**Group coverage.** If group coverage is provided, refer to the policy **declarations sheet**.

---

### Exclusions What this policy does not cover

There are certain **claims** which this policy does not cover. These **exclusions** apply even if they conflict with other terms of this policy.

- (1) **Exclusions for status liability.** We will not cover any **claims** made against you for positions such as a proprietor, medical director, hospital administrator, risk manager, peer review member, supervisor, owner, operator, officer, shareholder, partner, agent or member of the board of directors, trustees or governors of any hospital, infirmary, health maintenance organization, abortion clinic, blood bank, drug abuse center, surgery center, ambulatory care center, physical therapy center, weight control center, sanitarium, clinic with bed and board facilities, nursing home, laboratory or any business enterprise, whether or not related to patient care or treatment. The term laboratory in this exclusion does not apply to any radiological or pathological laboratory used

seq no.mm-dd-yypolicy no.POLICY PRINCIPAL'S NAME (ID)

AMENDED LIMITS OF COVERAGE ENDORSEMENT  
SINGLE LIMIT POLICY

For (the additional premium of \$ \_\_\_\_\_) (no additional premium) (the return premium of \$ \_\_\_\_\_), it is understood and agreed that the declarations sheet and/or Physician Extender Endorsement is (are) amended to reflect the following changes in the limits of coverage.

For each incident, regardless of the number of (a) persons injured, (b) claims made, (c) claimants making claims, (d) subsequent related claims, or (e) groups, affiliated insured(s), physicians, physician extender(s), and/or ancillary personnel covered in this policy against whom a claim is made there is one limit of coverage, an aggregate limit per individual or group covered in this policy, and an aggregate limit per policy year as shown in the paragraph below to reflect the coverage limits for professional services during the specified periods.

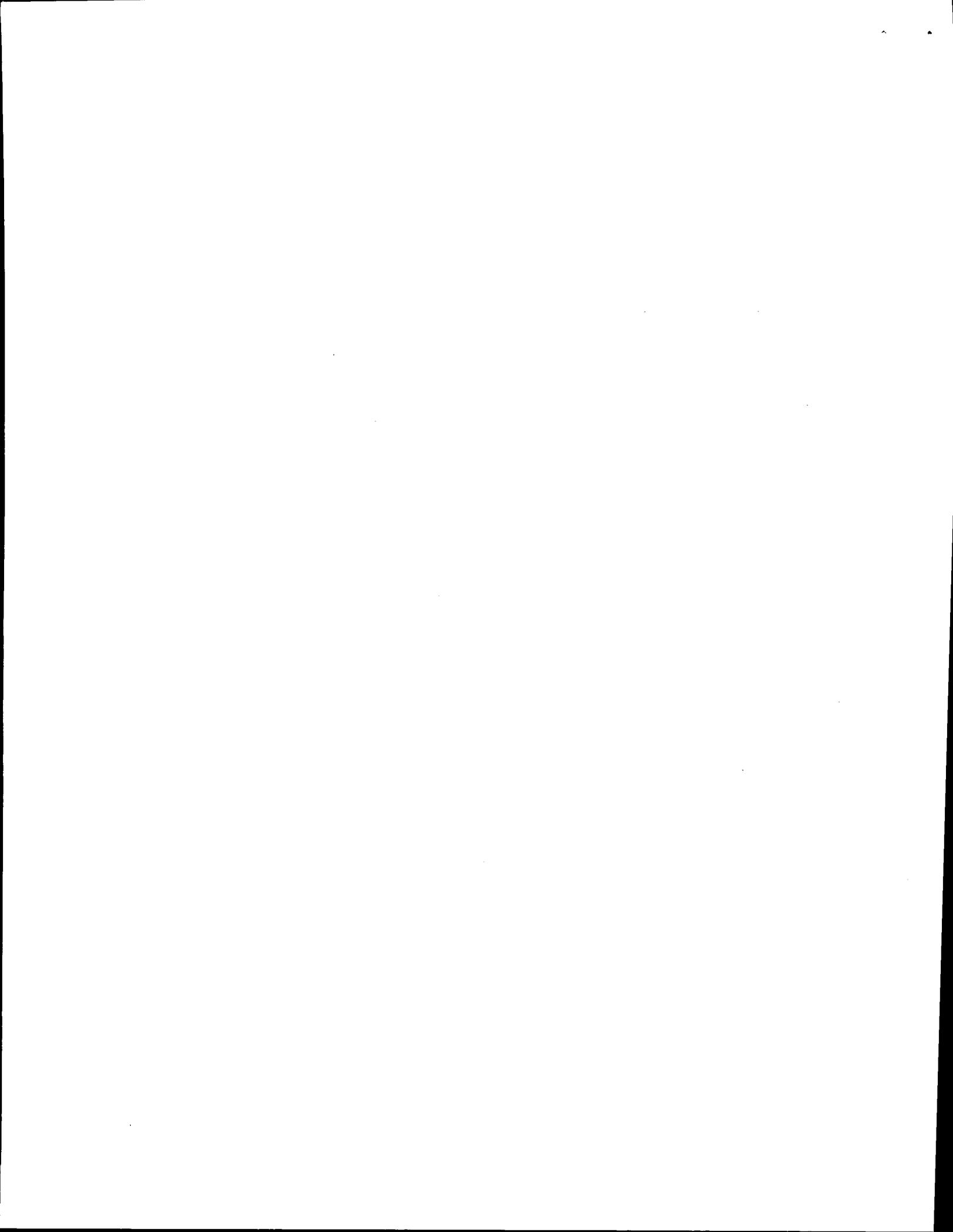
The Ancillary Personnel have no individual coverage. However, if any Ancillary Personnel are named in a claim and/or lawsuit, they will be provided coverage for defense costs only.

There is no stacking of coverage under this policy under any circumstance. Under no circumstance will the coverage under this policy for any claim and/or lawsuit occurring after the retroactive date (shown on the declarations sheet and/or endorsement) and prior to (date of limit change) exceed \$ \_\_\_\_\_ for each loss, \$ \_\_\_\_\_ aggregate limit of coverage per individual or group and \$ \_\_\_\_\_ aggregate limit per policy year. It is further understood and agreed that under no circumstance will the coverage under this policy for any claim and/or lawsuit occurring after (date of limit change) and prior to (the policy expiration date) exceed \$ \_\_\_\_\_ for each loss, \$ \_\_\_\_\_ aggregate limit of coverage per individual or group and \$ \_\_\_\_\_ aggregate limit per policy year.

All other provisions remain unchanged.

(Above premium includes a maintenance fee of \$ \_\_\_\_\_.)

***(On all single limit policies, if the limit changes, it must change for all insureds under the policy. You cannot, for example, lower the limits for 1 physician only under a single limit policy. It defeats the intent and simplicity of a single limit.)***





## ARKANSAS INSURANCE DEPARTMENT

Mike Beebe, Governor  
Julie Benafield Bowman, Commissioner

May 14, 2008

Judy Shepperd  
Compliance Officer  
American Physicians Insurance Company  
1301 South Capital of Texas Highway, Suite C-300  
Austin, Texas 78746

Re: Form Filing – Physicians and Dentists Medical Professional Liability  
Company Filing # 2008-01-AR

Dear Ms. Shepperd:

Thank you for the above captioned filing.

Please reference Form API-COND (07/08) and API-COND-SL (07/08). Both forms contain the following concerns within the same provisions.

Please refer to page 1, policy cover sheet. You must also reference that there is a 60 day automatic (mandatory) reporting period. AR Code Anno. 23-79-306 (2), which is mandatory and free of charge.

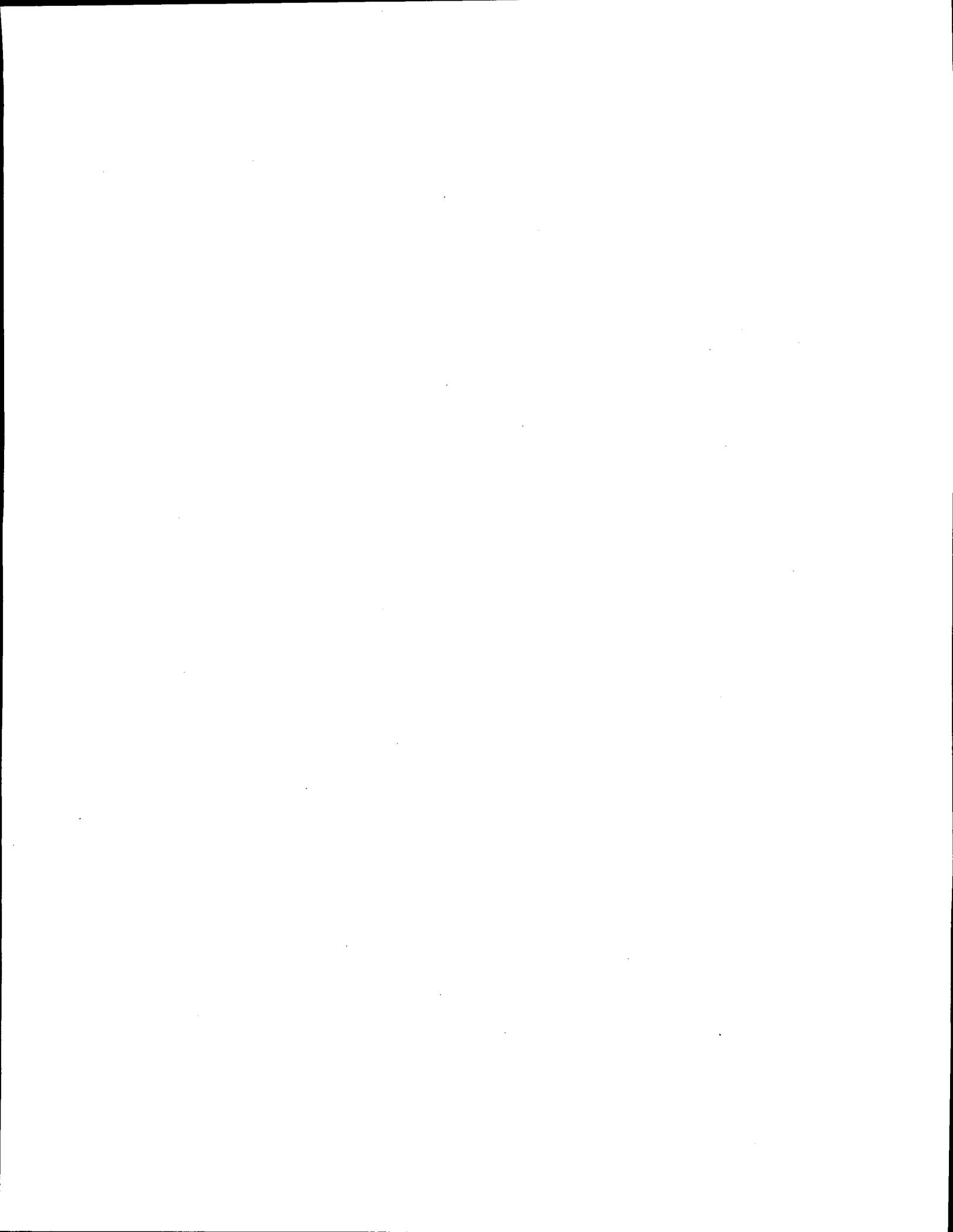
Please reference page 5, "When you are covered", page 6, "Limits of your coverage", page 10, "Optional Indefinite Reporting (Tail)" and continuing to page 11.

These provisions do not comply with AR Code Anno. 23-79-306 (1-6) for Extended Reporting Periods both the basic and optional. The policy must indicate that the insurer must provide at no additional charge an automatic sixty (60) day "basic" Extended Reporting Period upon cancellation or termination for any reason including non-payment of premium, deductibles, retentions or excess payments over the limit of liability reimbursements still owed.

You must advise the insured of the importance of purchasing the supplemental extended reporting period endorsement and allow the insured sixty (60) days after termination for any reason, to request and pay for the optional extended reporting period endorsement pursuant to AR Code Ann. 23-79-306 (3). This coverage must be put into effect if premium is received in payment of the optional extended reporting period endorsement.

The limit of liability for the supplemental extended reporting period must be no less than the greater of the amount of coverage remaining in the expiring policy aggregate or fifty percent (50%) of the aggregate limit at policy inception.

26



Page 2, cont... Forms Filing # 2008-01-AR

Likewise, Forms API-216, 217, 218, 219, 220, and 221 (07/08) must comply with AR Code Anno. 23-79-306 (6).

With reference to Forms API-238 (05/03) and API- 272 (12/07), the "Extended Reporting Period" provision. These provision may not exclude the Extended Reporting Periods. This is a claims-made endorsement and must offer the ERPs as outlined above according to AR 23-79-306 (1-6).

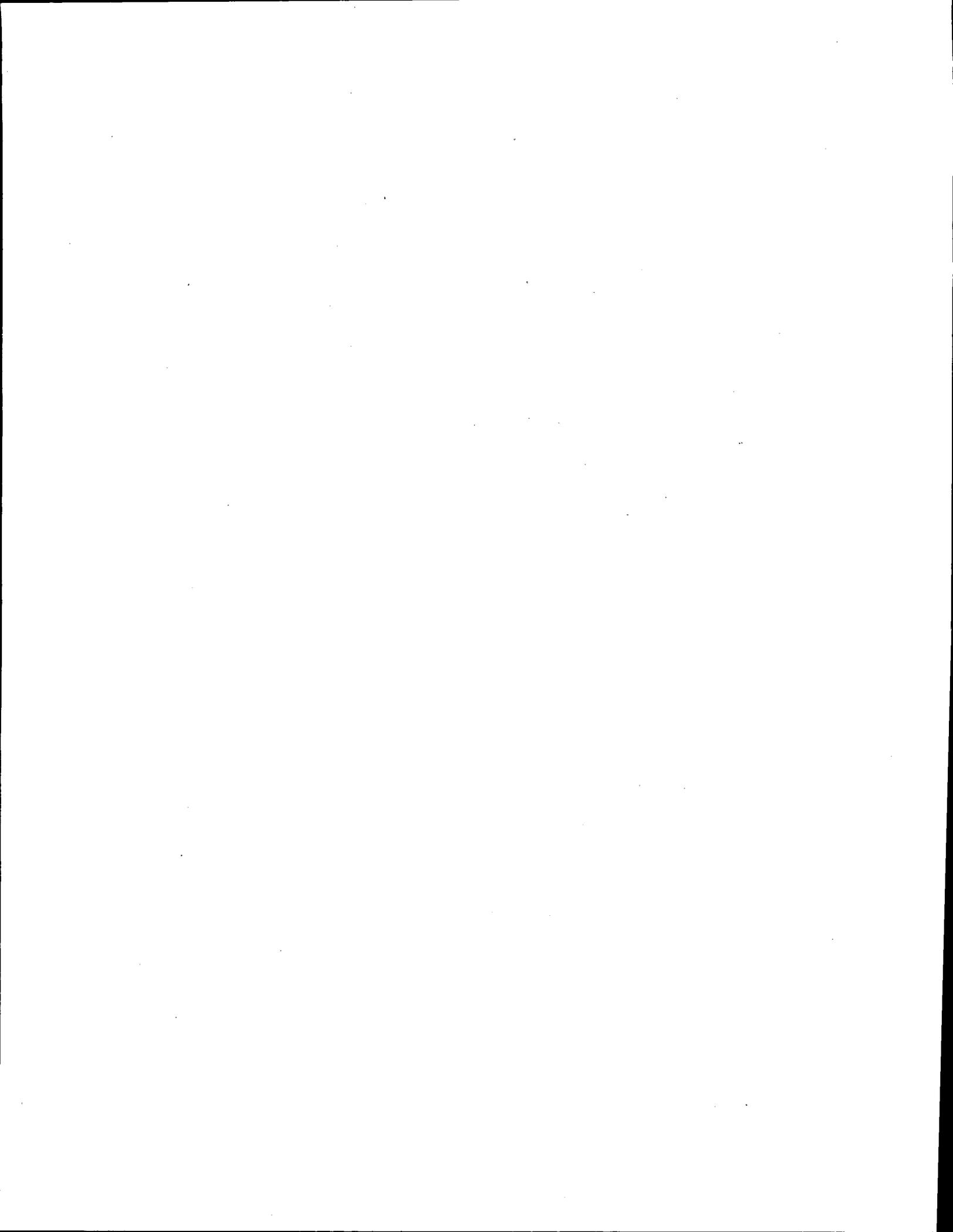
Also the Arbitration provision of both these forms are binding and may be demanded. This procedure must be amended to be voluntary and non-binding and must specifically state so, in accordance with AR Code Anno. 23-79-203 (a).

Please reference Forms API-243, 244 and 245. These forms may not with hold payment of a claim or defense for the insured's inability to pay deductible. That does not relieve the insurer from their contractual obligation of payment for covered claims or expense.

Please reference Form API-281 (10/06). The reporting rights for terminated physicians must be the same as the reporting requirements that are mandated for a terminating claims-made policy.

Should you have any questions, please feel free to call or email.

Sincerely,  
Edith Roberts





## ARKANSAS INSURANCE DEPARTMENT

Mike Beebe, Governor  
Julie Benafield Bowman, Commissioner

May 14, 2008

Judy Shepperd  
Compliance Officer  
American Physicians Insurance Company  
1301 South Capital of Texas Highway, Suite C-300  
Austin, Texas 78746

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Company Filing # 2008-01-AR

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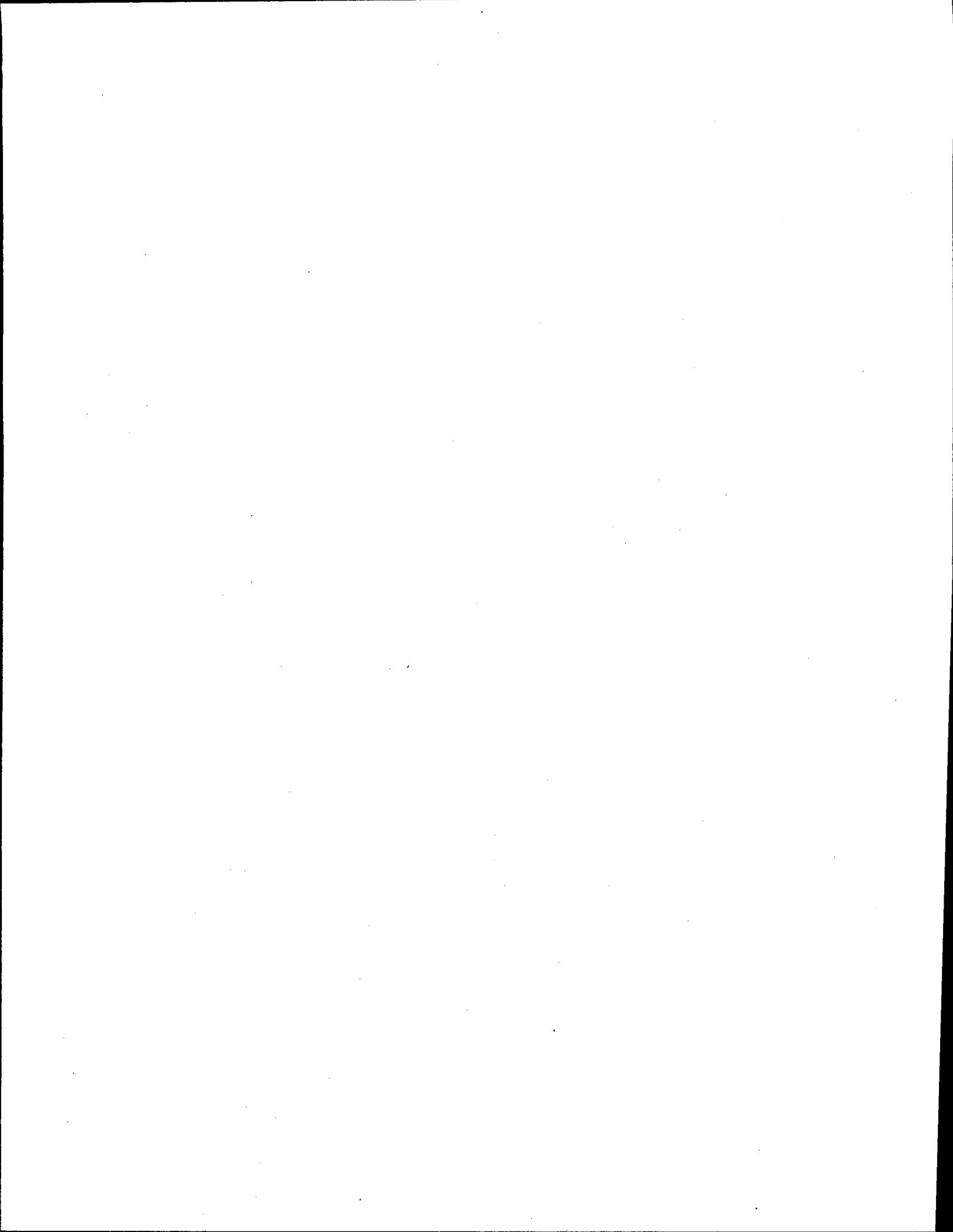
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You must advise the insured of the importance of purchasing the supplemental extended reporting period endorsement and allow the insured sixty (60) days after termination for any reason, to request and pay for the optional extended reporting period endorsement pursuant to AR Code Ann. 23-79-306 (3). This coverage must be put into effect if premium is received in payment of the optional extended reporting period endorsement.

The limit of liability for the supplemental extended reporting period must be no less than the greater of the amount of coverage remaining in the expiring policy aggregate or fifty percent (50%) of the aggregate limit at policy inception.

28



Page 2, cont... Forms Filing # 2008-01-AR

Likewise, Forms API-216, 217, 218, 219, 220, and 221 (07/08) must comply with AR Code Anno. 23-79-306 (6).

With reference to Forms API-238 (05/03) and API- 272 (12/07), the "Extended Reporting Period" provision. These provision may not exclude the Extended Reporting Periods. This is a claims-made endorsement and must offer the ERPs as outlined above according to AR 23-79-306 (1-6).

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Should you have any questions, please feel free to call or email.

Sincerely,  
Edith Roberts



## ARKANSAS INSURANCE DEPARTMENT

Mike Beebe, Governor  
Julie Benafield Bowman, Commissioner

May 14, 2008

Judy Shepperd  
Compliance Officer  
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1301 South Capital of Texas Highway, Suite C-300  
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Company Filing # 2008-01-AR

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Page 2, cont... Forms Filing # 2008-01-AR

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Should you have any questions, please feel free to call or email.

Sincerely,  
Edith Roberts

ER



American Physicians Insurance Company

FAX 501-371-2618

May 9, 2008

**RECEIVED**

MAY 09 2008

PROPERTY AND CASUALTY DIVISION  
ARKANSAS INSURANCE DEPARTMENT

Edith Roberts  
Senior Rate and Form Analyst  
Arkansas Insurance Department  
Property and Casualty Division  
1200 West Third Street  
Little Rock, AR 72201

Re: **Form Filing** – Physicians and Dentists Medical Professional Liability  
Company – American Physicians Insurance Company, NAIC #32557  
Company Tracking No. **2008-01 AR**  
Arkansas Insurance Department Filing No. Unknown

Dear Ms. Roberts:

The above referenced filing was delivered via Federal Express to the Arkansas Insurance Department on May 6, 2008.

Please note that endorsement API-238 was submitted as version (05/03) when it should have been (05/04). The difference in forms is (05/04) does not have a coinsurance clause. Please substitute the attached API-238 (05/04) for consideration in API's form filing.

Please call me or email at [jshepperd@api-c.com](mailto:jshepperd@api-c.com) if you have any questions.

Sincerely,

Judy Shepperd  
Compliance Officer

32

API-238 (05/04)

seq no.

mm-dd-yy

policy no.

POLICY PRINCIPAL'S NAME (ID)

**LEGAL EXPENSE ENDORSEMENT**

**Section I. MAXIMUM LEGAL EXPENSE; DEDUCTIBLE**

Maximum Legal Expense: \$ \_\_\_\_\_ Disciplinary Proceeding (each insured)

Aggregate: \$ \_\_\_\_\_ (each insured)

Deductible: \$ \_\_\_\_\_ per Disciplinary Proceeding

**Section II. LEGAL EXPENSE COVERAGE**

**How this endorsement protects you**

In consideration of the payment of premium and compliance with all terms of this Endorsement, and subject to the specific terms of the Professional Liability policy, we will reimburse you for any Legal Expenses you incur because of Disciplinary Proceedings brought against you.

**Who is an insured under this endorsement**

An insured can be any person or group of persons who is (1) listed on the declarations sheet and (2) licensed as a physician, surgeon or dentist.

**When you are covered**

Disciplinary Proceeding must meet the following requirements to qualify for coverage under this endorsement:

1. The Disciplinary Proceeding was instituted for the first time during the Policy Period.
2. You notified us within 30 days from the date a Disciplinary Proceeding was instituted.
3. On the initial effective date of this endorsement, you had no knowledge of any event or circumstance which you knew or would reasonably have believed might result in Legal Expenses covered by this endorsement.

33

API-238 (05/04)

seq no. (cont'd)**What this endorsement covers**

Subject to the terms and exclusions of this endorsement, we will reimburse you for Legal Expenses incurred as a result of any one of the following Disciplinary Proceedings:

1. A professional review action instituted against you by the professional review body of a health care entity with which you have clinical privileges or membership, which action is taken for the purpose of adversely affecting those clinical privileges or membership. The terms used in this paragraph are defined in 42 United States Code 11151 Section 431, Definitions.
2. Proceedings threatened or instituted against you by a state licensing authority for unprofessional conduct.
3. Proceedings instituted by a Professional Review Organization pursuant to parts 1004 and 1005 of title 42, Chapter V, Code of Federal Regulations to impose sanctions on you.
4. Proceedings instituted by a state Department of Health Services or the Federal Department of Health and Human Services alleging Medicare/Medicaid fraud and abuse by you or performance of medical services in excess of or in violation of guidelines for appropriate utilization of those services.
5. Proceedings instituted by a governmental agency alleging violation of HIPAA privacy regulations.

**What is payable under this endorsement**

We will reimburse you for 100% of any Legal Expenses exceeding the deductible. We will not pay more than the maximum shown on this endorsement for any one Disciplinary Proceeding. Even though a Disciplinary Proceeding may last longer than a policy period, that fact will not increase the maximum amount reimbursable for any one Disciplinary Proceeding.

There are certain Legal Expenses this endorsement does not cover. These exclusions apply even if they conflict with other terms of the policy or the endorsement. We will not reimburse you for Legal Expenses:

1. Incurred in a dispute about this insurance including questions as to whether Legal Expenses are reimbursable under this endorsement.
2. If the Legal Expenses arise out of any matter you conspired with another to institute or have instituted.
3. Incurred in defense of a criminal prosecution. Criminal prosecution means any governmental action for enforcement of criminal laws, including offenses, conviction for which could result in imprisonment.
4. Arising out of any matter other than a Disciplinary Proceeding.
5. Arising out of an application for initial placement on a medical staff.
6. Arising out of disputes over timely completion of medical records.

API-238 (05/04)

seq no. (cont'd)**Section III. GENERAL RULES AND CONDITIONS****Your duties if you have a Disciplinary Proceeding instituted against you**

You must notify us in writing within 30 days from the date a disciplinary proceeding is instituted.

**Appeals**

Appeals are considered to be part of the original Disciplinary Proceeding. All related Disciplinary Proceedings and all consolidated proceedings and proceedings arising out of the same events are considered as one Disciplinary Proceeding.

**Reimbursement**

You will be reimbursed only for Legal Expenses incurred for legal services actually rendered, and for associated expenses actually incurred.

**Recovery and Subrogation**

Should you effect subrogation or receive additional reimbursement of the legal expenses covered in this endorsement, you must reimburse us for any and all benefits paid to you under this endorsement. We are entitled, at our own expense, to sue or arbitrate in your name and receive all the rights and remedies you have against any party for Legal Expenses covered in this endorsement. You must give us all assistance in your power as we may require to secure those rights and remedies. In addition, you, at our request, must execute all documents necessary to enable us to effectively bring suit or demand arbitration in your name, including the execution and delivery of the customary form of loan receipt.

**Extended Reporting**

Your option to buy an extended reporting (tail) endorsement that extends the time for reporting claims, as specified under Section II. General Rules and Conditions of your policy, shall not apply to the coverages under this Legal Expense Endorsement.

**Section IV. ARBITRATION**

Any irreconcilable dispute between you and us is to be settled by arbitration in accordance with the then current rules of the American Arbitration Association. Judgment upon the award may be entered in any court having jurisdiction. The arbitrator has the power to decide any dispute between you and us concerning the application or interpretation of this endorsement. The arbitrator shall have no power to change or add to the provisions of this endorsement. Prior to the beginning of arbitration, each disputing party shall pay an equal share of the estimated cost of arbitration.

API-238 (05/04)

seq no. (cont'd)

**Section V. DEFINITIONS (when used in this endorsement)**

**Attorney**

An Attorney is an individual or group duly licensed to practice law at the time and place the legal services are rendered.

**Instituted**

Instituted, with regard to the beginning of any Disciplinary Proceeding against you, means the time you received formal written notice.

**Legal Expenses**

Legal expenses are an Attorney's fee for legal services rendered and any associated expenses. No judgment or expense other than for Legal Expenses of your attorney(s) shall be covered.

**Section VI. POLICY OF EXCLUSION AMENDED**

Because of this endorsement, Exclusion (5) of the policy is amended to conform to the terms of this endorsement. However, we will not pay any money for fines or penalties which you must pay because of a Disciplinary Proceeding.

ER



American Physicians Insurance Company

FAX 501-371-2618

May 8, 2008

**RECEIVED**

MAY 09 2008

Edith Roberts  
Senior Rate and Form Analyst  
Arkansas Insurance Department  
Property and Casualty Division  
1200 West Third Street  
Little Rock, AR 72201

PROPERTY AND CASUALTY DIVISION  
ARKANSAS INSURANCE DEPARTMENT

Re: Rate Filing – Physicians and Dentists Medical Professional Liability  
Company – American Physicians Insurance Company, NAIC #32557  
Company Tracking No. 2008-02 AR  
Arkansas Insurance Department Filing No. Unknown

Dear Ms. Roberts:

The above referenced filing was delivered via Federal Express to the Arkansas Insurance Department on May 6, 2008.

We have since found an error in the original submission of rate table pages. As indicated in the separate Rules filing, Company Filing No. 2008-03 AR, Section 7.D., the rating year step factors are as follows:

- Year 1 20%
- Year 2 50%
- Year 3 75%
- Year 4 100%

Please substitute the attached rate pages that reflect the above rating year step factors instead of those originally submitted that inadvertently showed a five-year maturity rate.

Please call me or email at [jshepperd@api-c.com](mailto:jshepperd@api-c.com) if you have any questions.

Sincerely,

Judy Shepperd  
Compliance Officer

37

12:53:33 May 08 2008

AMERICAN PHYSICIANS INSURANCE COMPANY  
Austin, Texas

Proposed Claims-Made Rates

Basic Limits \$1,000,000 / \$3,000,000  
RPC Calculated at 150%

State of Arkansas  
New Business Effective: July 05, 2008  
Renewals Effective.....: July 05, 2008

BASE PREMIUM	SCDL	TERR 0	INPUT Relativity Factors	
			Table Type.....	ref.
		4,300		
		1	1.0000	
		1A	1.1000	
		2	1.7930	
		3	2.1370	
		5	2.6530	
		5A	3.1840	
		6	2.2500	
		9	3.2830	
		10	5.9780	
		11	0.1304	
		12	0.2771	
		13	0.7716	
		15	0.3117	
		16	0.2717	
		17	1.3900	
		21	0.2174	
		36	1.0870	
		37	1.4130	
		41	3.5370	
		42	2.5970	
		45	1.0869	
		46	0.1358	
		47	0.4619	
		48	0.4619	

\*\* NOTE  
Territory 0: Arkansas

Rate comparison is based on rates effective 12-01-2001.						
STEP RATES	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6
Premium:	0.200	0.500	0.750	1.000	1.000	1.000
RPC ....:	* 150%	* 150%	* 150%	* 150%	* 150%	* 150%

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14:16:15 05-05-08

American Physicians Insurance Company  
Austin, Texas  
Proposed Limit Relativities - State of Arkansas

LIMITS....	LIMITS \$1,000 EACH/AGG/DED/TYP.	LIMIT FACTOR
Ar06	100/300	1.0000
Ar08	200/600	1.4490
Ar20	500/1000	2.0475
Ar40	1000/1000	2.3900
Ar50	1000/3000	2.5500
Ar2N	2000/4000	3.0090
ArCM	3000/5000	3.3150

7 records listed

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12:53:33 May 08 2008

AMERICAN PHYSICIANS INSURANCE COMPANY  
Austin, Texas

## Proposed Claims-Made Rates

Basic Limits \$1,000,000 / \$3,000,000  
RPC Calculated at 150%

State of Arkansas  
New Business Effective: July 05, 2008  
Renewals Effective....: July 05, 2008

## Rating Territory 0

SCHEDULE 1	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
PREMIUM	2,193	5,483	8,224	10,965	10,965
RPC	3,290	8,224	12,336	16,448	16,448
SCHEDULE 1A	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
PREMIUM	2,412	6,031	9,046	12,062	12,062
RPC	3,618	9,046	13,571	18,092	18,092
SCHEDULE 2	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
PREMIUM	3,932	9,830	14,745	19,661	19,661
RPC	5,898	14,745	22,120	29,491	29,491
SCHEDULE 3	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
PREMIUM	4,686	11,716	17,574	23,432	23,432
RPC	7,030	17,576	26,362	35,148	35,148

12:53:33 May 08 2008

AMERICAN PHYSICIANS INSURANCE COMPANY  
Austin, Texas

## Proposed Claims-Made Rates

Basic Limits \$1,000,000 / \$3,000,000  
RPC Calculated at 150%

State of Arkansas  
New Business Effective: July 05, 2008  
Renewals Effective.....: July 05, 2008

## Rating Territory 0

SCHEDULE 5	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
PREMIUM	5,818	14,545	21,818	29,090	29,090
RPC	8,729	21,818	32,727	43,636	43,636

SCHEDULE 5A	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
PREMIUM	6,982	17,456	26,184	34,912	34,912
RPC	10,473	26,186	39,275	52,368	52,368

SCHEDULE 6	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
PREMIUM	4,934	12,336	18,503	24,671	24,671
RPC	7,401	18,505	27,754	37,007	37,007

SCHEDULE 9	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
PREMIUM	7,200	17,999	26,999	35,998	35,998
RPC	10,798	27,001	40,499	53,998	53,998

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AMERICAN PHYSICIANS INSURANCE COMPANY  
Austin, Texas

## Proposed Claims-Made Rates

Basic Limits \$1,000,000 / \$3,000,000  
RPC Calculated at 150%

State of Arkansas  
New Business Effective: July 05, 2008  
Renewals Effective....: July 05, 2008

## Rating Territory 0

SCHEDULE 10	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
PREMIUM	13,110	32,774	49,161	65,548	65,548
RPC	19,664	49,163	73,742	98,322	98,322

SCHEDULE 11	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
PREMIUM	286	715	1,073	1,431	1,431
RPC	428	1,075	1,610	2,146	2,146

SCHEDULE 12	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
PREMIUM	608	1,520	2,280	3,040	3,040
RPC	910	2,280	3,420	4,559	4,559

SCHEDULE 13	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
PREMIUM	1,692	4,230	6,346	8,461	8,461
RPC	2,540	6,346	9,520	12,691	12,691

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AMERICAN PHYSICIANS INSURANCE COMPANY  
Austin, Texas

## Proposed Claims-Made Rates

Basic Limits \$1,000,000 / \$3,000,000  
RPC Calculated at 150%

State of Arkansas  
New Business Effective: July 05, 2008  
Renewals Effective.....: July 05, 2008

## Rating Territory 0

SCHEDULE 15	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
PREMIUM	683	1,709	2,563	3,417	3,417
RPC	1,025	2,563	3,844	5,126	5,126

SCHEDULE 16	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
PREMIUM	596	1,489	2,234	2,978	2,978
RPC	895	2,234	3,351	4,468	4,468

SCHEDULE 17	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
PREMIUM	3,048	7,621	11,431	15,241	15,241
RPC	4,571	11,433	17,147	22,862	22,862

SCHEDULE 21	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
PREMIUM	477	1,192	1,788	2,384	2,384
RPC	715	1,790	2,681	3,576	3,576

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AMERICAN PHYSICIANS INSURANCE COMPANY  
Austin, Texas

## Proposed Claims-Made Rates

Basic Limits \$1,000,000 / \$3,000,000  
RPC Calculated at 150%

State of Arkansas  
New Business Effective: July 05, 2008  
Renewals Effective....: July 05, 2008

## Rating Territory 0

SCHEDULE 36	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
PREMIUM	2,384	5,959	8,939	11,919	11,919
RPC	3,576	8,939	13,410	17,878	17,878

SCHEDULE 37	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
PREMIUM	3,099	7,747	11,620	15,494	15,494
RPC	4,647	11,620	17,431	23,241	23,241

SCHEDULE 41	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
PREMIUM	7,757	19,391	29,087	38,783	38,783
RPC	11,636	29,089	43,632	58,174	58,174

SCHEDULE 42	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
PREMIUM	5,695	14,238	21,357	28,476	28,476
RPC	8,541	21,359	32,034	42,714	42,714

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12:53:33 May 08 2008

AMERICAN PHYSICIANS INSURANCE COMPANY  
Austin, Texas

## Proposed Claims-Made Rates

Basic Limits \$1,000,000 / \$3,000,000  
RPC Calculated at 150%

State of Arkansas  
New Business Effective: July 05, 2008  
Renewals Effective.....: July 05, 2008

## Rating Territory 0

SCHEDULE 45	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
PREMIUM	2,384	5,959	8,939	11,919	11,919
RPC	3,576	8,939	13,410	17,878	17,878
SCHEDULE 46	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
PREMIUM	298	745	1,117	1,489	1,489
RPC	448	1,117	1,675	2,234	2,234
SCHEDULE 47	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
PREMIUM	1,013	2,532	3,798	5,064	5,064
RPC	1,519	3,798	5,699	7,596	7,596
SCHEDULE 48	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
PREMIUM	1,013	2,532	3,798	5,064	5,064
RPC	1,519	3,798	5,699	7,596	7,596

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ER

# 133379  
50.00



American Physicians Insurance Company

Federal Express Delivery

ARKS-125636564

May 5, 2008

The Honorable Julie Benafield Bowman  
Commissioner of Insurance  
Arkansas Insurance Department  
1200 West Third Street  
Little Rock, AR 72201

Attn: Edith Roberts, Senior Rate and Form Analyst

Re: Form Filing – Physicians and Dentists Medical Professional Liability  
Company – American Physicians Insurance Company, NAIC #32557  
Company Filing No. 2008-01 AR

Dear Ms. Roberts:

We hereby respectfully submit this Physicians and Dentists Medical Professional Liability Forms filing with a requested effective date of July 5, 2008.

Please also find enclosed form PC TD-1 and a check in the amount of \$50.00 for the filing fee.

Please note that the policy Conditions forms are used countrywide and statutes specific to Arkansas law are part of Arkansas Amendatory Endorsement API-291.

Your acknowledgement of this filing by stamping and returning a copy of this letter in the enclosed postage-paid return envelope will be greatly appreciated. If you have any questions, please do not hesitate to call.

Sincerely,

Judy Shepperd  
Compliance Officer

RECEIVED  
MAY 06 2008

PROPERTY AND CASUALTY DIVISION  
ARKANSAS INSURANCE DEPARTMENT

46

Property & Casualty Transmittal Document

Reset Form

**1. Reserved for Insurance Dept. Use Only**

**2. Insurance Department Use only**

a. Date the filing is received:

b. Analyst:

c. Disposition:

d. Date of disposition of the filing:

e. Effective date of filing:

New Business

Renewal Business

f. State Filing #:

g. SERFF Filing #:

h. Subject Codes

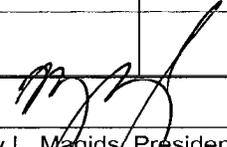
**3. Group Name** **Group NAIC #**

0000

4. Company Name(s)	Domicile	NAIC #	FEIN #	State #
American Physicians Insurance Company	Texas	32557	75-1517531	Texas

**5. Company Tracking Number** 2008-01 AR

Contact Info of Filer(s) or Corporate Officer(s) [include toll-free number]

6. Name and address	Title	Telephone #s	FAX #	e-mail
Judy Shepperd 1301 S. Capital of Texas Highway, Suite C300 Austin, Texas 78746	Compliance Officer	512-314-4396; 1-800-252-3628 ext 4396	512-314-4398	jshepperd@api-c.com
<b>RECEIVED</b>				
7. Signature of authorized filer				
8. Please print name of authorized filer		Maury L. Magids, President		

1 MAY 06 2008

Filing information (see General Instructions for descriptions of these fields) **PROPERTY AND CASUALTY DIVISION**

9. Type of Insurance (TOI)	11.1 Med Mal-Claims Made Only	<b>ARKANSAS INSURANCE DEPARTMENT</b>
10. Sub-Type of Insurance (Sub-TOI)	11-1023 Physicians + Surgeons	
11. State Specific Product code(s)(if applicable)[See State Specific Requirements]		
12. Company Program Title (Marketing title)		
13. Filing Type	<input type="checkbox"/> Rate/Loss Cost <input type="checkbox"/> Rules <input type="checkbox"/> Rates/Rules <input checked="" type="checkbox"/> Forms <input type="checkbox"/> Combination Rates/Rules/Forms <input type="checkbox"/> Withdrawal <input type="checkbox"/> Other (give description)	
14. Effective Date(s) Requested	New: 7-5-2008	Renewal: 10-1-2008
15. Reference Filing?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
16. Reference Organization (if applicable)		
17. Reference Organization # & Title		
18. Company's Date of Filing	5-5-2008	
19. Status of filing in domicile	<input checked="" type="checkbox"/> Not Filed <input type="checkbox"/> Pending <input type="checkbox"/> Authorized <input type="checkbox"/> Disapproved	

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## Property & Casualty Transmittal Document—

20. This filing transmittal is part of Company Tracking # 2008-01 AR

21. Filing Description [This area can be used in lieu of a cover letter or filing memorandum and is free-form text]

American Physicians Insurance Company (API) submits new policy forms for its Physicians and Dentists program in Arkansas.

[View Complete Filing Description](#)

22. Filing Fees (Filer must provide check # and fee amount if applicable)  
[If a state requires you to show how you calculated your filing fees, place that calculation below]

Check #: 133379

Amount: 50.00

Refer to each state's checklist for additional state specific requirements or instructions on calculating fees.

\*\*\*Refer to the each state's checklist for additional state specific requirements (i.e. # of additional copies required, other state specific forms, etc.)

PC TD-1 pg 2 of 2

## FORM FILING SCHEDULE

(This form must be provided ONLY when making a filing that includes forms)  
 (Do not refer to the body of the filing for the forms listing, unless allowed by state.)

<b>1.</b>	<b>This filing transmittal is part of Company Tracking #</b>	2008-01 AR			
<b>2.</b>	<b>This filing corresponds to rate/rule filing number</b> <small>(Company tracking number of rate/rule filing, if applicable)</small>	2008-02 AR; 2008-03 AR			
<b>3.</b>	<b>Form Name /Description/Synopsis</b>	<b>Form # Include edition date</b>	<b>Replacement Or withdrawn?</b>	<b>If replacement, give form # it replaces</b>	<b>Previous state filing number, if required by state</b>
01	Policy Form (Conditions)	API-COND(07/08)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
02	Policy Form (Conditions - Single Limit)	API-COND-SL(07/08)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
03	Declarations Sheet Individual Policy	UW DECIND (07/08)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
04	Declarations Sheet Individual Policy ([with Solo Group)	UW DECINDG (07/08)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
05	Declarations Sheet Group Policy	UW DECGRPSEP (07/08)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
06	Declarations Sheet Group Policy (Single Limit)	UW DECGSIN (07/08)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
07	Declarations-Schedule of Insureds	UW -SCHSEP (07/08)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
08	Declarations-Schedule of Insureds (Single Limit)	UW-SCHSL (04/07)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
09	Amended Limits of Coverage Endorsement	API-201 (07/06)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
10	Amended Limits of Coverage Endorsement-Single Limit Policy	API-202 (07/08)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		

PC FFS-1

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## FORM FILING SCHEDULE

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<b>1.</b>	<b>This filing transmittal is part of Company Tracking #</b>	2008-01 AR
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<b>2.</b>	<b>This filing corresponds to rate/rule filing number</b> <small>(Company tracking number of rate/rule filing, if applicable)</small>	2008-02 AR; 2008-03 AR
-----------	--	------------------------

3.	Form Name /Description/Synopsis	Form # Include edition date	Replacement Or withdrawn?	If replacement, give form # it replaces	Previous state filing number, if required by state
01	Affiliated Insured Endorsement	API-203 (07/08)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
02	Change of Address Endorsement	API-204 (05/03)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
03	Change of Policy Dates Endorsement	API-205 (05/03)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
04	Limited Practice - Places of Employment or Work Endorsement	API-206 (05/03)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
05	Limited Practice - Changes in Places of Employment or Work Endorsement	API-207 (05/03)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
06	Classification Change(s) Endorsement	API-208 (09/06)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
07	Excluded Procedures Endorsement	API-209 (05/03)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
08	Change of Territory Endorsement	API-211 (05/03)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
09	Retroactive (PriorActs) Coverage Endorsement	API-213 (05/03)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
10	Include / Delete Physician Extender Endorsement	API-215 (07/08)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		

PC FFS-1

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## FORM FILING SCHEDULE

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<b>2.</b>	<b>This filing corresponds to rate/rule filing number</b> <small>(Company tracking number of rate/rule filing, if applicable)</small>	2008-02 AR; 2008-03 AR

3.	Form Name /Description/Synopsis	Form # Include edition date	Replacement Or withdrawn?	If replacement, give form # it replaces	Previous state filing number, if required by state
01	Extended Reporting (Tail) Endorsement	API-216 (07/08)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
02	Policy Tail Endorsement	API-217 (05/03)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
03	Extended Reporting (Tail) Due to Death Endorsement	API-218 (05/03)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
04	Extended Reporting (Tail) Due to Retirement Endorsement	API-219 (05/03)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
05	Extended Reporting (Tail) Due to Disability Endorsement	API-220 (05/03)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
06	Suspension of Coverage Endorsement	API-221 (05/03)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
07	Resumption of Coverage Endorsement	API-222 (05/03)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
08	Locum Tenens Endorsement	API-223 (04/07)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
09	Addition of Solo Professional Association or Professional Corporation Endorsement	API-224 (02/04)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
10	Sole Agent Endorsement	API-225 (06/04)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		

PC FFS-1

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## FORM FILING SCHEDULE

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<b>1.</b>	<b>This filing transmittal is part of Company Tracking #</b>	2008-01 AR
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<b>2.</b>	<b>This filing corresponds to rate/rule filing number</b> <small>(Company tracking number of rate/rule filing, if applicable)</small>	2008-02 AR; 2008-03 AR
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<b>3.</b>	<b>Form Name /Description/Synopsis</b>	<b>Form # Include edition date</b>	<b>Replacement Or withdrawn?</b>	<b>If replacement, give form # it replaces</b>	<b>Previous state filing number, if required by state</b>
01	Specified Employment - Liability Exclusion Endorsement	API-226 (05/03)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
02	Change of Name Endorsement	API-227 (05/03)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
03	Teaching Endorsement	API-228 (05/03)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
04	Amended Retirement Conditions Endorsement	API-229 (03/04)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
05	Deleted Endorsement	API-230 (05/03)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
06	Change of Premium Endorsement	API-231 (05/03)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
07	Amended Coverage / Conditions Endorsement	API-232 (05/03)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
08	Named Insured Health Care Provider Endorsement (Other Than Physician / Dentist) Endorsement	API-233 (5/03)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
09	Amended Coverage Agreements Endorsement Major Medical Incidents	API-234 (02/04)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
10	Additional Liability Endorsement	API-235 (07/08)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		

PC FFS-1

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## FORM FILING SCHEDULE

(This form must be provided ONLY when making a filing that includes forms)  
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<b>1.</b>	<b>This filing transmittal is part of Company Tracking #</b>	2008-01 AR
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<b>2.</b>	<b>This filing corresponds to rate/rule filing number</b> <small>(Company tracking number of rate/rule filing, if applicable)</small>	2008-02 AR; 2008-03 AR
-----------	--	------------------------

3.	Form Name /Description/Synopsis	Form # Include edition date	Replacement Or withdrawn?	If replacement, give form # it replaces	Previous state filing number, if required by state
01	Legal Expense Endorsement (Dentists)	API-238 (05/03)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
02	Deductible - Indemnity Costs Only Endorsement	API-243 (11/03)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
03	Deductible - Indemnity and Legal Costs (Specified by Procedure) Endorsement	API-244 (01/07)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
04	Deductible - Indemnity and Legal Costs Annual Aggregate Endorsement	API-245 (11/03)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
05	Internship, Residency, or Fellowship Program Exclusionary Endorsement	API-247 (08/03)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
06	Contractual Liability Endorsement	API-248 (08/03)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
07	Limitation of Coverage Endorsement	API-249 (11/07)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
08	Experience Renewal Credit Endorsement	API-252 (04/07)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
09	Amended Physician Extender Definition Endorsement	API-253 (07/08)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
10	Vicarious Liability Endorsement Former Employees/Partners Endorsement	API-257 (02/04)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		

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## FORM FILING SCHEDULE

(This form must be provided ONLY when making a filing that includes forms)  
 (Do not refer to the body of the filing for the forms listing, unless allowed by state.)

<b>1.</b>	<b>This filing transmittal is part of Company Tracking #</b>	2008-01 AR
<b>2.</b>	<b>This filing corresponds to rate/rule filing number</b> <small>(Company tracking number of rate/rule filing, if applicable)</small>	2008-02 AR; 2008-03 AR

3.	Form Name /Description/Synopsis	Form # Include edition date	Replacement Or withdrawn?	If replacement, give form # it replaces	Previous state filing number, if required by state
01	Legal Expense and Fines and Penalties Endorsement for Physicians and Surgeons	API-271 (01/05)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
02	Amended Exclusions Endorsement (Medical Director)	API-272 (12/07)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
03	Ancillary Personnel Endorsement	API-273 (07/08)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
04	Limited Scope of Coverage Endorsement	API-274 (06/06)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
05	Incident Trigger Endorsement	API-279 (12/06)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
06	Reporting Rights for Terminated Physicians Endorsement	API-281 (10/06)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
07	Slot Policy Endorsement	API-286 (10/07)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
08	Accidental Death and Dismemberment (AD&D) Coverage Endorsement	API-287 (11/07)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
09	Delete Named Insured Endorsement	API-289 (10/07)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
10	Add Named Insured Endorsement	API-290 (10/07)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		

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## FORM FILING SCHEDULE

(This form must be provided ONLY when making a filing that includes forms)  
 (Do not refer to the body of the filing for the forms listing, unless allowed by state.)

<b>1.</b>	<b>This filing transmittal is part of Company Tracking #</b>	2008-01 AR
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<b>2.</b>	<b>This filing corresponds to rate/rule filing number</b> <small>(Company tracking number of rate/rule filing, if applicable)</small>	2008-02 AR; 2008-03 AR
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3.	Form Name /Description/Synopsis	Form # Include edition date	Replacement Or withdrawn?	If replacement, give form # it replaces	Previous state filing number, if required by state
01	Arkansas Amendatory Endorsement	API-291 (07/08)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
02	API Endorsements Index Arkansas		<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
03	Notice (Act 197 of 1987)	MSD-13 (03/07)	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	MSD-13	
04			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
05			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
06			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
07			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
08			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
09			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
10			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		

PC FFS-1

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American Physicians Insurance Company

# POLICY FORM

THIS IS A NON-ASSESSABLE CLAIMS-MADE POLICY

IMPORTANT – PLEASE READ CAREFULLY:

*This is a Claims-Made Policy. Coverage is limited to those claims of loss or damages arising from professional services performed on or after the retroactive date of this policy which are reported to us while this policy is still in force. Any claim which is first reported to us after continuous coverage with API has lapsed will not be covered unless you have obtained an indefinite reporting (tail) endorsement.*

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**Section III.**

**Definitions**

**14-16**

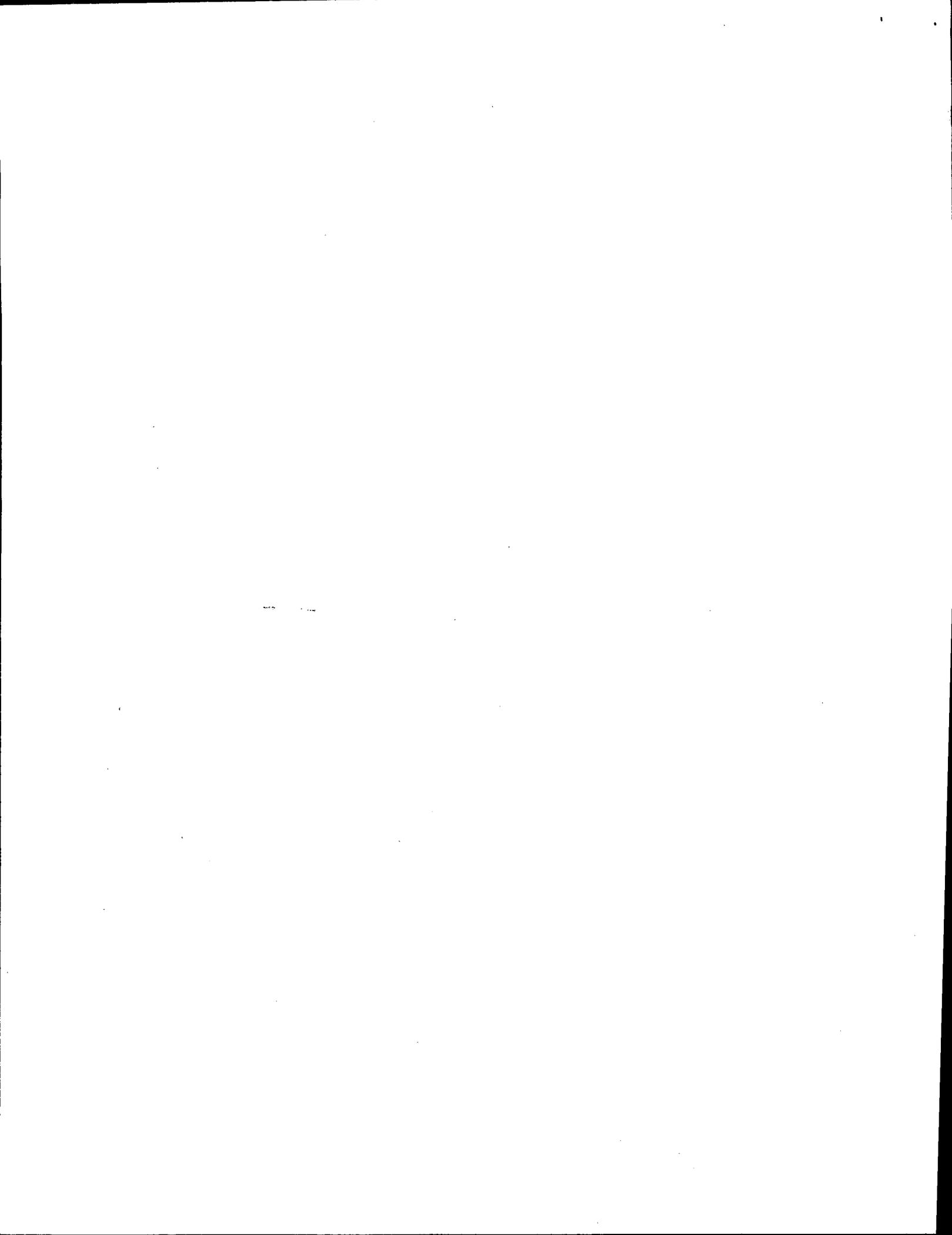
## Section I. Professional Liability Coverage

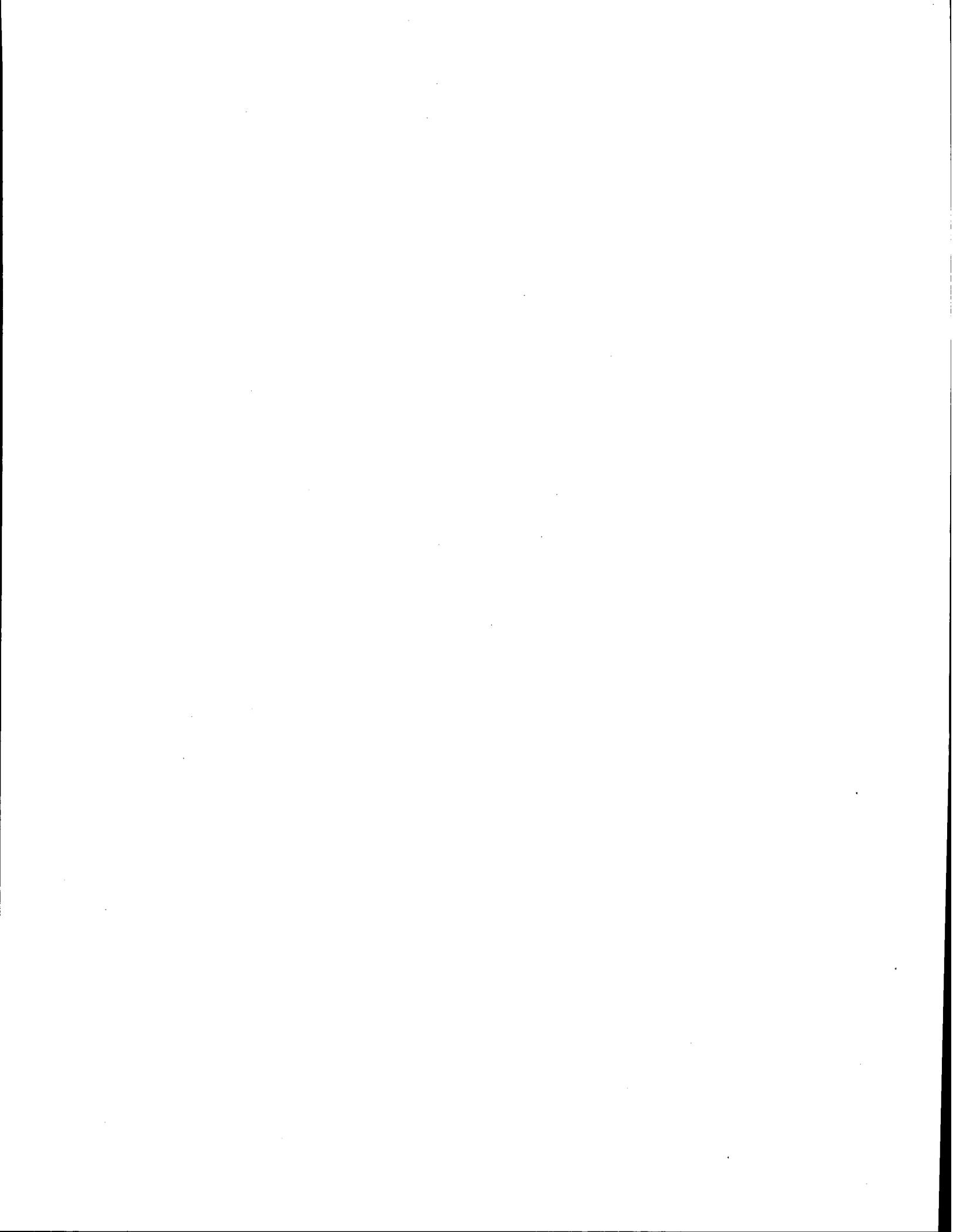
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### How this policy protects you

In consideration of the payment of premium and compliance with all terms of this policy, and subject to the specific terms, conditions and exclusions contained in this policy, we will defend and provide insurance protection against covered **claims** for **damages** which are brought against a **named insured, ancillary personnel, or physician extenders** who are named in an **endorsement** and for whom coverage is provided in the **declarations sheet** and/or **endorsements**. In particular, we will do the following:

- (1) We will defend any lawsuit brought against you for **claims** for **damages** covered by this policy. We will do this even if the lawsuit is groundless or fraudulent. We have the right to investigate any lawsuit or **claim** if we think that is appropriate, but we will not settle any lawsuit or **claim** without the authorized representative of the **first named insured's** prior written consent.
  - (2) We will pay all costs of defending a lawsuit including the costs of your defense counsel whom we will select for you. The payment of defense costs does not reduce your limits of coverage. You may have your personal counsel to advise you, but we have no obligation to pay attorney's fees or costs of your personal counsel.
  - (3) We will pay all costs a court may impose against you in any lawsuit except penalties imposed for contempt of court, sanctions or other willful failure on your part to comply with any court order.
  - (4) We will pay interest on the entire amount of any judgment for covered **loss or damage** which accrues after the entry of the judgment and before we have paid or tendered or deposited in court such part of such judgment that does not exceed the limit of coverage.
  - (5) We will pay all premiums on bonds to release attachments and all premiums on appeal bonds (in any appeal that we determine to take) required in any such defended lawsuit, up to the limits of coverage under the policy. If the judgment exceeds policy limits, you are required to pay that portion of the appeal bond attributable to the excess amount.
  - (6) We will reimburse you for all reasonable out-of pocket expenses you incur at our request in assisting us in the investigation or defense of any **claim** or lawsuit.
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**Who is an insured under this policy**

A **named insured**, **ancillary personnel**, or **physician extender** who is named in an **endorsement** as defined in Section III. and coverage provided in the **declarations sheet** and/or **endorsements** is insured under this policy. When more than one **named insured** is named, the authorized representative of the **first named insured** has special rights and duties which are explained in Section II. of this policy.

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**When you are covered**

A **claim** must meet two initial requirements to qualify for coverage under this policy:

- (1) The **claim** must result from **professional services** which you provided or which you should have provided on or after the **retroactive date** stated on your **declarations sheet**; and
- (2) The **claim** must be made for the first time during the policy period. A **claim**, potential claim, **incident**, or lawsuit reported to a previous insurer is not covered. Furthermore, under no circumstances or event will any coverage under this policy apply to any **claim**, potential claim, **incident**, or lawsuit which is known or which may arise out of any **incident** which is known by any **named insured**, **physician extender**, or **ancillary personnel** as of the **API effective date**.

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**When a claim is made**

A **claim** is only made on the date we receive, at our **home office**, your first written report to us of your receipt of written notice of liability **claim** or intent to sue.

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**What this policy covers**

Subject to the terms, conditions, and exclusions of this policy, we will pay on your behalf **damages** you are legally obligated to pay resulting from:

- (1) The **professional services** which you personally provided or should have provided to your patients; and
- (2) The **professional services** provided or which should have been provided by others for whom the group or you are legally responsible, except for employed or contracted physicians, surgeons, dentists, or **physician extenders**, unless they are named in an **endorsement** and the required premium for them is paid.

- (2) Your **professional service** on a formal medical or dental accreditation board or any similar committee responsible for making decisions regarding credentials or privileges.

### Limits of your coverage

---

Two limits apply to the amount we will pay for covered **claims**. The "each loss" and "aggregate" limits are defined below. The amounts are stated on the **declarations sheet** and/or schedule of insureds or applicable **endorsement(s)**.

**Each loss limit.** The "each loss" limit is the most we will pay for all **claims** and **damages** arising out of or in connection with all **professional services** rendered to an individual patient while you are insured by us. This includes all covered **claims** for **damages**, including prejudgment interest on any judgment rendered against you, resulting from an **incident**, or series of related services, causing injury or death, regardless of the number of: (a) persons injured; (b) **claims** made; (c) claimants making **claims**; or (d) subsequent related **claims**. The limits of coverage are not increased because a course of treatment extended over more than one policy period or arises out of continuing treatment.

**Aggregate limit.** The "aggregate" limit is the most we will pay for all claims made and reported during the policy period or during the entire period of any indefinite reporting endorsement. Coverage will cease upon exhaustion of the "aggregate" limit. X

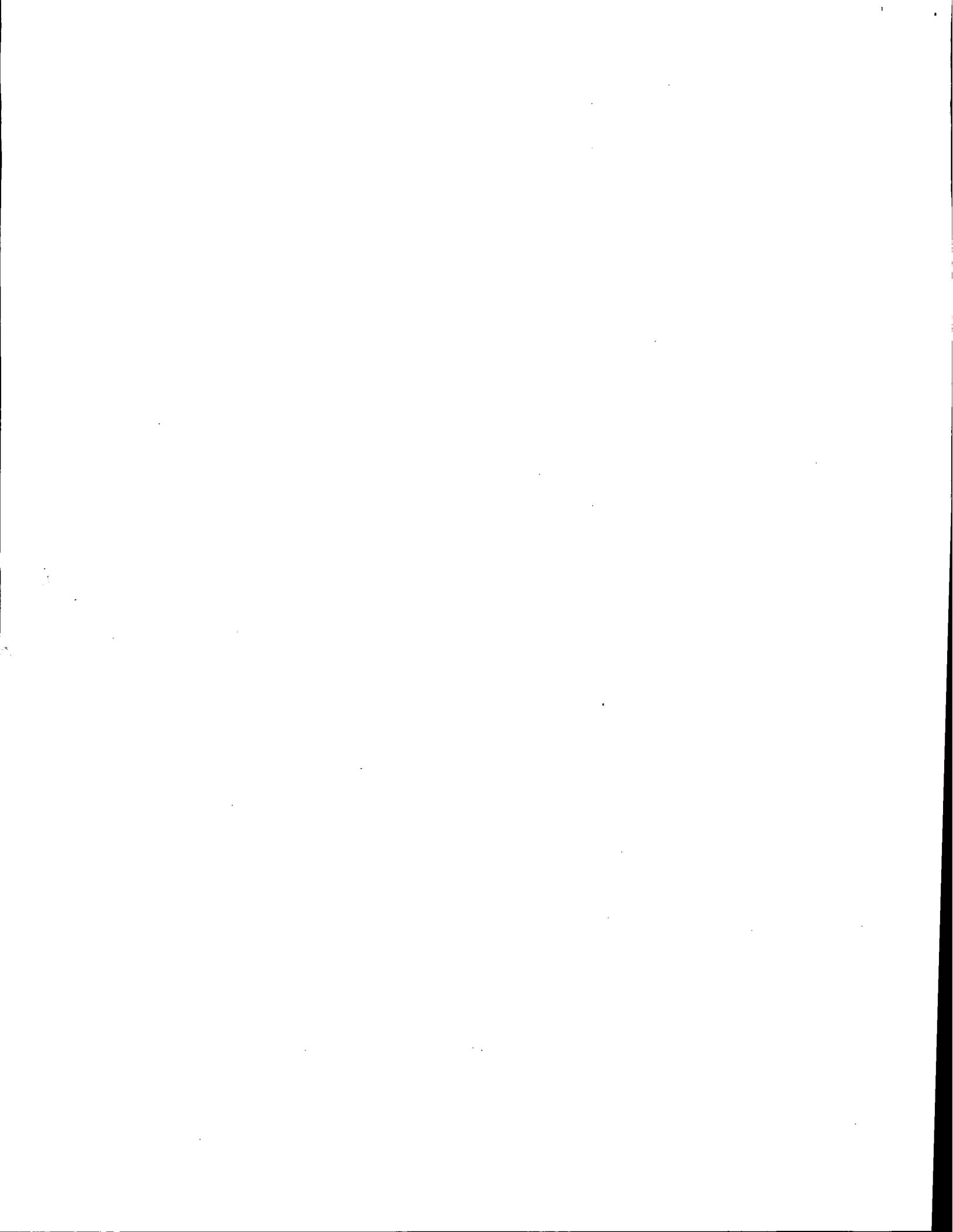
**Group coverage.** If group coverage is provided, refer to the policy **declarations sheet**.

### Exclusions What this policy does not cover

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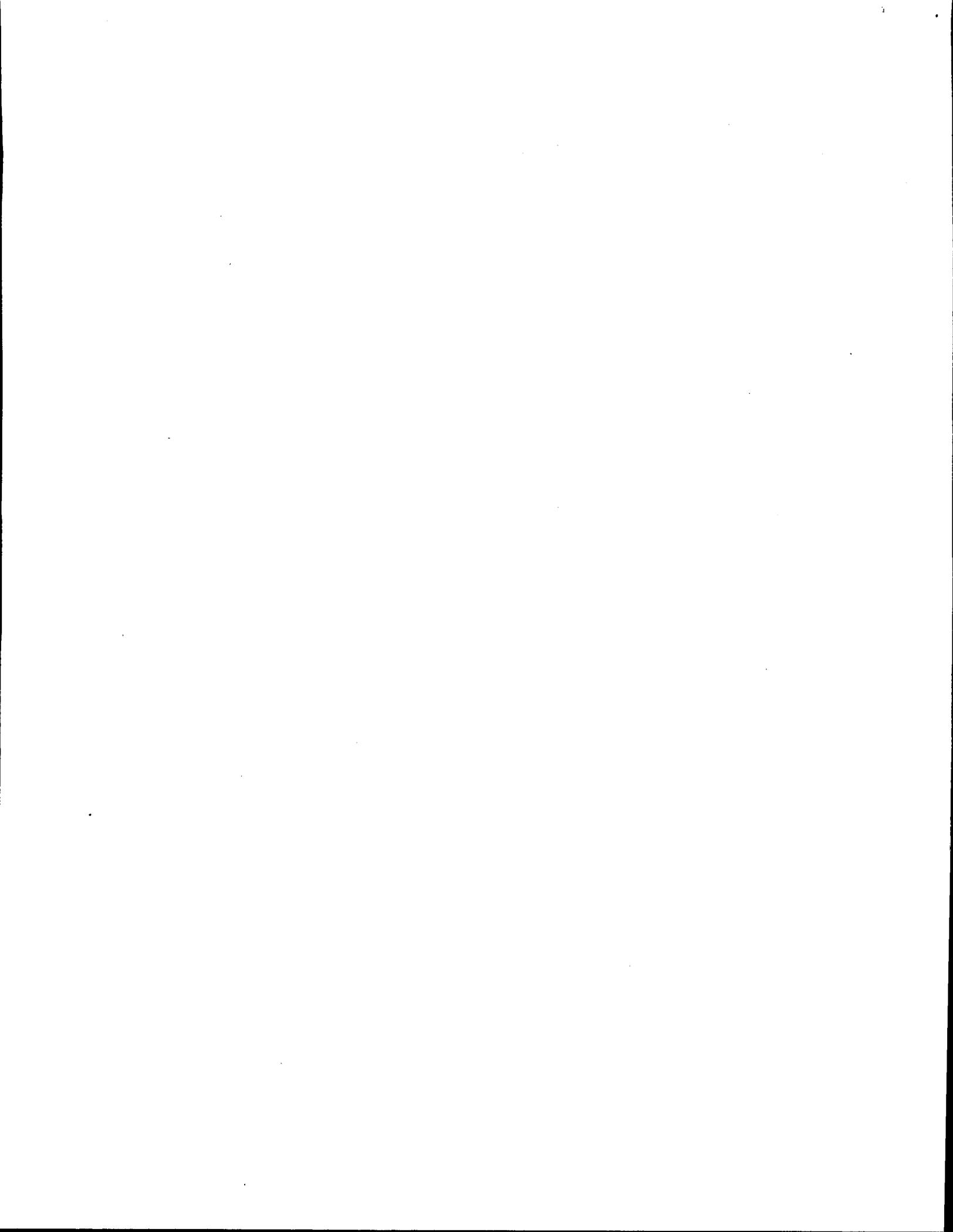
There are certain **claims** which this policy does not cover. These **exclusions** apply even if they conflict with other terms of this policy.

- (1) **Exclusions for status liability.** We will not cover any **claims** made against you for positions such as a proprietor, medical director, hospital administrator, risk manager, peer review member, supervisor, owner, operator, officer, shareholder, partner, agent or member of the board of directors, trustees or governors of any hospital, infirmary, health maintenance organization, abortion clinic, blood bank, drug abuse center, surgery center, ambulatory care center, physical therapy center, weight control center, sanitarium, clinic with bed and board facilities, nursing home, laboratory or any business enterprise, whether or not related to patient care or treatment. The term laboratory in this exclusion does not apply to any radiological or pathological laboratory used



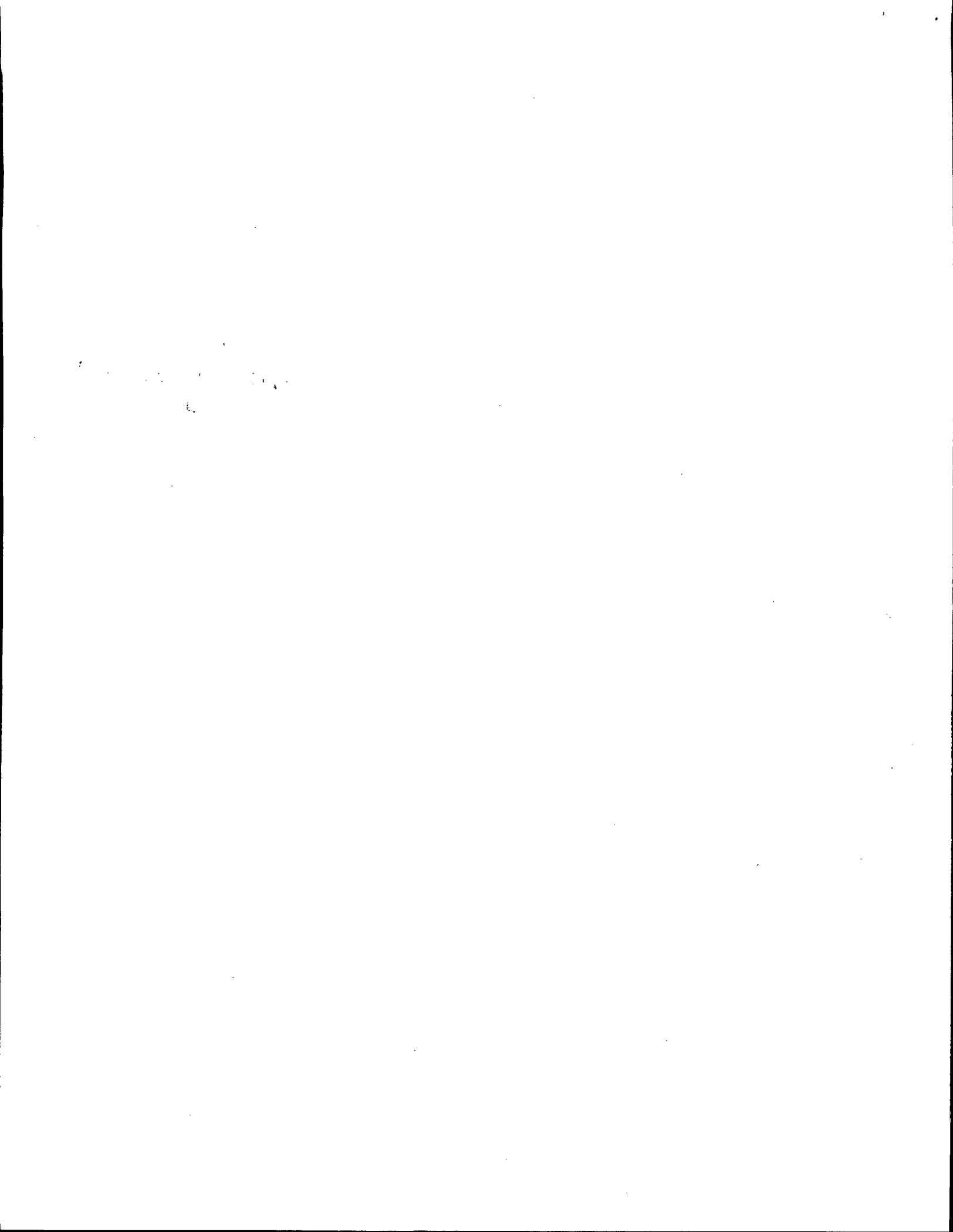
exclusively as part of your professional practice as a radiologist or pathologist.

- (2) **Exclusion for sexual misconduct.** We will not cover any **claims** made against you, whether the injury or **damage** itself was intended or not, which arises out of any sexual act.
- (3) **Exclusion for violation of law.** We will not cover any **claims** made against you, whether the injury or **damage** was intended or not, which arises out of an act or omission in violation of the penal code or criminal statutes in the jurisdiction in which the act occurred.
- (4) **Exclusion for intoxicants or narcotics.** We will not cover any **claims** made against you while practicing under the influence of intoxicants or narcotics including, but not limited to, alcoholic substances or any controlled substances or dangerous drugs as defined by the state penal code or criminal statutes.
- (5) **Exclusion for matters of medical or dental licensure, credentials or privileges.** We will not cover any action, inquiry, hearing or other proceeding before any board, committee, agency, regulatory or other entity for matters involving your medical or dental licensure, credentials or privileges, even if such matters arise out of **professional services** which may otherwise be covered under this policy unless such coverage is provided by **endorsement**. We also will not pay any money for fines, penalties or other claims which may result from any such matters unless such coverage is provided by **endorsement**.
- (6) **Exclusion for injuries to your employees.** We will not cover any **claims** made against you for injuries to persons employed by you or your group unless they are patients of yours injured as a result of an incident which is covered under this policy.
- (7) **Exclusion for workers' compensation claims.** We will not cover any **claims** made against **you** which arise out of any workers' compensation, unemployment compensation, disability benefits or any similar law.
- (8) **Exclusion for contractual obligations.** We will not cover any **claims** made against you for liability you assume by contract or agreement, including, but not limited to, any kind of indemnity or hold harmless agreement, unless you would have had that liability in the absence of such a contract or agreement.
- (9) **Exclusion for violation of license restrictions.** We will not cover any **claims** made against you arising from conduct which would violate any restriction imposed on your license to practice or to prescribe and dispense controlled substances.
- (10) **Exclusion for goods or products.** We will not cover any



**claims** made against you arising from product liability **claims** including, but not limited to, any goods or products developed, manufactured, assembled, sold, purchased, shipped or distributed by you or others trading under your name or on your behalf.

- (11) **Exclusion for antitrust, deceptive trade practice, or similar violations.** We will not cover any **claims** made against you for **damages**, fines or penalties awardable under any applicable antitrust, deceptive trade practice, or any similar federal or state law and/or regulation.
- (12) **Exclusion for fee disputes.** We will not cover any claims made against you arising out of any dispute over fees for **professional services**.
- (13) **Exclusion for punitive or exemplary damages.** We will not cover any **claims** made against you for any **punitive or exemplary damages**. *defined in definitions*
- (14) **Exclusion for intentional acts.** We will not cover any **claims** made against you for any injury or **damage**, whether the injury or **damage** itself was intended or not, which in whole or in part, arises out of an intentional tort.
- (15) **Exclusion for implied warranty.** We will not cover any **claims** made against you for breach of an implied or expressed warranty to perform services in a good and workmanlike manner.
- (16) **Exclusion for premises.** We will not cover any **claims** made against you for any injury or **damage** relating to any premises where you practice all or part of **your** medical or dental practice.
- (17) **Exclusion for other claims.** We will not cover any **claims** made against you for any injury or **damage** covered under a workers' compensation, automobile, fire, or general liability policy, or insurable under such a policy.



## Section II. General Rules and Conditions

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### Your duties if you have a claim

If someone places you on written notice of a **claim** or serves you with lawsuit papers, you must immediately notify us in writing. You must also:

- (1) Tell us what happened and provide us with details of the specific circumstances of the **claim**. Specific circumstances would include the date, time and place of the event, the identity of individuals involved, a description of **professional services** provided, your response to the allegations, and the nature of claimed injuries.
  - (2) Provide us with medical or dental records we request.
  - (3) Send us copies of all demands, notices or legal documents as soon as you receive them.
  - (4) Give us your full cooperation in the investigation, defense, and resolution of the **claim**. You must attend meetings, hearings, and trials as requested by the lawyer we provide for you and assist in presenting evidence, records and witnesses.
  - (5) Refrain from admitting liability, assuming any financial obligations or paying any money without our authorization. We do not have any responsibility to reimburse you for any payment you make voluntarily even though the cost may have been covered under the policy.
- 

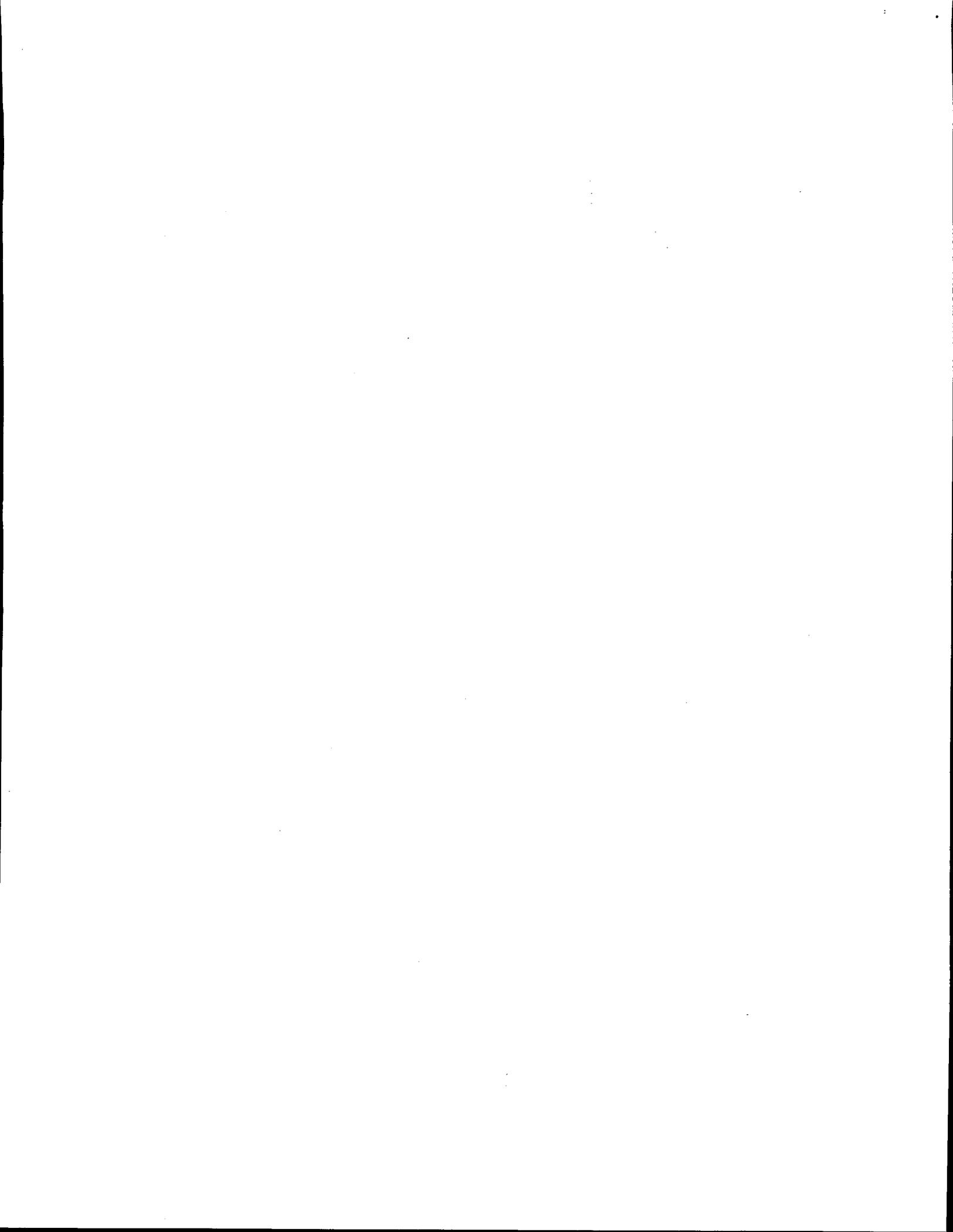
### Your duties to notify us of changes in your practice

You must notify us in writing within 14 days of:

- (1) Any change in the nature or scope of your practice;
- (2) Any change in your specialty (classification stated in the **declarations sheet** or **endorsement(s)**);
- (3) Any change in the location of practice;
- (4) Any change regarding the physicians, dentists, or **physician extenders** in your practice; or
- (5) Any change in the full-time or part-time nature of your practice.

If you do not notify us in writing of changes, you may not receive a full refund if the changes result in an overpayment of your premium. Also, changes may result in conditions which would not be covered by this policy. Therefore, it is important that you let us know of changes so we can advise you of any such conditions. The authorized representative of the **first named insured** is authorized to make changes in this policy. Such written notice must be received by us, at our **home office**, within the time required.

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**Cancellation  
of your policy**

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**How you can cancel.** The authorized representative of the **first named insured** can cancel this policy in whole or in part at any time by mailing or delivering to us written notice at our **home office**. The notice must specify the effective date of cancellation, which must be on or after the date the notice is sent. Refunds will be calculated on a short rate basis of 90% of unearned premium.

**How we can cancel if you don't pay your premium.** We can cancel your policy for failure to pay any monies when due. We will mail or deliver a written cancellation notice to the authorized representative of the **first named insured** giving at least ten(10) days notice that nonpayment of premium is the reason for cancellation.

**How we can cancel if your license to practice is suspended or revoked.** We can cancel your policy if your license to practice your profession is suspended or revoked in any state. We will mail or deliver a written cancellation notice to the authorized representative of the **first named insured** which will explain that the license status is the reason for cancellation.

**How we can cancel for other reasons.** This policy can be cancelled within the first ninety (90) days for any reason with such cancellation effective ninety (90) days after we have mailed or delivered written notice to the authorized representative of the **first named insured**.

---

**Nonrenewal of  
your policy**

You can choose not to renew this policy for any reason. We have the same right. If we choose not to renew your policy, we will send notice of our intention not to renew the policy at least ninety (90) days before the existing policy expires.

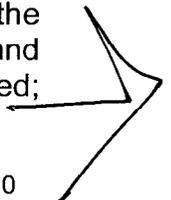
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**Optional Indefinite  
Reporting (Tail)**

Your coverage under this policy may end because one of us chooses to cancel or not renew it. If this happens for any reason other than cancellation for nonpayment or the policy is voided, you have the right to buy an indefinite reporting (tail) endorsement that extends the time for reporting **claims**, with the following exception. If a group policy is canceled or non-renewed for any reason other than cancellation for nonpayment or the policy is voided, only the group has the right to purchase tail coverage.

**When you are covered by this tail endorsement.** A **claim** must meet two initial requirements to qualify for coverage under the reporting (tail) endorsement:

- (1) The **claim** must result from **professional services** which you provided or should have provided, on or after the retroactive date stated in your **declarations sheet** and before your policy was cancelled, expired, or not renewed;



and

- (2) The **claim** must be made for the first time while the reporting (tail) endorsement is in effect.

**How to purchase this endorsement.** To purchase the indefinite reporting (tail) endorsement, notification and premium payment for this coverage, including any monies owed at the time of cancellation, must be given to us within thirty (30) days after the policy was cancelled or not renewed.

If coverage for an indefinite reporting (tail) period is not purchased, there will be no coverage with us for any **claim** that is reported after the date of cancellation, expiration, or nonrenewal of this policy. There will be no coverage even if the notice of **claim** is received during the thirty (30) days allowed to exercise this option to purchase indefinite reporting (tail) coverage from us.

**Limits of coverage.** If this coverage is purchased, the option is available to obtain limits of coverage equal to or less than the limits of coverage that applied to **your** last policy when it was cancelled, expired, or non renewed.

The aggregate limit is the maximum amount we will pay regardless of the length of the **reporting period**.

**Death or disability.** Should you die or become **totally disabled**, while this policy is in effect, the premium otherwise required for the indefinite reporting (tail) **endorsement** will be waived and the **endorsement** will be issued as soon as we receive proof of your death or disability, provided any monies owed have been paid.

**Retirement.** Upon termination of this policy, due to your having elected to **retire**, as defined, after your 55 birthday and having exercised your right by purchasing the indefinite reporting (tail) **endorsement** conditions of this policy and after having completed five full years of insurance coverage (of which 2 years must be uninterrupted coverage for the 2 years prior to the retirement date), not including **prior acts** coverage years, the premium otherwise required for this coverage will be waived.

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**Mailing notices**

Mailing of any notice to the authorized representative of the **first named insured's** address shown on the **declarations sheet** or **endorsement** will be proof of notification.

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**Written notice**

Wherever this policy requires written notice, oral notice shall be ineffective as notice to API.

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**Consent to settle** We will not settle any **claim** against you without the authorized representative of the **first named insured's** written consent. Once a judgment has been entered against you, we may settle the **claim** against you without consent. Upon death or total disability, consent to settle transfers to API.

---

**Other Insurance** This insurance shall be excess of any other valid and collectible insurance or source for indemnification or reimbursement for **damages** covered hereunder, regardless of whether such other insurance or source is stated to be primary, pro rata, contributory, excess, contingent, no liability or otherwise.

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**Lawsuits against us** Except as specifically allowed by law, no person or organization, including you, can make us a party to a lawsuit against you, and no one can sue us directly on a **claim** against you. After liability has been determined by final judgment or by written agreement and after full compliance with all terms of this policy, the party making the **claim** may be able to recover under this policy up to the limit of your coverage. Your bankruptcy or insolvency will not change obligations under this policy.

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**Fraud and Misrepresentation** Your policy will be void if you, or anyone representing you, hide any material information to the risk from us, alter your records, mislead us, or attempt to defraud or lie to us.

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**Territorial limitation** This policy applies only to liability arising out of covered **incidents** occurring in the state(s) listed *and the counties not excluded* on your policy **declarations sheet** or **endorsements**, or to gratuitous or Good Samaritan acts regardless of where they are performed, provided the original lawsuit for such **damages** is brought within the continental limits of the United States.

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**Assignment** The interest under this policy cannot be assigned or turned over without our written consent. This includes any **claim** or cause of action against us, whether in contract, tort, or otherwise, which relates to or arises in connection with this policy, including any **claim** or cause of action that we did not perform our obligation under this policy in good faith.

---

**Subrogation** If any payment under this policy is made, API shall be subrogated to all rights of recovery with respect to you against any person, insurer, or organization of any kind, and you shall execute and deliver instruments and papers and do whatever else is necessary or appropriate to secure such rights. You shall not do anything after a loss to prejudice any such right.

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**How state law affects this policy** Any part of this policy that conflicts with state law is automatically changed to conform to the law.

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**Sole agent** The individual designated by the authorized representative of the **first named insured**, as stated on the **declarations sheet** and/or **endorsements**, shall act on behalf of all insureds with respect to giving and receiving notice of any provision of this policy, including, but not limited to cancellation, voidance, termination, nonrenewal, reformation of coverage terms or deletion of coverage applicable to any insured, accepting any **endorsement** issued to form a part of this policy and receiving return premiums, if any; and is charged with the responsibility for notifying us of any change in the nature or scope of your practice, change in your specialty, change in the location of your practice, or any change in the physicians, dentists, or **physician extenders** in your practice, or any other change which might affect the coverage hereunder. It is also agreed and understood that the Sole Agent is not the agent for API for any purpose. This section does not prohibit API from communicating with any person or the representative(s) of any group covered under this policy.

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**Premiums** The authorized representative of the **first named insured** is responsible for paying all premiums and will be the one to whom we will pay any return premiums. We can increase the premium for this policy by mailing ninety (90) days written notice of such increase. A natural step increase is inherent in a claims-made policy and does not require written notice.

---

**Declarations** By accepting this policy, you agree that the information stated on the **declarations sheet**, any **endorsements**, the application, and any additional information you have submitted to us are your true and correct representations and include all agreements existing between you and API or any of its agents and that this policy is issued in reliance upon the truth of such representations.

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**Section III.**  
**Definitions (when used in the policy or endorsements)**

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**Affiliated Insured**      **Affiliated insured** means a group name other than the **first named insured**. There is no coverage for the **affiliated insureds** unless specifically stated otherwise on the **declarations sheet** and/or **endorsement(s)**.

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**Ancillary Personnel**      **Ancillary personnel** are individual healthcare employees of a **named insured** who are not physicians, dentists, physical therapists, physician assistants, certified registered nurse anesthetists, nurse practitioners, or nurse midwives. There is no individual coverage for **ancillary personnel** unless specifically stated on the **declarations sheet** and/or **endorsements**. The insurance provided to the **ancillary personnel** applies only to the **professional services** rendered while employed and supervised by the **named insured**. There is **vicarious liability** coverage for the **named insureds** for the acts of the **ancillary personnel** of those **named insureds**.

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**API Effective Date**      Your first policy effective date not including **prior acts** coverage years.

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**Claim or claims**      The receipt of a summons or citation by API; the receipt by API of a written notice of **claim** sent pursuant to Chapter 74 Section 74.051 of the Texas Civil Practice and Remedies Code; or the receipt by API of a written demand from a patient or patient's representative for monetary damages.

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**Declarations Sheet**      The document which validates coverage provided under this policy. No coverage is in effect unless a **declarations sheet** has been issued.

---

**Endorsement**      A document which changes the **named insured** or coverage provisions in the policy. The terms of any **endorsement** supersede the policy terms.

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**First Named Insured**      The person or group shown in Item 1. of the **declarations sheet**.

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**Home Office** API, 1301 S. Capital of Texas Highway, Suite C 300, Austin, Texas 78746

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**Incident** An act or omission arising out of your rendering or failing to render **professional services**. All acts or omissions committed in the course of the rendering of **professional services** out of which a **claim(s)** has arisen, together with all related acts or omissions in the furnishing of **professional services** to all persons involved or affected, from which a **claim** arises or **claims** arise, shall be considered as one **incident** regardless of the number of policies or policy periods involved.

---

**Loss or Damage** (1) All **damages** including **damages** for death, which are payable because of injury resulting from an **incident** to which this coverage applies, and (2) prejudgment interest. This policy does not include any other form of **damages** including, but not limited to, attorney's fees, fines, and sanctions.

---

**Named insured** **Named insured** means the individual physician or dentist named in the **declarations sheet** or any **endorsement** of this policy as covered under Individual Coverage. **Named insured** also means a group which is a partnership, association or corporation named in the **declarations sheet** or **endorsement** to this policy. Unless they are also specifically named as insureds, group coverage is not provided to employed or contracted physicians, or dentists.

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**Physician extenders** **Physician extenders** are employees, agents, or independent contractors of a **named insured** who are physical therapists, physician assistants, certified registered nurse anesthetists, nurse practitioners, or nurse midwives. There is no individual or vicarious coverage for **physician extenders** unless specifically stated on the **declarations sheet** and/or **endorsement(s)** and they are individually named on an **endorsement(s)**.

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**Prior Acts** **Incidents** occurring prior to the **API effective date**, but subsequent to the **retroactive date**.

---

**Professional Services** Services related to your medical or dental practice to your patients for which you hold a valid and duly registered current license including, but not limited to the dispensing of drugs or medicine.

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**Punitive or Exemplary Damages**

**Damages** imposed to punish a wrongdoer or to deter others from similar conduct.

---

**Reporting Period**

The period beginning with the effective date specified in the **declarations sheet** and/or **endorsements** of this policy and ending with the termination of this policy. The **reporting period** may be extended if you purchase an indefinite reporting (tail) **endorsement** upon termination of this policy.

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**Retire**

The conclusion of and complete withdrawal from your performing any and every duty pertaining to your working or professional career as a physician or dentist.

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**Retroactive Date**

The earliest date for which a **professional service** is covered under this policy.

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**Totally Disabled**

You are permanently, wholly, and continuously disabled and prevented from performing any and every duty pertaining to your profession and are under the regular care and attendance of a qualified physician other than yourself or a member of your immediate family.

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**Vicarious liability**

Liability on your part with respect to any **professional services** rendered by someone else for whose conduct you are legally responsible.

---

**We, our and us**

**We, our and us** refer to American Physicians Insurance Company (API).

---

**You, your**

**You and your** refer to both an individual and group.

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American Physicians Insurance Company

# POLICY FORM

THIS IS A NON-ASSESSABLE CLAIMS-MADE POLICY

IMPORTANT – PLEASE READ CAREFULLY:

*This is a Claims-Made Policy. Coverage is limited to those claims of loss or damages arising from professional services performed on or after the retroactive date of this policy which are reported to us while this policy is still in force. Any claim which is first reported to us after continuous coverage with API has lapsed will not be covered unless you have obtained an indefinite reporting (tail) endorsement.*

*Must be  
policy?*

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**Section III.**

**Definitions**

**14-16**

## Section I. Professional Liability Coverage

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### How this policy protects you

In consideration of the payment of premium and compliance with all terms of this policy, and subject to the specific terms, conditions and exclusions contained in this policy, we will defend and provide insurance protection against covered **claims** for **damages** which are brought against a **named insured, ancillary personnel, or physician extenders** who are named in an **endorsement** and for whom coverage is provided in the **declarations sheet** and/or **endorsements**. In particular, we will do the following:

- (1) We will defend any lawsuit brought against you for **claims** for **damages** covered by this policy. We will do this even if the lawsuit is groundless or fraudulent. We have the right to investigate any lawsuit or **claim** if we think that is appropriate, but we will not settle any lawsuit or **claim** without the authorized representative of the **first named insured's** prior written consent.
  - (2) We will pay all costs of defending a lawsuit including the costs of your defense counsel whom we will select for you. The payment of defense costs does not reduce your limits of coverage. You may have your personal counsel to advise you, but we have no obligation to pay attorney's fees or costs of your personal counsel.
  - (3) We will pay all costs a court may impose against you in any lawsuit except penalties imposed for contempt of court, sanctions or other willful failure on your part to comply with any court order.
  - (4) We will pay interest on the entire amount of any judgment for covered **loss or damage** which accrues after the entry of the judgment and before we have paid or tendered or deposited in court such part of such judgment that does not exceed the limit of coverage.
  - (5) We will pay all premiums on bonds to release attachments and all premiums on appeal bonds (in any appeal that we determine to take) required in any such defended lawsuit, up to the limits of coverage under the policy. If the judgment exceeds policy limits, you are required to pay that portion of the appeal bond attributable to the excess amount.
  - (6) We will reimburse you for all reasonable out-of-pocket expenses you incur at our request in assisting us in the investigation or defense of any **claim** or lawsuit.
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**Who is an insured under this policy**

A **named insured**, **ancillary personnel**, or **physician extender** who is named in an **endorsement** as defined in Section III. and coverage provided in the **declarations sheet** and/or **endorsements** is insured under this policy. When more than one **named insured** is named, the authorized representative of the **first named insured** has special rights and duties which are explained in Section II. of this policy.

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**When you are covered**

A **claim** must meet two initial requirements to qualify for coverage under this policy:

- (1) The **claim** must result from **professional services** which you provided or which you should have provided on or after the **retroactive date** stated on your **declarations sheet**; and
  - (2) The **claim** must be made for the first time during the policy period. A **claim**, potential claim, **incident**, or lawsuit reported to a previous insurer is not covered. Furthermore, under no circumstances or event will any coverage under this policy apply to any **claim**, potential claim, **incident**, or lawsuit which is known or which may arise out of any **incident** which is known by any **named insured**, **physician extender**, or **ancillary personnel** as of the **API effective date**.
- 

**When a claim is made**

A **claim** is only made on the date we receive, at our **home office**, your first written report to us of your receipt of written notice of liability **claim** or intent to sue.

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**What this policy covers**

Subject to the terms, conditions, and exclusions of this policy, we will pay on your behalf **damages** you are legally obligated to pay resulting from:

- (1) The **professional services** which you personally provided or should have provided to your patients; and
- (2) The **professional services** provided or which should have been provided by others for whom the group or you are legally responsible, except for employed or contracted physicians, surgeons, dentists, or physician extenders, unless they are named in an endorsement and the required premium for them is paid.
- (3) Your **professional service** on a formal medical or dental

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accreditation board or any similar committee responsible for making decisions regarding credentials or privileges.

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### Limits of your coverage

Two limits apply to the amount we will pay for covered **claims**. The "each loss" and "aggregate" limits are defined below. The amounts are stated on the **declarations sheet** and/or schedule of insureds or applicable **endorsement(s)**.

**Each loss limit.** The "each loss" limit is the most we will pay for all **claims** and **damages** arising out of or in connection with all **professional services** rendered to an individual patient while you are insured by us. This includes all covered **claims** for **damages**, including prejudgment interest on any judgment rendered against you, resulting from an **incident**, or series of related services, causing injury or death, regardless of the number of: (a) persons injured; (b) **claims** made; (c) claimants making **claims**; (d) subsequent related **claims**; or (e) groups, affiliated insured(s), physicians, physician extender(s), and/or ancillary personnel covered in this policy against whom a claim is made. The limits of coverage are not increased because a course of treatment extended over more than one policy period or arises out of continuing treatment.

**Aggregate limit.** The "aggregate" limit is the most we will pay for all claims made and reported during the policy period or during the entire period of any indefinite reporting endorsement. There may be an aggregate limit per individual and/or group covered under the policy and/or an aggregate limit per policy year. See declarations sheet and/or endorsements for aggregates applicable to your policy. Coverage will cease upon exhaustion of the "aggregate" limit.

**Group coverage.** If group coverage is provided, refer to the policy **declarations sheet**.

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### Exclusions What this policy does not cover

There are certain **claims** which this policy does not cover. These **exclusions** apply even if they conflict with other terms of this policy.

- (1) **Exclusions for status liability.** We will not cover any **claims** made against you, for positions such as a proprietor, medical director, hospital administrator, risk manager, peer review member, supervisor, owner, operator, officer, shareholder, partner, agent or member of the board of directors, trustees or governors of any hospital, infirmary, health maintenance organization, abortion clinic, blood bank,

drug abuse center, surgery center, ambulatory care center, physical therapy center, weight control center, sanitarium, clinic with bed and board facilities, nursing home, laboratory or any business enterprise, whether or not related to patient care or treatment. The term laboratory in this exclusion does not apply to any radiological or pathological laboratory used exclusively as part of your professional practice as a radiologist or pathologist.

- (2) **Exclusion for sexual misconduct.** We will not cover any **claims** made against you, whether the injury or **damage** itself was intended or not, which arises out of any sexual act.
- (3) **Exclusion for violation of law.** We will not cover any **claims** made against you, whether the injury or **damage** was intended or not, which arises out of an act or omission in violation of the penal code or criminal statutes in the jurisdiction in which the act occurred.
- (4) **Exclusion for intoxicants or narcotics.** We will not cover any **claims** made against you while practicing under the influence of intoxicants or narcotics including, but not limited to, alcoholic substances or any controlled substances or dangerous drugs as defined by the state penal code or criminal statutes.
- (5) **Exclusion for matters of medical or dental licensure, credentials or privileges.** We will not cover any action, inquiry, hearing or other proceeding before any board, committee, agency, regulatory or other entity for matters involving your medical or dental licensure, credentials or privileges, even if such matters arise out of **professional services** which may otherwise be covered under this policy unless such coverage is provided by **endorsement**. We also will not pay any money for fines, penalties or other claims which may result from any such matters unless such coverage is provided by **endorsement**.
- (6) **Exclusion for injuries to your employees.** We will not cover any **claims** made against you for injuries to persons employed by you or your group unless they are patients of yours injured as a result of an incident which is covered under this policy.
- (7) **Exclusion for workers' compensation claims.** We will not cover any **claims** made against you which arise out of any workers' compensation, unemployment compensation, disability benefits or any similar law.
- (8) **Exclusion for contractual obligations.** We will not cover any **claims** made against you for liability you assume by contract or agreement, including, but not limited to, any kind of indemnity or hold harmless agreement, unless you would have had that liability in the absence of such a contract or agreement.

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- (9) **Exclusion for violation of license restrictions.** We will not cover any **claims** made against you arising from conduct which would violate any restriction imposed on your license to practice or to prescribe and dispense controlled substances.
- (10) **Exclusion for goods or products.** We will not cover any **claims** made against you arising from product liability claims including, but not limited to, any goods or products developed, manufactured, assembled, sold, purchased, shipped or distributed by you or others trading under your name or on your behalf.
- (11) **Exclusion for antitrust, deceptive trade practice, or similar violations.** We will not cover any **claims** made against you for **damages**, fines or penalties awardable under any applicable antitrust, deceptive trade practice, or any similar federal or state law and/or regulation.
- (12) **Exclusion for fee disputes.** We will not cover any claims made against you arising out of any dispute over fees for **professional services**.
- (13) **Exclusion for punitive or exemplary damages.** We will not cover any **claims** made against you for any **punitive or exemplary damages**.
- (14) **Exclusion for intentional acts.** We will not cover any **claims** made against you for any injury or **damage**, whether the injury or **damage** itself was intended or not, which in whole or in part, arises out of an intentional tort.
- (15) **Exclusion for implied warranty.** We will not cover any **claims** made against you for breach of an implied or expressed warranty to perform services in a good and workmanlike manner.
- (16) **Exclusion for premises.** We will not cover any **claims** made against you for any injury or **damage** relating to any premises where you practice all or part of your medical or dental practice.
- (17) **Exclusion for other claims.** We will not cover any **claims** made against you for any injury or **damage** covered under a workers' compensation, automobile, fire, or general liability policy, or insurable under such a policy.

*defined in definitions*

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## Section II. General Rules and Conditions

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### Your duties if you have a claim

If someone places you on written notice of a **claim** or serves you with lawsuit papers, you must immediately notify us in writing. You must also:

- (1) Tell us what happened and provide us with details of the specific circumstances of the **claim**. Specific circumstances would include the date, time and place of the event, the identity of individuals involved, a description of **professional services** provided, your response to the allegations, and the nature of claimed injuries.
- (2) Provide us with medical or dental records we request.
- (3) Send us copies of all demands, notices or legal documents as soon as you receive them.
- (4) Give us your full cooperation in the investigation, defense, and resolution of the **claim**. You must attend meetings, hearings, and trials as requested by the lawyer we provide for you and assist in presenting evidence, records and witnesses.
- (5) Refrain from admitting liability, assuming any financial obligations or paying any money without our authorization. We do not have any responsibility to reimburse you for any payment you make voluntarily even though the cost may have been covered under the policy.

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### Your duties to notify us of changes in your practice

You must notify us in writing within 14 days of:

- (1) Any change in the nature or scope of your practice;
- (2) Any change in your specialty (classification stated in the **declarations sheet or endorsement(s)**);
- (3) Any change in the location of practice;
- (4) Any change regarding the physicians, dentists, or **physician extenders** in your practice; or
- (5) Any change in the full-time or part-time nature of your practice.

If you do not notify us in writing of changes, you may not receive a full refund if the changes result in an overpayment of your premium. Also, changes may result in conditions which would not be covered by this policy. Therefore, it is important that you let us know of changes so we can advise you of any such conditions. The authorized representative of the **first named insured** is authorized to make changes in this policy. Such written notice must be received by us, at our **home office**, within the time required.

---

**Cancellation  
of your policy**

**How you can cancel.** The authorized representative of the **first named insured** can cancel this policy in whole or in part at any time by mailing or delivering to us written notice at our **home office**. The notice must specify the effective date of cancellation, which must be on or after the date the notice is sent. Refunds will be calculated on a short rate basis of 90% of unearned premium.

**How we can cancel if you don't pay your premium.** We can cancel your policy for failure to pay any monies when due. We will mail or deliver a written cancellation notice to the authorized representative of the **first named insured** giving at least ten(10) days notice that nonpayment of premium is the reason for cancellation.

**How we can cancel if your license to practice is suspended or revoked.** We can cancel your policy if your license to practice your profession is suspended or revoked in any state. We will mail or deliver a written cancellation notice to the authorized representative of the **first named insured** which will explain that the license status is the reason for cancellation.

**How we can cancel for other reasons.** This policy can be cancelled within the first ninety (90) days for any reason with such cancellation effective ninety (90) days after we have mailed or delivered written notice to the authorized representative of the **first named insured**.

---

**Nonrenewal of  
your policy**

You can choose not to renew this policy for any reason. We have the same right. If we choose not to renew your policy, we will send notice of our intention not to renew the policy at least ninety (90) days before the existing policy expires.

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**Optional Indefinite  
Reporting (Tail)**

Your coverage under this policy may end because one of us chooses to cancel or not renew it. If this happens for any reason other than cancellation for nonpayment or the policy is voided, you have the right to buy an indefinite reporting (tail) endorsement that extends the time for reporting **claims**, with the following exception. If a group policy is canceled or non-renewed for any reason other than cancellation for nonpayment or the policy is voided, only the group has the right to purchase tail coverage.

**When you are covered by this tail endorsement.** A **claim** must meet two initial requirements to qualify for coverage under the reporting (tail) endorsement:

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- (1) The **claim** must result from **professional services** which you provided or should have provided, on or after the retroactive date stated in your **declarations sheet** and before your policy was cancelled, expired, or not renewed; and
- (2) The **claim** must be made for the first time while the reporting (tail) endorsement is in effect.

**How to purchase this endorsement.** To purchase the indefinite reporting (tail) endorsement, notification and premium payment for this coverage, including any monies owed at the time of cancellation, must be given to us within thirty (30) days after the policy was cancelled or not renewed.

If coverage for an indefinite reporting (tail) period is not purchased, there will be no coverage with us for any **claim** that is reported after the date of cancellation, expiration, or nonrenewal of this policy. There will be no coverage even if the notice of **claim** is received during the thirty (30) days allowed to exercise this option to purchase indefinite reporting (tail) coverage from us.

**Limits of coverage.** If this coverage is purchased, the option is available to obtain limits of coverage equal to or less than the limits of coverage that applied to your last policy when it was cancelled, expired, or non renewed.

The aggregate limit is the maximum amount we will pay regardless of the length of the reporting period.

**Death or disability.** Should you die or become **totally disabled**, while this policy is in effect, the premium otherwise required for the indefinite reporting (tail) **endorsement** will be waived and the **endorsement** will be issued as soon as we receive proof of your death or disability, provided any monies owed have been paid.

**Retirement.** Upon termination of this policy, due to your having elected to **retire**, as defined, after your 55<sup>th</sup> birthday and having exercised your right by purchasing the indefinite reporting (tail) **endorsement** conditions of this policy and after having completed five full years of insurance coverage (of which 2 years must be uninterrupted coverage for the 2 years prior to the retirement date), not including **prior acts** coverage years, the premium otherwise required for this coverage will be waived.

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**Mailing notices**

Mailing of any notice to the authorized representative of the **first named insured's** address shown on the **declarations sheet** or **endorsement** will be proof of notification.

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**Written notice**

Wherever this policy requires written notice, oral notice shall be ineffective as notice to API.

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**Consent to settle** We will not settle any **claim** against you without the authorized representative of the **first named insured's** written consent. Once a judgment has been entered against you, we may settle the **claim** against you without consent. Upon death or total disability, consent to settle transfers to API.

---

**Other Insurance** This insurance shall be excess of any other valid and collectible insurance or source for indemnification or reimbursement for **damages** covered hereunder, regardless of whether such other insurance or source is stated to be primary, pro rata, contributory, excess, contingent, no liability or otherwise.

---

**Lawsuits against us** Except as specifically allowed by law, no person or organization, including you, can make us a party to a lawsuit against you, and no one can sue us directly on a **claim** against you. After liability has been determined by final judgment or by written agreement and after full compliance with all terms of this policy, the party making the **claim** may be able to recover under this policy up to the limit of your coverage. Your bankruptcy or insolvency will not change obligations under this policy.

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**Fraud and misrepresentation** Your policy will be void if you, or anyone representing you, hide any material information to the risk from us, alter your records, mislead us, or attempt to defraud or lie to us.

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**Territorial limitation** This policy applies only to liability arising out of covered **incidents** occurring in the state(s) listed and the counties not excluded on your policy **declarations sheet** or **endorsements**, or to gratuitous or Good Samaritan acts regardless of where they are performed, provided the original lawsuit for such **damages** is brought within the continental limits of the United States.

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**Assignment** The interest under this policy cannot be assigned or turned over without our written consent. This includes any **claim** or cause of action against us, whether in contract, tort, or otherwise, which relates to or arises in connection with this policy, including any **claim** or cause of action that we did not perform our obligation under this policy in good faith.

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**Subrogation**

If any payment under this policy is made, API shall be subrogated to all rights of recovery with respect to you against any person, insurer, or organization of any kind, and you shall execute and deliver instruments and papers and do whatever else is necessary or appropriate to secure such rights. You shall not do anything after a loss to prejudice any such right.

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**How state law affects this policy**

Any part of this policy that conflicts with state law is automatically changed to conform to the law.

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**Sole agent**

The individual designated by the authorized representative of the **first named insured**, as stated on the **declarations sheet** and/or **endorsements**, shall act on behalf of all insureds with respect to giving and receiving notice of any provision of this policy, including, but not limited to cancellation, voidance, termination, nonrenewal, reformation of coverage terms or deletion of coverage applicable to any insured, accepting any **endorsement** issued to form a part of this policy and receiving return premiums, if any; and is charged with the responsibility for notifying us of any change in the nature or scope of your practice, change in your specialty, change in the location of your practice, or any change in the physicians, dentists, or **physician extenders** in your practice, or any other change which might affect the coverage hereunder. It is also agreed and understood that the Sole Agent is not the agent for API for any purpose. This section does not prohibit API from communicating with any person or the representative(s) of any group covered under this policy.

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**Premiums**

The authorized representative of the **first named insured** is responsible for paying all premiums and will be the one to whom we will pay any return premiums. We can increase the premium for this policy by mailing ninety (90) days written notice of such increase. A natural step increase is inherent in a claims-made policy and does not require written notice.

---

**Declarations**

By accepting this policy, you agree that the information stated on the **declarations sheet**, any **endorsements**, the application, and any additional information you have submitted to us are your true and correct representations and include all agreements existing between you and API or any of its agents and that this policy is issued in reliance upon the truth of such representations.

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**Section III.**  
**Definitions (when used in the policy or endorsements)**

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**Affiliated Insured**                      **Affiliated insured** means a group name other than the **first named insured**. There is no coverage for the **affiliated insureds** unless specifically stated otherwise on the **declarations sheet** and/or **endorsements**.

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**Ancillary Personnel**                      **Ancillary personnel** are individual healthcare employees of a **named insured** who are not physicians, dentists, physical therapists, physician assistants, certified registered nurse anesthetists, nurse practitioners, or nurse midwives. There is no individual coverage for **ancillary personnel** unless specifically stated on the **declarations sheet** and/or **endorsements**. The insurance provided to the **ancillary personnel** applies only to the **professional services** rendered while employed and supervised by the **named insured**. There is **vicarious liability** coverage for the **named insureds** for the acts of the **ancillary personnel** of those **named insureds**.

---

**API Effective Date**                      Your first policy effective date not including **prior acts** coverage years.

---

**Claim or claims**                      The receipt of a summons or citation by API; the receipt by API of a written notice of **claim** sent pursuant to Chapter 74 Section 74.051 of the Texas Civil Practice and Remedies Code; or the receipt by API of a written demand from a patient or patient's representative for monetary damages.

---

**Declarations Sheet**                      The document which validates coverage provided under this policy. No coverage is in effect unless a **declarations sheet** has been issued.

---

**Endorsement**                      A document which changes the **named insured** or coverage provisions in the policy. The terms of any **endorsement** supersede the policy terms.

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**First Named Insured**                      The person or group shown in Item 1. of the **declarations sheet**.

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**Home Office**                      API, 1301 S. Capital of Texas Highway, Suite C 300, Austin, Texas

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<b>Incident</b>	An act or omission arising out of your rendering or failing to render <b>professional services</b> . All acts or omissions committed in the course of the rendering of <b>professional services</b> out of which a <b>claim(s)</b> has arisen, together with all related acts or omissions in the furnishing of <b>professional services</b> to all persons involved or affected, from which a <b>claim</b> arises or <b>claims</b> arise, shall be considered as one <b>incident</b> regardless of the number of policies or policy periods involved.
<b>Loss or Damage</b>	(1) All <b>damages</b> including <b>damages</b> for death, which are payable because of injury resulting from an <b>incident</b> to which this coverage applies, and (2) prejudgment interest. This policy does not include any other form of <b>damages</b> including, but not limited to, attorney's fees, fines, and sanctions.
<b>Named insured</b>	<b>Named insured</b> means the individual physician or dentist named in the <b>declarations sheet</b> or any <b>endorsement</b> of this policy as covered under Individual Coverage. <b>Named insured</b> also means a group which is a partnership, association or corporation named in the <b>declarations sheet</b> or <b>endorsement</b> to this policy. Unless they are also specifically named as insureds, group coverage is not provided to employed or contracted physicians, or dentists.
<b>Physician extenders</b>	<b>Physician extenders</b> are employees, agents, or independent contractors of a <b>named insured</b> who are physical therapists, physician assistants, certified registered nurse anesthetists, nurse practitioners, or nurse midwives. There is no individual or vicarious coverage for <b>physician extenders</b> unless specifically stated on the <b>declarations sheet</b> and/or <b>endorsement(s)</b> and they are individually named on an <b>endorsement(s)</b> .
<b>Prior Acts</b>	<b>Incidents</b> occurring prior to the <b>API effective date</b> , but subsequent to the <b>retroactive date</b> .
<b>Professional Services</b>	Services related to your medical or dental practice to your patients for which you hold a valid and duly registered current license including, but not limited to the dispensing of drugs or medicine.

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**Punitive or Exemplary Damages**

**Damages** imposed to punish a wrongdoer or to deter others from similar conduct.

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**Reporting Period**

The period beginning with the effective date specified in the **declarations sheet** and/or **endorsements** of this policy and ending with the termination of this policy. The **reporting period** may be extended if you purchase an indefinite reporting (tail) **endorsement** upon termination of this policy.

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**Retire**

The conclusion of and complete withdrawal from your performing any and every duty pertaining to your working or professional career as a physician or dentist.

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**Retroactive Date**

The earliest date for which a **professional service** is covered under this policy.

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**Totally Disabled**

You are permanently, wholly, and continuously disabled and prevented from performing any and every duty pertaining to your profession and are under the regular care and attendance of a qualified physician other than yourself or a member of your immediate family.

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**Vicarious liability**

Liability on your part with respect to any **professional services** rendered by someone else for whose conduct you are legally responsible.

---

**We, our and us**

**We, our** and **us** refer to American Physicians Insurance Company (API).

---

**You, your**

**You** and **your** refer to both an individual and group.



American Physicians Insurance Company

(A Stock Insurance Company, herein called the Company)  
**THIS IS A CLAIMS-MADE POLICY  
DECLARATIONS**

**INDIVIDUAL POLICY**

**Policy No.**

**Renewal of No.**

**Item 1. First Named Insured:**

**Item 2. Mailing Address:**

**Item 3. Policy Period from:** \_\_\_\_\_ to \_\_\_\_\_  
12:01 A.M. standard time at the address stated in Item 2 above.

**Item 4. Territory:**

**Item 5. Retroactive Date:**

**Item 6. API Effective Date:**

**Item 7. Classification:**

**Option 1:** This policy does not provide coverage for professional services occurring in the following (Name of State) counties: (Name of Counties)

**Schedule of Coverages**

The insurance provided is only with respect to the professional liability coverage(s) listed below and is subject to all the terms of this policy.

**PHYSICIAN:**

\*\*Applies to all options\*\*

If (Name of Individual Insured Physician) is named in a claim and/or lawsuit, his/her coverage is (\$indicate applicable limit) for each loss and (\$indicate applicable limit) aggregate limits of coverage.

**PHYSICIAN EXTENDER (S):**

\*\*OPTION 1IE: No Individual coverage only for the Physician Extenders\*\*

No Individual Coverage  
Refer to Endorsement API-215

\*\*OPTION 2IE: Individual coverage for the Physician Extenders – All Extenders share in single limit\*\*  
Refer to Endorsement API-215

\*\*OPTION 3IE: Individual coverage for the Physician Extenders – Each physician extender has a separate set of limits\*\*  
Refer to Endorsement API-215

\*\*If no option is chosen, NONE will appear\*\*

**ANCILLARY PERSONNEL:**

\*\*OPTION 1IA: No Individual coverage for the Ancillary Personnel and Defense only if named in a suit\*\*

No Individual Coverage  
Refer to endorsement API-273

\*\*OPTION 2IA: Individual coverage for the Ancillary Personnel – All Ancillary Personnel share in single limit\*\*  
Refer to Endorsement API-273

\*\*If no option is chosen, NONE will appear\*\*

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American Physicians Insurance Company

(A Stock Insurance Company, herein called the Company)  
**THIS IS A CLAIMS-MADE POLICY  
DECLARATIONS**

TOTAL PREMIUM \$

Endorsements attached at issue:

By \_\_\_\_\_  
American Physicians Insurance Company

All dates contained in this policy and endorsements become effective at 12:01 A.M. standard time at the address of the First Named Insured.

UW DECIND (07/08)

**FOR INFORMATION, OR TO MAKE A COMPLAINT, CALL 1-800-252-3628**

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American Physicians Insurance Company

(A Stock Insurance Company, herein called the Company)
THIS IS A CLAIMS-MADE POLICY
DECLARATIONS
INDIVIDUAL POLICY

Policy No.

Renewal of No.

Item 1. First Named Insured:

Item 2. Mailing Address:

Item 3. Policy Period from: to
12:01 A.M. standard time at the address stated in Item 2 above.

Item 4. Territory:

Item 5. Retroactive Date:

Item 6. API Effective Date:

Item 7. Classification:

Option 1: This policy does not provide coverage for professional services occurring in the following (Name of State) counties: (Name of Counties)

Schedule of Coverages

The insurance provided is only with respect to the professional liability coverage(s) listed below and is subject to all the terms of this policy.

PHYSICIAN:

\*\*Applies to all options\*\*

If (Name of Individual Insured Physician and/or Solo PA), is (are) named in a claim and/or lawsuit, his/her coverage is (\$indicate applicable limit) for each loss and (\$indicate applicable limit) aggregate limits of coverage.

PHYSICIAN EXTENDER (S):

\*\*OPTION 1IE: No Individual coverage only for the Physician Extenders\*\*

No Individual Coverage
Refer to Endorsement API-215

\*\*OPTION 2IE: Individual coverage for the Physician Extenders - All Extenders share in single limit\*\*
Refer to Endorsement API-215

\*\*OPTION 3IE: Individual coverage for the Physician Extenders - Each physician extender has a separate set of limits\*\*
Refer to Endorsement API-215

\*\*If no option is chosen, NONE will appear\*\*

ANCILLARY PERSONNEL:

\*\*OPTION 1IA: No Individual coverage for the Ancillary Personnel and Defense only if named in a suit\*\*

No Individual Coverage
Refer to endorsement API-273

\*\*OPTION 2IA: Individual coverage for the Ancillary Personnel - All Ancillary Personnel share in single limit\*\*
Refer to Endorsement API-273

\*\*If no option is chosen, NONE will appear\*\*

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TOTAL PREMIUM \$



American Physicians Insurance Company

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(A Stock Insurance Company, herein called the Company)  
**THIS IS A CLAIMS-MADE POLICY  
DECLARATIONS**

Endorsements attached at issue:

By \_\_\_\_\_  
American Physicians Insurance Company

All dates contained in this policy and endorsements become effective at 12:01 A.M. standard time at the address of the First Named Insured.

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UW UWDECINDG (07/08)

**FOR INFORMATION, OR TO MAKE A COMPLAINT, CALL 1-800-252-3628**

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American Physicians Insurance Company

(A Stock Insurance Company, herein called the Company)

THIS IS A CLAIMS-MADE POLICY
DECLARATIONS
GROUP POLICY

Policy No.

Renewal of No.

Item 1. First Named Insured:

Item 2. Mailing Address:

Item 3. Policy Period from: to
12:01 A.M. standard time at the address stated in Item 2 above.

Item 4. Territory:

Option 1: This policy does not provide coverage for professional services occurring in the following (Name of State) counties: (Name of Counties)

Schedule of Coverages

The insurance provided is only with respect to the professional liability coverages listed below and is subject to all of the terms of this policy.

GROUP:

\*\*Applies to any combination of OPTIONS 1GE, 2GE, 3GE and OPTIONS 1GA, 2GA, 3GA\*\*

If the group is named in a claim and/or lawsuit, the group's coverage is \$ for each loss and \$ aggregate limits of coverage. Optional, if \$0 is chosen - The group does not have individual coverage. The group will be provided coverage for defense costs only. The total aggregate limit of coverage for any one medical incident is \$.

\*\*OPTION 4GA: Ancillary personnel share in entity's limit\*\*

For each incident regardless of the number of (a) persons injured, (b) claims made, (c) claimants making claims, (d) subsequent related claims, or (e) groups and/or ancillary personnel covered in this policy against whom a claim is made there is one limit of coverage of \$. There is a \$ aggregate limit per policy year.

It is further understood that each terminated ancillary personnel is afforded reporting rights for claims that are reported as a result of professional services rendered or should have been rendered during their employment with the group. Reporting rights are only afforded while the policy is in force.

\*\*OPTION 4GE: Physician Extenders share in entity's limit\*\*

For each incident regardless of the number of (a) persons injured, (b) claims made, (c) claimants making claims, (d) subsequent related claims, or (e) groups and/or physician extenders covered in this policy against whom a claim is made there is one limit of coverage of \$. There is a \$ aggregate limit per policy year.

\*\*OPTION 4GC: Physician Extenders and Ancillary Personnel share in entity's limit\*\*

For each incident regardless of the number of (a) persons injured, (b) claims made, (c) claimants making claims, (d) subsequent related claims, or (e) groups, physician extenders, and/or ancillary personnel covered in this policy against whom a claim is made there is one limit of coverage of \$. There is a \$ aggregate limit per policy year.

It is further understood that each terminated ancillary personnel is afforded reporting rights for claims that are reported as a result of professional services rendered or should have been rendered during their employment with the group. Reporting rights are only afforded while the policy is in force.

\*\*Applies to all options\*\*

PHYSICIAN (S):

If any physician(s) who is (are) named in the schedule of insureds or any applicable endorsement is (are) named in a claim and/or lawsuit, then the physician's limits are those listed on the schedule of insureds or any applicable

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American Physicians Insurance Company

(A Stock Insurance Company, herein called the Company)
THIS IS A CLAIMS-MADE POLICY
DECLARATIONS

endorsement.

PHYSICIAN EXTENDER (S):

\*\*OPTION 1GE: No Individual coverage only for the Physician Extenders\*\*

No Individual Coverage
Refer to Endorsement API-215

\*\*OPTION 2GE: Individual coverage for the Physician Extenders - All Extenders share in single limit\*\*
Refer to Endorsement API-215

\*\*OPTION 3GE: Individual coverage for the Physician Extenders - Each Extender has separate set of limits\*\*
Refer to Endorsement API-215

\*\*OPTION 4GE: Physician Extenders share in entity's limit\*\*
Refer to group coverage outlined above
Refer to Endorsement API-215

\*\*OPTION 4GC: Physician Extenders and Ancillary Personnel share in entity's limit\*\*
Refer to group coverage outlined above
Refer to Endorsement API-215

\*\*If no option is chosen, NONE will appear\*\*

ANCILLARY PERSONNEL:

\*\*OPTION 1GA: No Individual coverage for the Ancillary Personnel & Defense only if named in a suit\*\*

No Individual Coverage
Refer to Endorsement API-273

\*\*OPTION 2GA: Individual coverage for the Ancillary Personnel - All Ancillary Personnel share in single limit\*\*
Refer to Endorsement API-273

\*\*OPTION 3GA: Individual coverage for the Ancillary Personnel - Each Ancillary has separate set of limits\*\*
Refer to Endorsement API-273

\*\*OPTION 4GA: Ancillary personnel share in entity's limit\*\*
Refer to group coverage outlined above

\*\*OPTION 4GC: Physician Extenders and Ancillary Personnel share in entity's limit\*\*
Refer to group coverage outlined above

\*\*If no option is chosen, NONE will appear\*\*

TOTAL PREMIUM \$

Endorsements attached at issue:

By American Physicians Insurance Company

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American Physicians Insurance Company

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**(A Stock Insurance Company, herein called the Company)  
THIS IS A CLAIMS-MADE POLICY  
DECLARATIONS**

All dates contained in this policy and endorsements become effective at 12:01 A.M. standard time at the address of the First Named Insured.

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UW DECGRPSEP (07/08)

**FOR INFORMATION, OR TO MAKE A COMPLAINT, CALL 1-800-252-3628**

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American Physicians Insurance Company

(A Stock Insurance Company, herein called the Company)

**THIS IS A CLAIMS-MADE POLICY  
DECLARATIONS  
GROUP POLICY (SINGLE LIMIT)**

**Policy No.**

**Renewal of No.**

**Item 1. First Named Insured:**

**Item 2. Mailing Address:**

**Item 3. Policy Period from:** \_\_\_\_\_ **to** \_\_\_\_\_  
12:01 A.M. standard time at the address stated in Item 2 above.

**Item 4. Territory:**

**Schedule of Coverages**

The insurance provided is only with respect to the professional liability coverages listed below and is subject to all of the terms of this policy.

For each incident, regardless of the number of (a) persons injured, (b) claims made, (c) claimants making claims, (d) subsequent related claims, or (e) groups, affiliated insured(s), physicians, physician extenders, and/or ancillary personnel covered in this policy against whom a claim is made there is one limit of coverage of (\$indicate applicable limit). There is a (\$indicate applicable limit) aggregate limit per individual or group covered in this policy. There is a (\$indicate applicable limit) aggregate limit per policy year.

There is no stacking of coverage under this policy under any circumstance and under no circumstance will the coverage under this policy exceed (\$indicate applicable limit) for each loss, (\$indicate applicable limit) aggregate limit of coverage per individual or group and (\$indicate applicable limit) aggregate limit per policy year. (note: These \$ numbers to be same as above paragraph)

TOTAL PREMIUM \$ \_\_\_\_\_

Endorsements attached at issue:

By \_\_\_\_\_  
American Physicians Insurance Company

All dates contained in this policy and endorsements become effective at 12:01 A.M. standard time at the address of the First Named Insured.

UW DECGSIN (07/08)

**FOR INFORMATION, OR TO MAKE A COMPLAINT, CALL 1-800-252-3628**

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American Physicians Insurance Company

(A Stock Insurance Company, herein called the Company)
THIS IS A CLAIMS-MADE POLICY
DECLARATIONS- SCHEDULE OF INSUREDS

forms a part of policy no.:
issued to

Group: Retroactive Date API Effective Date

The following individuals are named insureds under this policy. Their individual limits of coverage, class, retroactive date, group effective date, and API effective date are listed below for each individual. The group coverage as described on the declarations sheet includes vicarious liability for the professional services of the below listed named insureds while the below listed named insureds are (were) employed by or working for or in connection with the group. The dates in the table below reflect the coverage limits for professional services during the specified periods.

Table with columns: ID#, Individual, Class, Retroactive Date, API Effective Date, Limits of Coverage (Each Loss/Aggregate). Includes asterisks for missing data.

\*OPTION\* Coverage for your Solo Group is included at no extra premium. This means that your Solo Group is only covered in your individual limit of coverage. For this reason, your individual limit of coverage does not apply separately to you and separately to your group.

\*\*When \$0/\$0 limits are shown include the following statement: The insured does not have individual coverage. The insured will be provided coverage for defense costs only.

Handwritten number 916



American Physicians Insurance Company

(A Stock Insurance Company, herein called the Company)  
THIS IS A CLAIMS-MADE POLICY  
**DECLARATIONS- SCHEDULE OF INSUREDS**

forms a part of policy no.:  
issued to

**Group:** **Retroactive Date** **API Effective Date**

The following individuals are named insureds under this policy. Their class, retroactive date, group effective date, and API effective date are listed below for each individual. The group coverage as described on the declarations sheet includes vicarious liability for the professional services of the below listed named insureds while the below listed named insureds are (were) employed by or working for or in connection with the group.

ID#	Individual	Class	Retroactive Date	API Effective Date
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\*Option\* Coverage for your Solo Group is included at no extra premium. This means that your Solo Group is only covered in your individual limit of coverage. For this reason, your individual limit of coverage does not apply separately to you and separately to your group.

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**API ENDORSEMENTS INDEX  
ARKANSAS**

<b>ENDST FORM NOS.</b> (Version)	<b>Title</b>
API-201 (07/06)	Amended Limits of Coverage Endorsement
API-202 (07/08)	Amended Limits of Coverage Endorsement Single Limit Policy
API-203 (07/08)	Affiliated Insured Endorsement
API-204 (05/03)	Change of Address Endorsement
API-205 (05/03)	Change of Policy Dates Endorsement
API-206 (05/03)	Limited Practice – Places of Employment or Work Endorsement
API-207 (05/03)	Limited Practice – Changes in Places of Employment or Work Endorsement
API-208 (09/06)	Classification Change(s) Endorsement
API-209 (05/03)	Excluded Procedures Endorsement
API-211 (05/03)	Change of Territory Endorsement
API-213 (05/03)	Retroactive (Prior Acts) Coverage Endorsement
API-215 (07/08)	Include/Delete Physician Extender Endorsement
API-216 (07/08)	Extended Reporting (Tail) Endorsement Individual Coverage
API-217 (05/03)	Policy Tail Endorsement
API-218 (05/03)	Extended Reporting (Tail) Due to Death Endorsement
API-219 (05/03)	Extended Reporting (Tail) Due to Retirement Endorsement
API-220 (05/03)	Extended Reporting (Tail) Due to Disability Endorsement
API-221 (05/03)	Suspension of Coverage Endorsement
API-222 (05/03)	Resumption of Coverage Endorsement
API-223 (04/07)	Locum Tenens Endorsement
API-224 (02/04)	Addition of Solo Professional Association or Professional Corporation Endorsement
API-225 (06/04)	Sole Agent Endorsement
API-226 (05/03)	Specified Employment – Liability Exclusion Endorsement
API-227 (05/03)	Change of Name Endorsement
API-228 (05/03)	Teaching Endorsement
API-229 (03/04)	Amended Retirement Conditions Endorsement
API-230 (05/03)	Deleted Endorsement
API-231 (05/03)	Change of Premium Endorsement
API-232 (05/03)	Amended Coverage / Conditions Endorsement
API-233 (05/03)	Named Insured Health Care Provider Endorsement (Other Than Physician/Dentist)
API-234 (02/04)	Amended Coverage Agreements Endorsement Major Medical Incidents
API-235 (07/08)	Additional Liability Endorsement
API-238 (05/03)	Legal Expense Endorsement (Dentist)
API-243 (11/03)	Deductible – Indemnity Costs Only Endorsement
API-244 (01/07)	Deductible – Indemnity and Legal Costs Endorsement
API-245 (11/03)	Deductible – Indemnity (And Legal) Costs Annual Aggregate Endorsement
API-247 (08/03)	Internship, Residency, or Fellowship Program Exclusionary

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	<b>Endorsement</b>
<b>API-248 (08/03)</b>	<b>Contractual Liability Endorsement</b>
<b>API-249 (11/07)</b>	<b>Limitation of Coverage Endorsement</b>
<b>API-252 (04/07)</b>	<b>Experience Renewal Credit Endorsement</b>
<b>API-253 (07/08)</b>	<b>Amended Physician Extender Definition Endorsement</b>
<b>API-257 (02/04)</b>	<b>Vicarious Liability Endorsement – Former Employees/Partners</b>
<b>API-271 (01/05)</b>	<b>Legal Expense and Fines and Penalties Endorsement for Physicians and Surgeons</b>
<b>API-272 (12/07)</b>	<b>Amended Exclusion Endorsement (Medical Director)</b>
<b>API-273 (07/08)</b>	<b>Amended Ancillary Personnel Coverage Endorsement</b>
<b>API-274 (06/06)</b>	<b>Limited Scope of Coverage Endorsement</b>
<b>API-279 (12/06)</b>	<b>Incident Trigger Endorsement</b>
<b>API-281 (10/06)</b>	<b>Reporting Rights For Terminated Physicians Endorsement</b>
<b>API-286 (10/07)</b>	<b>Slot Policy Endorsement</b>
<b>API-287 (11/07)</b>	<b>Accidental Death and Dismemberment (AD&amp;D) Coverage Endorsement</b>
<b>API-289 (10/07)</b>	<b>Delete Named Insured Endorsement</b>
<b>API-290 (10/07)</b>	<b>Add Named Insured Endorsement</b>
<b>API-291 (07/08)</b>	<b>Arkansas Amendatory Endorsement</b>



seq no.

mm-dd-yy

policy no.

POLICY PRINCIPAL'S NAME (ID)

AMENDED LIMITS OF COVERAGE ENDORSEMENT

For (the additional premium of \$ \_\_\_\_\_) (no additional premium) (the return premium of \$ \_\_\_\_\_), it is understood and agreed that the declarations sheet and/or Physician Extender Endorsement is (are) amended to reflect the following changes in the limits of coverage for the following insured(s) and dates. The dates in the table below reflect the coverage limits for professional services during the specified periods.

COVERAGE LIMITS

ID NO	GROUP NAME, NAMED INSURED, OR PHYSICIAN EXTENDER	FROM THIS DATE	TO THIS DATE	EACH LOSS	AGGREGATE

The aggregate limit stated above is the most we will pay for all claims made during the entire policy period.

\*Include when \$0 limits are chosen\* If the coverage limits are shown as \$0 for each loss and \$0 aggregate limits of coverage, the insured has no coverage for indemnity. The insured will be provided coverage for defense costs only.

Above premium includes a maintenance fee of \$\_\_\_\_\_.

***(If the limits change mid policy on a single limit policy, do not use this endorsement, use API-202.)***

All other provisions remain unchanged.

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seq no.

mm-dd-yy

policy no.

POLICY PRINCIPAL'S NAME (ID)

AMENDED LIMITS OF COVERAGE ENDORSEMENT  
SINGLE LIMIT POLICY

For (the additional premium of \$ \_\_\_\_\_) (no additional premium) (the return premium of \$ \_\_\_\_\_), it is understood and agreed that the declarations sheet and/or Physician Extender Endorsement is (are) amended to reflect the following changes in the limits of coverage.

For each incident, regardless of the number of (a) persons injured, (b) claims made, (c) claimants making claims, (d) subsequent related claims, or (e) individuals or groups covered in this policy against whom a claim is made, including vicarious liability, there is one limit of coverage, an aggregate limit per individual or group covered in this policy, and an aggregate limit per policy year as shown in the paragraph below to reflect the coverage limits for professional services during the specified periods.

The Ancillary Personnel have no individual coverage. However, if any Ancillary Personnel are named in a claim and/or lawsuit, they will be provided coverage for defense costs only.

There is no stacking of coverage under this policy under any circumstance. Under no circumstance will the coverage under this policy for any claim and/or lawsuit occurring after the retroactive date (shown on the declarations sheet and/or endorsement) and prior to (date of limit change) exceed \$ \_\_\_\_\_ for each loss, \$ \_\_\_\_\_ aggregate limit of coverage per individual or group and \$ \_\_\_\_\_ aggregate limit per policy year. It is further understood and agreed that under no circumstance will the coverage under this policy for any claim and/or lawsuit occurring after (date of limit change) and prior to (the policy expiration date) exceed \$ \_\_\_\_\_ for each loss, \$ \_\_\_\_\_ aggregate limit of coverage per individual or group and \$ \_\_\_\_\_ aggregate limit per policy year.

All other provisions remain unchanged.

(Above premium includes a maintenance fee of \$ \_\_\_\_\_.)

***(On all single limit policies, if the limit changes, it must change for all insureds under the policy. You cannot, for example, lower the limits for 1 physician only under a single limit policy. It defeats the intent and simplicity of a single limit.)***

101



seq no.

mm-dd-yy

policy no.

POLICY PRINCIPAL'S NAME (ID)

**AFFILIATED INSURED ENDORSEMENT**

For (no additional premium) (an additional premium of \$ \_\_\_\_\_) and subject to all of the terms and conditions of the policy, it is understood and agreed that (Name of Affiliated Insured) (ID No.) is added as an affiliated insured under (individual) (group) coverage from (Date) to (Date).

**LIMITS OF COVERAGE.**

**\*\*OPTION 1 – SHARED\*\*** This endorsement does not increase the limits of coverage or provide the affiliated insured a separate set of limits. The affiliated insured SHARES in the (individual) (group) limits stated on the declarations sheet or endorsement(s).

**\*\*OPTIONAL (for above 1)\*\***

The affiliated insured covered by this endorsement has individual limits of (\$indicate applicable limit) each loss and (\$indicate applicable limit) aggregate only if they are the sole named insured named in a claim and/or lawsuit. **\*\*Optional if \$0 is chosen\*\***: The affiliated insured does not have individual coverage. The affiliated insured will be provided coverage for defense costs only.

**\*\*OPTION 2 – SEPARATE\*\*** The affiliated insured covered by this endorsement has individual limits of (\$indicate applicable limit) each loss and (\$indicate applicable limit) aggregate. **\*\*If \$0 is chosen\*\***: The affiliated insured does not have individual coverage. The affiliated insured will be provided coverage for defense costs only.

**\*\*OPTIONAL A (for either above 1 or 2)\*\***

**LIMITED SCOPE OF COVERAGE.** The above named affiliated insured is covered for vicarious liability arising as a result of the professional services of the following individual(s) only:

ID NO.	INDIVIDUAL(S)	CLASS

**\*\*OPTIONAL B (for either above 1 or 2) ("Parent Company Wording")\*\***

**LIMITED SCOPE OF COVERAGE.** The above named affiliated insured is only covered for liability arising as a result of the professional services of (Name of Policy Principal) (ID No.).

**\*\*OPTIONAL C (for either above 1 or 2) ("3<sup>rd</sup> party Mgmt Company Wording")\*\***

**LIMITED SCOPE OF COVERAGE.** The above named affiliated insured is only covered for vicarious liability arising as a result of the professional services of the following physician extender(s) while employed by above named insured and working with or in connection with the (Name of Policy Principal) (ID No.).

ID NO.	INDIVIDUAL	CLASS

Class Descriptions: (for applicable A or C options)

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seq no.

mm-dd-yy

policy no.

POLICY PRINCIPAL'S NAME (ID)

CHANGE OF ADDRESS ENDORSEMENT

It is understood and agreed that the address as described in Item 2 of the declarations sheet is amended to read:



seq no.

mm-dd-yy

policy no.

POLICY PRINCIPAL'S NAME (ID)

CHANGE OF POLICY DATES ENDORSEMENT

For (the additional premium of \$ ) (no additional premium) (the return premium of \$ ),  
it is understood and agreed that the following item(s) in the policy declarations sheet (is)  
(are) amended to read as follows:

**\*\*OPTION 1\*\***

Policy Period from: (Effective) to (Expiration)

**\*\*OPTION 2\*\***

Retroactive Date:

**\*\*OPTION 3\*\***

API Effective Date:

**\*\*OPTIONAL\*\***

This endorsement applies only to the following insured(s):  
(NAME OF INSURED) (ID NUMBER)

seq no.

mm-dd-yy

policy no.

POLICY PRINCIPAL'S NAME (ID)

LIMITED PRACTICE - PLACES OF EMPLOYMENT OR WORK ENDORSEMENT

It is understood and agreed that the coverage provided by this policy to the below listed individuals APPLIES ONLY to professional services rendered while practicing for or in connection with (Named Insured).

Individual                      ID No.                      \*\*OPTIONAL\*\* from (Date) to (Date)

[note: table-individual listing applies to group and individual policies.]

seq no.

mm-dd-yy

policy no.

POLICY PRINCIPAL'S NAME (ID)

LIMITED PRACTICE - CHANGES IN PLACES OF EMPLOYMENT  
OR WORK ENDORSEMENT

It is understood and agreed that Endorsement API-206 is amended to (include) (delete)  
the following individual(s) or entity(ies):

The following (is) (are) are included:

(Individual or entity)

For the following:

(Name of Insured) (ID No.)

The following (is) (are) are deleted:

(Individual or entity)

For the following:

(Name of Insured) (ID No.)

API-208 (09/06)

seq no.

mm-dd-yy

policy no.

POLICY PRINCIPAL'S NAME (ID)

### CLASSIFICATION CHANGE(S) ENDORSEMENT

For (the additional premium of \$ \_\_\_\_\_) (no additional premium) (the return premium of \$ \_\_\_\_\_), it is understood and agreed that the classification of (Named Insured) (ID No.) has been changed to (chose from option list) effective (Date).

\*Option 1\* (Classification and Code)

\*Option 2\* (Classification and Code - Part time status, working less than 30 hours per week)

\*Option 3\* (Classification and Code - Full time status)

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API-209 (05/03)

seq no.

mm-dd-yy

policy no.

POLICY PRINCIPAL'S NAME (ID)

### EXCLUDED PROCEDURES ENDORSEMENT

It is understood and agreed that no coverage is provided for the following procedures:

**\*\*OPTION 1\*\***

(Procedure Title) (\*\*OPTIONAL\*\* effective (Date)) (\*\*OPTIONAL\*\* from (Date) to (Date))

**\*\*OPTION 2\*\***

(Procedure Title) applicable to (Named Insured) (ID No.) (\*\*OPTIONAL\*\* effective (Date)) (\*\*OPTIONAL\*\* from (Date) to (Date))

seq no.

mm-dd-yy

policy no.

POLICY PRINCIPAL'S NAME (ID)

CHANGE OF TERRITORY ENDORSEMENT

For (the additional premium of \$ \_\_\_\_\_) (no additional premium) (the return premium of \$ \_\_\_\_\_), it is understood and agreed that the territory is changed as follows:

**\*\*OPTION1\*\***

Coverage is being provided for professional services occurring in all (State) counties except for the following:

- (County)
- (County) applicable to (Named Insured)(ID. No)
- (County) applicable to (Named Insured)(ID. No) involving professional services provided by (Named Insured)(ID. No)

**\*\*OPTION2\*\***

Coverage is being provided for professional services occurring in the following (State) counties:

- (County)
- (County) applicable to (Named Insured)(ID. No)
- (County) applicable to (Named Insured)(ID. No) involving professional services provided by (Named Insured)(ID. No)

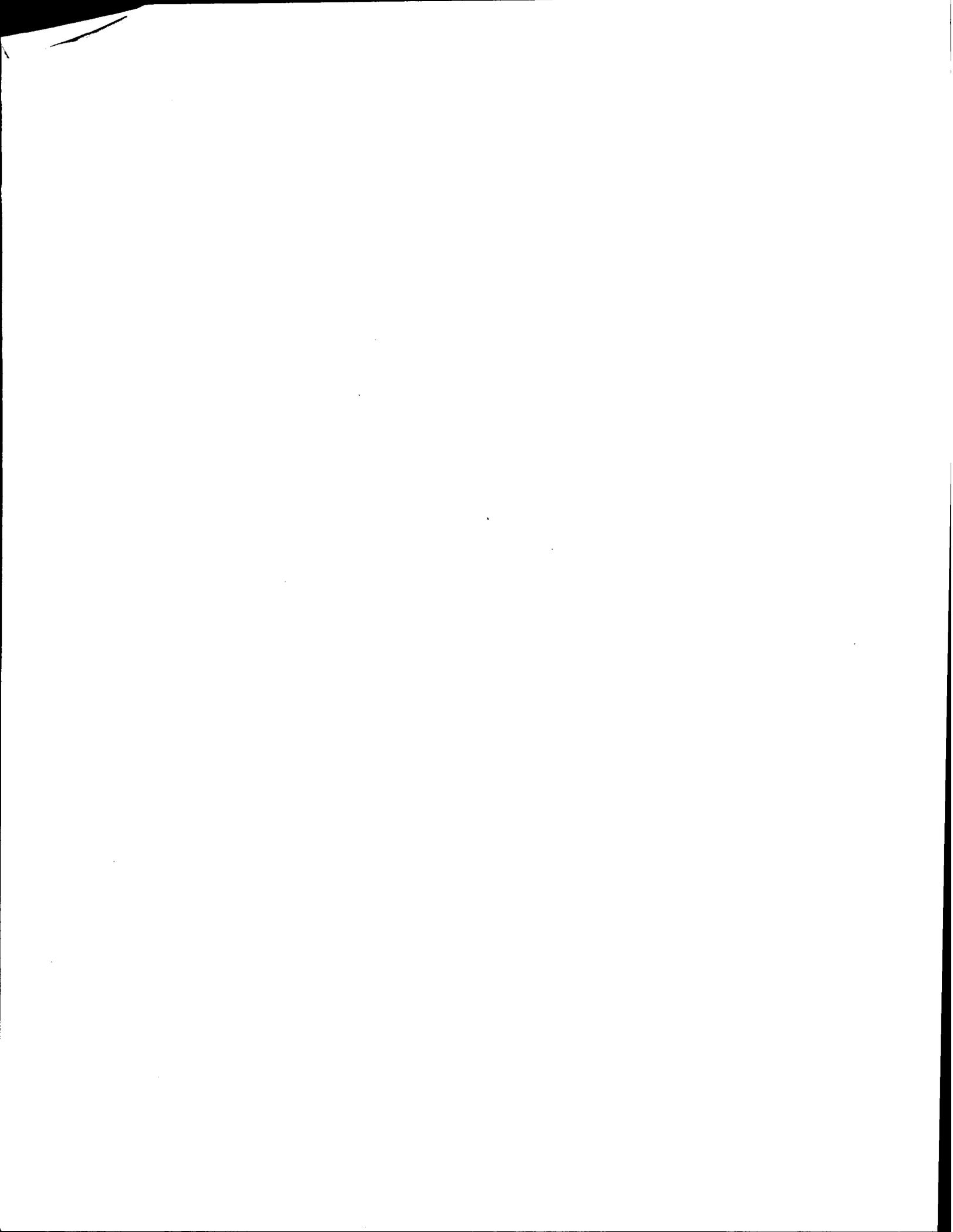
**\*\*OPTIONAL\*\***

Except, coverage is being provided for professional services occurring in the following (State) counties **\*\*OPTIONAL**(from (Date) to (Date)):

- (County)
- (County) applicable to (Named Insured)(ID. No)
- (County) applicable to (Named Insured)(ID. No) involving professional services provided by (Named Insured)(ID. No)

**\*\*OPTIONAL\*\*** However, the above coverage in (County) is limited to \$(\_\_\_\_\_) each loss and \$(\_\_\_\_\_) aggregate.

This endorsement is meant to limit the coverage provided on the declarations sheet and other endorsements. There is no stacking of coverage under any circumstance.



seq no.

mm-dd-yy

policy no.

POLICY PRINCIPAL'S NAME (ID)

RETROACTIVE (PRIOR ACTS) COVERAGE ENDORSEMENT

It is understood and agreed, subject to all terms, conditions and exclusions of this policy and the limitations stated below:

- A. This endorsement extends coverage to new claims or lawsuits arising out of professional services rendered by the following individual insured(s) provided the claim reported to us is first made on or after the effective date of this endorsement and the incident occurred on or after the individual's retroactive date and prior to the API Effective Date as shown below:

ID NO.	NAME	RETROACTIVE EFFECT DATE	API EFFECT DATE
--------	------	----------------------------	--------------------

\*OPTIONAL\*

- B. Coverage is also extended to new claims or lawsuits made against (Group Name) (ID No.) as a result of the acts or omissions of the individual(s) shown in above Paragraph A., provided the claim reported to us is first made on or after the effective date of this endorsement and the incident occurred during the period from (Retroactive Date) to (API Effective Date).

\*OPTIONAL\*

- C. This endorsement (only) (also) covers claims based on professional services rendered or which should have been rendered in the state(s) of (State) for the period from (beginning date) to (ending date).

seq no.

mm-dd-yy

policy no.

POLICY PRINCIPAL'S NAME (ID)

INCLUDE / DELETE PHYSICIAN EXTENDER ENDORSEMENT

**INCLUDE (SAME):** For (the additional premium of \$ \_\_\_\_\_) (no additional premium), it is understood and agreed that the declarations sheet and/or physician extender Endorsement is amended to include Individual coverage with respect to the following individual(s).

ID NO.	NAME	CLASS	RETROACTIVE DATE	EFFECTIVE DATE	TERMINATION DATE **OPTIONAL**

**DELETE:** For the (return premium of \$ \_\_\_\_\_) (no return premium), it is understood and agreed that Individual Coverage with respect to (physician extender) (ID No.) is hereby deleted from this policy.

**\*\*Applies to either endorsement option\*\***  
Class Descriptions(s):

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seq no.

mm-dd-yy

policy no.

POLICY PRINCIPAL'S NAME (ID)

EXTENDED REPORTING (TAIL) ENDORSEMENT

For (the additional premium of \$ \_\_\_\_\_ ) (no additional premium), it is understood and agreed this endorsement covers claims that would have been covered under your policy had they been reported before the date your coverage ended. To be covered, the professional service on which the claim is based must have taken place between your retroactive date and the date your coverage ended, and the claim must first be made during the extended reporting period of this endorsement.

WHO'S PROTECTED LIMITATIONS. Who's covered under this endorsement and the extended reporting period is as follows:

ID NO.	INSURED	RETROACTIVE DATE	EXTENDED REPORTING PERIOD	
			Date Coverage Ended	Date Endorsement Ends
<u>(ID No. / Individual or Group)</u>	<u>(Name – Individual or Group)</u>		<u>(Cancel Date)</u>	

LIMITS OF COVERAGE. The following limits of coverage apply separately to the above covered insured(s) for claims covered under this endorsement. The following limits amend and supersede the limits of coverage stated in the declarations sheet and/or endorsement(s) forming a part of this policy.

ID NO	INSURED	COVERAGE LIMITS	
		EACH LOSS	AGGREGATE
<u>(Individual or Group)</u>	<u>(Name – Individual or Group)</u>		

If the coverage limits are shown as \$0 for each loss and \$0 aggregate limits of

1127

coverage, the insured does not have individual coverage. The insured will be provided coverage for defense costs only. ~~X~~

DEDUCTIBLE: If this policy has a deductible endorsement for the above insured, then the same terms, conditions, and amount of deductible applies to any claims made during this extended reporting period.

COVERAGE WILL CEASE UPON EXHAUSTION OF THE AGGREGATE LIMIT.

API-217 (05/03)

seq no.

mm-dd-yy

policy no.

POLICY PRINCIPAL'S NAME (ID)

**POLICY TAIL ENDORSEMENT**

For (no additional premium) (additional premium of \$\_\_\_\_\_), it is understood and agreed this endorsement covers claims that would have been covered under this policy had they been reported before the date the coverage ended. To be covered, the professional service on which the claim is based must have taken place between the retroactive date and the date the coverage ended, and the claim must first be made during the extended reporting period of this endorsement.

Covered Group	Retro-Active Date	EXTENDED REPORTING PERIOD	
		Date Your Coverage Ended	Date This Endorsement Ends

DEDUCTIBLE: If this policy has a deductible endorsement, then the same terms, conditions, and amount of deductible apply to any claims made during this extended reporting period.

COVERAGE WILL CEASE UPON EXHAUSTION OF THE AGGREGATE LIMIT.

**(USE ONLY IF ENTIRE GROUP LEAVES)**

114

API-218 (05/03)

seq no.

mm-dd-yy

policy no.

POLICY PRINCIPAL'S NAME (ID)

**EXTENDED REPORTING (TAIL) DUE TO DEATH ENDORSEMENT**

It is understood and agreed that with respect to (Name of Insured) (ID No.), now deceased, the extended reporting (tail) coverage is granted for no additional charge in accordance with the policy provisions of Section II. General Rules and Conditions, Optional Indefinite Reporting (Tail) Endorsement.

This endorsement covers claims that would have been covered under your policy had they been reported before the date your coverage ended. To be covered, the professional service on which the claim is based must have taken place between your retroactive date and the date your coverage ended, and the claim must first be made during the extended reporting period of this endorsement.

Retroactive Date	EXTENDED REPORTING PERIOD	
	Date your Coverage Ended	Date This Endorsement Ends
<u>(Date)</u>	<u>(Cancel Date)</u>	

Claims reported under this endorsement will be subject to the following limits of liability which amend and supersede the limits of coverage stated in the declarations sheet or previous endorsements forming a part of this policy:

INDIVIDUAL LIMITS OF COVERAGE  
 Each Loss \$  
 Aggregate \$

COVERAGE WILL CEASE UPON EXHAUSTION OF THE AGGREGATE LIMIT.

115

seq no.

mm-dd-yy

policy no.

POLICY PRINCIPAL'S NAME (ID)

EXTENDED REPORTING (TAIL) DUE TO RETIREMENT ENDORSEMENT

For (no additional premium) (the additional premium of \$ \_\_\_\_\_) it is understood and agreed that with respect to (Name of Insured) (ID No.), now retired, the extended reporting (tail) coverage is provided in accordance with the policy provisions of Section II. General Rules and Conditions, Optional Indefinite Reporting (Tail) Endorsement.

This endorsement covers claims that would have been covered under your policy had they been reported before the date your coverage ended. To be covered, the professional service on which the claim is based must have taken place between your retroactive date and the date your coverage ended, and the claim must first be made during the extended reporting period of this endorsement.

Retroactive Date	EXTENDED REPORTING PERIOD	
	Date your Coverage Ended	Date This Endorsement Ends
<u>(Date)</u>	<u>(Cancel Date)</u>	

**\*\*OPTIONAL\*\*DEDUCTIBLE:** If this policy has a deductible endorsement, then the same terms, conditions, and amount of deductible apply to any claims made during this extended reporting period.

Claims reported under this endorsement will be subject to the following limits of liability which amend and supersede the limits of coverage stated in the declarations sheet or previous endorsements forming a part of this policy:

INDIVIDUAL LIMITS OF COVERAGE  
 Each Loss \$  
 Aggregate \$

COVERAGE WILL CEASE UPON EXHAUSTION OF THE AGGREGATE LIMIT.

116

seq no.

mm-dd-yy

policy no.

POLICY PRINCIPAL'S NAME (ID)

EXTENDED REPORTING (TAIL) DUE TO DISABILITY ENDORSEMENT

It is understood and agreed that with respect to (Name of Insured) (ID No.), now totally disabled, the extended reporting (tail) coverage is granted for no additional charge in accordance with the policy provisions of Section II. General Rules and Conditions, Optional Indefinite Reporting (Tail) Endorsement.

This endorsement covers claims that would have been covered under your policy had they been reported before the date your coverage ended. To be covered, the professional service on which the claim is based must have taken place between your retroactive date and the date your coverage ended, and the claim must first be made during the extended reporting period of this endorsement.

Retroactive Date	EXTENDED REPORTING PERIOD	
	Date your Coverage Ended	Date This Endorsement Ends
<u>(Date)</u>	<u>(Cancel Date)</u>	

Claims reported under this endorsement will be subject to the following limits of liability which amend and supersede the limits of coverage stated in the declarations sheet or previous endorsements forming a part of this policy:

INDIVIDUAL LIMITS OF COVERAGE  
 Each Loss \$  
 Aggregate \$

COVERAGE WILL CEASE UPON EXHAUSTION OF THE AGGREGATE LIMIT.

seq no.

mm-dd-yy

policy no.

POLICY PRINCIPAL'S NAME (ID)

SUSPENSION OF COVERAGE ENDORSEMENT

**\*\*Option 1 (If returning to work after illness or disability)\*\***

It is understood and agreed that your coverage under this policy is suspended until (Date). However, for your coverage to resume, we must have a written statement from your treating physician that you are fit to return to work. During the period coverage is suspended, you shall be provided reporting period coverage at no premium charge, however, no coverage is provided for claims arising from professional services occurring during the time period coverage is suspended.

**\*\*Option 2 (if returning to work after a voluntary leave)\*\***

It is understood and agreed that your coverage under this policy is suspended until (Date). During the period coverage is suspended, you shall be provided reporting period coverage at no premium charge, however, no coverage is provided for claims arising from professional services occurring during the time period coverage is suspended.

seq no.

mm-dd-yy

policy no.

POLICY PRINCIPAL'S NAME (ID)

RESUMPTION OF COVERAGE ENDORSEMENT

It is understood and agreed that coverage suspended by Endorsement No. (seq. no.), API-221, is reinstated.



seq no.

mm-dd-yy

policy no.

POLICY PRINCIPAL'S NAME (ID)

### LOCUM TENENS ENDORSEMENT

For no additional premium, it is understood and agreed that Individual Coverage is being provided to (Name of Locum Tenens) (ID No.) while practicing locum tenens for you during the period beginning (Date) and ending (Date) only; and no coverage is being provided after (Date).

There shall be no additional policy limit or increase in the policy limits as a result of this endorsement. Instead, the locum tenens shares in your limits of coverage.

The following definition is added to policy Section III.

Definitions:

Locum Tenens - A physician *(if Texas & Arkansas: or dentist)* who is temporarily providing professional services in your place, provided that the locum tenens has been approved by us and does not provide professional services at the same time as you.

**\*\*OPTIONAL\*\***

This endorsement applies only to the following insured (s) :

(NAME OF INSURED) (ID NUMBER)

seq no.

mm-dd-yy

policy no.

POLICY PRINCIPAL'S NAME (ID)

ADDITION OF SOLO PROFESSIONAL ASSOCIATION  
OR PROFESSIONAL CORPORATION ENDORSEMENT

It is understood and agreed that the Named Insured as described in (Item 1) (Schedule of Insureds) of the declarations sheet is amended to include the following as an insured Solo Group (effective mm-dd-yy) (from mm-dd-yy to mm-dd-yy).

Coverage for your Solo Group is included at no extra premium. This means that your Solo Group shares in your individual limit of coverage. Your individual limit of coverage does not apply separately to you and separately to your group. There is no stacking of coverage under this endorsement.

**\*\*OPTIONAL\*\***

This endorsement applies only to the following insured:  
(NAME OF INSURED) (ID NUMBER)

seq no.

mm-dd-yy

policy no.

POLICY PRINCIPAL'S NAME (ID)

SOLE AGENT ENDORSEMENT

It is understood and agreed in accordance with the terms and conditions of Section II. General Rules and Conditions, Sole Agent, that (Name of Sole Agent) has been designated as the Sole Agent to act on behalf of all insureds under this policy.

(Name of Sole Agent)

(Company Name)

(Street or P. O. Address)

(City, State, Zip Code)

This authorization may be withdrawn at any point in the future with the written consent of the First Named Insured.

122

API-226 (05/03)

seq no.

mm-dd-yy

policy no.

POLICY PRINCIPAL'S NAME (ID)

SPECIFIED EMPLOYMENT - LIABILITY EXCLUSION ENDORSEMENT

It is understood and agreed that no insurance under this policy applies with respect to any liability arising out of any professional services, while employed by or associated with (Name of Individual, Group, Entity or Organization).

**\*\*OPTIONAL\*\***

This endorsement applies only to the following insured (s):  
(NAME OF INSURED) (ID NUMBER)

123

seq. no.

mm-dd-yy

policy no.

POLICY PRINCIPAL'S NAME (ID)

CHANGE OF NAME ENDORSEMENT

It is understood and agreed that the following Named Insured is amended to read:

FROM: (Name of Insured) (ID No.)

TO: (Name of Insured) (ID No.)



seq no.

mm-dd-yy

policy no.

POLICY PRINCIPAL'S NAME (ID)

TEACHING ENDORSEMENT

For no additional premium, it is understood and agreed that the coverage provided under Individual Coverage to (Name of Insured) (ID No.) shall also apply for any claim resulting from (his) (her) participation in a teaching program in conjunction with a medical school or a teaching/training institution or medical facility.

seq no.

mm-dd-yy

policy no.

POLICY PRINCIPAL'S NAME (ID)

AMENDED RETIREMENT CONDITIONS ENDORSEMENT

\*Option1\* It is understood and agreed that the following condition is added to policy Section II. General Rules and Conditions, Optional Indefinite Reporting (Tail) Endorsement:

\*Option2\* It is understood and agreed that Section II. General Rules and Conditions, Optional Indefinite Reporting (Tail) Endorsement, is amended to read:

RETIREMENT. Upon termination of this policy due to your having elected to retire, as defined, (prior to your 60th) (after your 55th) (text input) birthday and having exercised your right by purchasing the extended reporting (tail) endorsement condition of this policy, and after having completed (ten) (five) (input) full years of uninterrupted insurance coverage (UIC) since (mm-dd-yy) (the date shown below) (the API effective date shown on the declarations sheet) the premium otherwise required for this endorsement will be waived.

\*\*\*\*OPTIONAL\*\*\*\*

This endorsement is applicable only to the following Insureds:

--ID--	--NAMED INSURED-----	UIC EFFECTIVE DATE

seq no.

mm-dd-yy

policy no.

POLICY PRINCIPAL'S NAME (ID)

DELETED ENDORSEMENT

It is understood and agreed that Endorsement No. (seq. no.), API-(Form Number), is deleted in its entirety.



seq no.

mm-dd-yy

policy no.

POLICY PRINCIPAL'S NAME (ID)

CHANGE OF PREMIUM ENDORSEMENT

It is understood and agreed that the coverage cost is amended to be \$\_\_\_\_\_.

seq no.

mm-dd-yy

policy no.

POLICY PRINCIPAL'S NAME (ID)

AMENDED COVERAGE / CONDITIONS ENDORSEMENT

It is understood and agreed that:

**\*\*OPTION 1 \*\***

- A. Section I. Professional Liability Coverage, How this policy protects you, is amended to read as follows:
- (1) We will defend any lawsuit brought against you for claims for damages covered by this policy. We will do this even if the lawsuit is groundless or fraudulent. We have the right to investigate any lawsuit or claim if we think that is appropriate.

All other terms and conditions under Section I., How this policy protects you, remain unchanged.

- B. Section II. General Rules and Conditions, Consent to Settle, is amended to read as follows:
- We can settle any claim against you without the authorized representative of the first named insured's written consent.

**\*\*OPTION 2 \*\***

- C. Section II. General Rules and Conditions, Optional Indefinite Reporting (Tail) Endorsement is hereby amended to delete the Retirement section in its entirety.

**\*\*OPTION 3 \*\***

- D. Section II. General Rules and Conditions, Optional Indefinite Reporting (Tail) Endorsement is hereby amended to delete the death or disability section in its entirety.

**\*\*OPTIONAL \*\***

This endorsement applies only to the following insured (s):  
(NAME OF INSURED) (ID NUMBER)



API-233 (05/03)

seq no.

mm-dd-yy

policy no.

POLICY PRINCIPAL'S NAME (ID)

NAMED INSURED HEALTH CARE PROVIDER ENDORSEMENT  
(Other Than Physician / Dentist)

It is understood and agreed that Section III. Definitions is amended to include the following:

**\*\*OPTION CHIROPRACTOR, PODIATRIST, PSYCHOLOGIST AND/OR OPTOMETRIST\*\***

Named insured, you, your, and group - Named insured can also mean the individual, (Chiropractor) (Podiatrist) (Psychologist) (Optometrist) named in the declarations sheet, Schedule of Insureds and/or endorsement(s) of this policy as covered under Individual Coverage.

seq no.

mm-dd-yy

policy no.

POLICY PRINCIPAL'S NAME (ID)

AMENDED COVERAGE AGREEMENTS ENDORSEMENT  
MAJOR MEDICAL INCIDENTS

It is understood and agreed that Section I. Professional Liability Coverage, When a claim is made, is amended to include the following:

Whenever you are aware of a Major Medical Incident and give written notice of this Major Medical Incident to us during the policy period, then a claim, with respect to such Major Medical Incident, if made against you shall be deemed to have been first made against you on the date upon which we received the written notice of such Major Medical Incident. A Major Medical Incident is defined as:

**\*\*OPTION: each, all or input text\*\***

- death
- paralysis, paraplegia, or quadriplegia
- spinal cord injury
- brain damage
- total or partial loss of limb, or loss of the use of a limb
- sensory organ or reproductive organ loss or impairment
- substantial disability or disfigurement
- (Input free text)

Such written notice must contain the names of the injured parties and any known witnesses, the specifics as to the nature, time, and place of the Major Medical Incident and the circumstances by which you first became aware of the incident. Reports of medical incidents made as part of an underwriting survey or a loss control inspection or survey shall not be considered notice for the purpose of coverage.

**\*\*OPTIONAL GROUP\*\***

This endorsement applies only to the written notice of major medical incidents for (Policy Principal Group Name) and any additional named insureds for the professional services of any insured of (Group Name)(ID No.)(Policy Number).

seq no.

mm-dd-yy

policy no.

POLICY PRINCIPAL'S NAME (ID)

ADDITIONAL LIABILITY ENDORSEMENT

For (the additional premium of \$ ) (no additional premium) it is understood and agreed that this policy is amended to include coverage to (Named Insured) arising as a result of the professional services of the below listed individual(s) but only for services rendered on behalf of the Named Insured during the period of coverage shown. The listed individual(s) are not insureds under this endorsement or policy, and no coverage is provided to them under this endorsement or policy. In addition, this endorsement neither increases the limits of coverage, nor provides the Named Insured a separate or additional set of limits.

Individual(s)

Period of Coverage

Beginning      Ending

(Name)

(Date)

(Date)

seq no.

mm-dd-yy

policy no.

POLICY PRINCIPAL'S NAME (ID)

LEGAL EXPENSE ENDORSEMENT

**Section I. MAXIMUM LEGAL EXPENSE; DEDUCTIBLE; COINSURANCE**

Maximum Legal Expense: \$ \_\_\_\_\_ Disciplinary Proceeding (each insured)

Aggregate: \$ \_\_\_\_\_ (each insured)

Deductible: \$ \_\_\_\_\_ per Disciplinary Proceeding

Coinsurance \_\_\_\_\_%

**Section II. LEGAL EXPENSE COVERAGE**

**How this endorsement protects you**

In consideration of the payment of premium and compliance with all terms of this Endorsement, and subject to the specific terms of the Professional Liability policy, we will reimburse you for any Legal Expenses you incur because of Disciplinary Proceedings brought against you.

**Who is an insured under this endorsement**

An insured can be any person or group of persons who is (1) listed on the declarations sheet and (2) licensed as a physician, surgeon or dentist.

**When you are covered**

Disciplinary Proceeding must meet the following requirements to qualify for coverage under this endorsement:

1. The Disciplinary Proceeding was instituted for the first time during the Policy Period.
2. You notified us within 30 days from the date a Disciplinary Proceeding was instituted.
3. On the initial effective date of this endorsement, you had no knowledge of any event or circumstance which you knew or would reasonably have believed might result in Legal Expenses covered by this endorsement.

seq no. (cont'd)**What this endorsement covers**

Subject to the terms and exclusions of this endorsement, we will reimburse you for Legal Expenses incurred as a result of any one of the following Disciplinary Proceedings:

1. A professional review action instituted against you by the professional review body of a health care entity with which you have clinical privileges or membership, which action is taken for the purpose of adversely affecting those clinical privileges or membership. The terms used in this paragraph are defined in 42 United States Code 11151 Section 431, Definitions.
2. Proceedings threatened or instituted against you by a state licensing authority for unprofessional conduct.
3. Proceedings instituted by a Professional Review Organization pursuant to parts 1004 and 1005 of title 42, Chapter V, Code of Federal Regulations to impose sanctions on you.
4. Proceedings instituted by a state Department of Health Services or the Federal Department of Health and Human Services alleging Medicare/Medicaid fraud and abuse by you or performance of medical services in excess of or in violation of guidelines for appropriate utilization of those services.
5. Proceedings instituted by a governmental agency alleging violation of HIPAA privacy regulations.

**What is payable under this endorsement**

We will reimburse you for 90% of any Legal Expenses exceeding the deductible. We will not pay more than the maximum shown on this endorsement for any one Disciplinary Proceeding. Even though a Disciplinary Proceeding may last longer than a policy period, that fact will not increase the maximum amount reimbursable for any one Disciplinary Proceeding.

There are certain Legal Expenses this endorsement does not cover. These exclusions apply even if they conflict with other terms of the policy or the endorsement. We will not reimburse you for Legal Expenses:

1. Incurred in a dispute about this insurance including questions as to whether Legal Expenses are reimbursable under this endorsement.
2. If the Legal Expenses arise out of any matter you conspired with another to institute or have instituted.
3. Incurred in defense of a criminal prosecution. Criminal prosecution means any governmental action for enforcement of criminal laws, including offenses, conviction for which could result in imprisonment.
4. Arising out of any matter other than a Disciplinary Proceeding.
5. Arising out of an application for initial placement on a medical staff.
6. Arising out of disputes over timely completion of medical records.

seq no. (cont'd)

### **Section III. GENERAL RULES AND CONDITIONS**

#### **Your duties if you have a Disciplinary Proceeding instituted against you**

You must notify us in writing within 30 days from the date a disciplinary proceeding is instituted.

#### **Appeals**

Appeals are considered to be part of the original Disciplinary Proceeding. All related Disciplinary Proceedings and all consolidated proceedings and proceedings arising out of the same events are considered as one Disciplinary Proceeding.

#### **Reimbursement**

You will be reimbursed only for Legal Expenses incurred for legal services actually rendered, and for associated expenses actually incurred.

#### **Recovery and Subrogation**

Should you effect subrogation or receive additional reimbursement of the legal expenses covered in this endorsement, you must reimburse us for any and all benefits paid to you under this endorsement. We are entitled, at our own expense, to sue or arbitrate in your name and receive all the rights and remedies you have against any party for Legal Expenses covered in this endorsement. You must give us all assistance in your power as we may require to secure those rights and remedies. In addition, you, at our request, must execute all documents necessary to enable us to effectively bring suit or demand arbitration in your name, including the execution and delivery of the customary form of loan receipt.

#### **Extended Reporting**

Your option to buy an extended reporting (tail) endorsement that extends the time for reporting claims, as specified under Section II. General Rules and Conditions of your policy, shall not apply to the coverages under this Legal Expense Endorsement.

### **Section IV. ARBITRATION**

Any irreconcilable dispute between you and us is to be settled by arbitration in accordance with the then current rules of the American Arbitration Association. Judgment upon the award may be entered in any court having jurisdiction. The arbitrator has the power to decide any dispute between you and us concerning the application or interpretation of this endorsement. The arbitrator shall have no power to change or add to the provisions of this endorsement. Prior to the beginning of arbitration, each disputing party shall pay an equal share of the estimated cost of arbitration.



**Section V. DEFINITIONS (when used in this endorsement)**

**Attorney**

An Attorney is an individual or group duly licensed to practice law at the time and place the legal services are rendered.

**Instituted**

Instituted, with regard to the beginning of any Disciplinary Proceeding against you, means the time you received formal written notice.

**Legal Expenses**

Legal expenses are an Attorney's fee for legal services rendered and any associated expenses. No judgment or expense other than for Legal Expenses of your attorney(s) shall be covered.

**Section VI. POLICY OF EXCLUSION AMENDED**

Because of this endorsement, Exclusion (5) of the policy is amended to conform to the terms of this endorsement. However, we will not pay any money for fines or penalties which you must pay because of a Disciplinary Proceeding.



seq no.

mm-dd-yy

policy no.

POLICY PRINCIPAL'S NAME (ID)

**LEGAL EXPENSE AND FINES AND PENALTIES ENDORSEMENT  
FOR PHYSICIANS AND SURGEONS**

**Section I. MAXIMUM AMOUNT REIMBURSABLE, DEDUCTIBLE, AND CO-PAYMENT**

**Maximum AMOUNT REIMBURSABLE,  
Per Disciplinary Proceeding (each Insured):** **\$100,000**

**ANNUAL AGGREGATE AMOUNT REIMBURSABLE:**  
(each Insured): **\$100,000**

**DEDUCTIBLE, Per Disciplinary Proceeding:** **\$1,000**, for either **Legal Expenses and/or Fines and Penalties**

**CO-PAYMENT** **25%**

**NOTE-** This means that you will be required to pay 25% of all amounts paid in excess of the deductible amount for **Legal Expenses and/or Fines and Penalties** for each and every claim covered by this endorsement. However, this requirement will be waived if you use the services of an **Approved Attorney**.

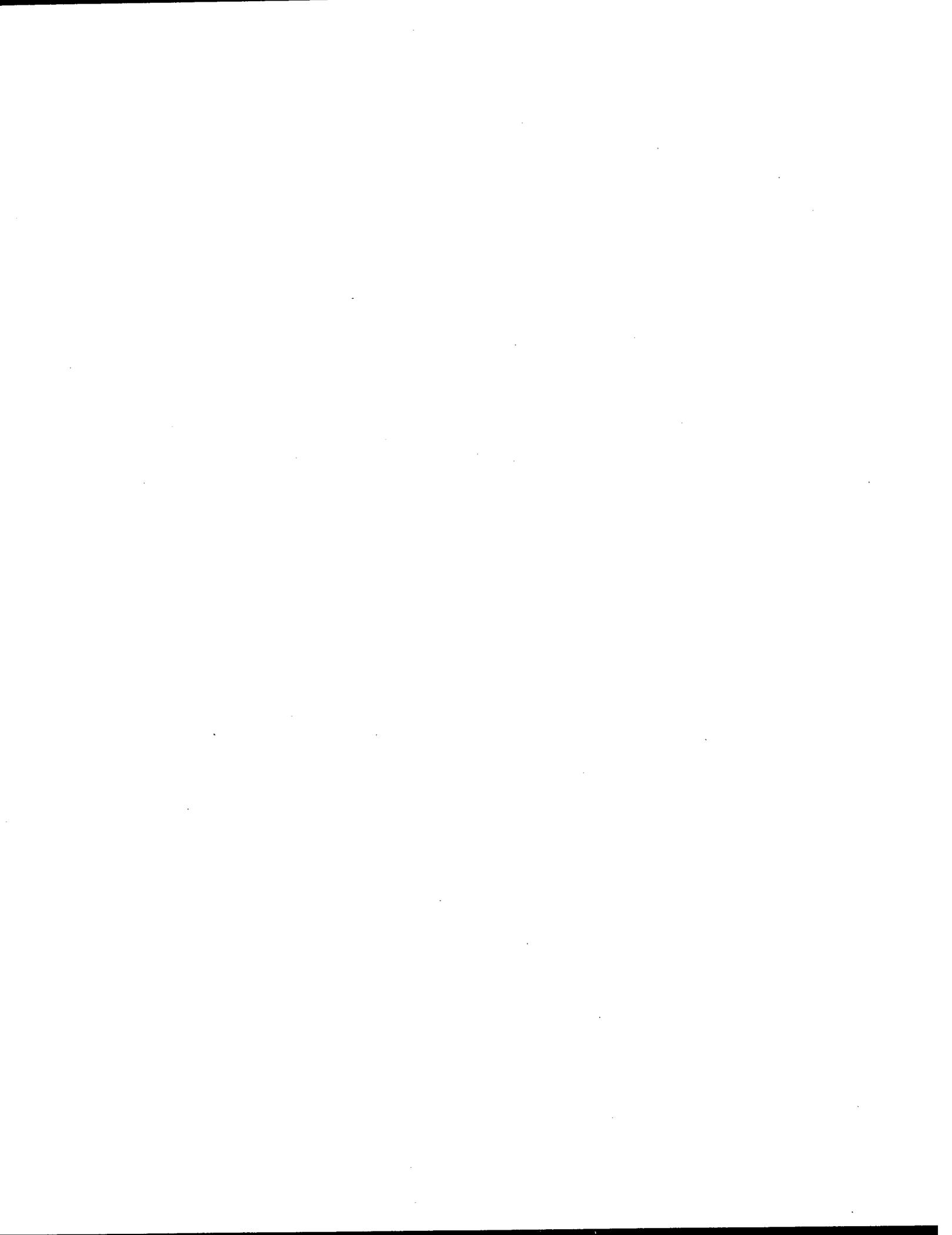
**Section II. LEGAL EXPENSE COVERAGE**

**How this endorsement protects you**

In consideration of the payment of premium and compliance with all terms of this Endorsement, and subject to the specific terms of the Professional Liability policy, we will reimburse you for any **Legal Expenses and/or Fines and Penalties** you incur because of Disciplinary Proceedings brought against you during the policy period.

**Who is an Insured under this endorsement**

An Insured can be any person or group of persons who is (1) listed on the declarations sheet and (2) licensed as a physician or surgeon.



seq no. (cont'd)**When you are covered**

Disciplinary Proceeding must meet the following requirements to qualify for coverage under this endorsement:

1. The Disciplinary Proceeding was instituted for the first time during the Policy Period.
2. You notified us within 30 days from the date a Disciplinary Proceeding was instituted.
3. On the initial effective date of this endorsement, you had no knowledge of any event or circumstance of which you knew or would reasonably have believed might result in **Legal Expenses** and/or **Fines and Penalties** covered by this endorsement.

**What this endorsement covers****1. Reimbursement for Legal Expenses**

Subject to the terms and exclusions of this endorsement, we will reimburse you for **Legal Expenses** incurred as a result of any one of the following Disciplinary Proceedings:

- a. A professional review action instituted against you by the professional review body of a health care entity with which you have clinical privileges or membership, which action is taken for the purpose of adversely affecting those clinical privileges or membership. The terms used in this paragraph are defined in 42 United States Code 11151 Section 431, Definitions.
- b. Proceedings threatened or instituted against you by a state licensing authority for unprofessional conduct.
- c. Proceedings instituted by a Professional Review Organization pursuant to parts 1004 and 1005 of title 42, Chapter V, Code of Federal Regulations to impose sanctions on you.
- d. Proceedings instituted by a state Department of Health Services or the Federal Department of Health and Human Services alleging Medicare/Medicaid fraud and abuse by you or performance of medical services in excess of or in violation of guidelines for appropriate utilization of those services.
- e. Proceedings instituted by a governmental agency alleging violation of HIPAA privacy regulations.
- f. Proceedings instituted by HCFA alleging violations of the Emergency Medical Treatment & Labor Act (EMTALA).

**2. Reimbursement for Fines and Penalties**

Subject to the terms and exclusions of this endorsement, we will reimburse you for **Fines and Penalties** which are the subject of final adjudication by an administrative tribunal or court, or are the subject of a settlement agreement or stipulated judgment to which we have given our prior consent. You shall not admit or assume any liability for **Fines and Penalties** without our prior written consent. Only those settlements, stipulated judgments, or **Fines and Penalties** to which we have consented in writing shall be reimbursable under this policy. We will not unreasonably withhold our consent to such payments.



seq no. (cont'd)**What is payable under this endorsement**

We will reimburse you for 100% of any **Legal Expenses** and/or **Fines and Penalties** exceeding the deductible, less any Co-Payment that you may be required to pay if you do not to use the services of an **Approved Attorney**. We will not pay more than the **ANNUAL AGGREGATE AMOUNT REIMBURSABLE** (Per Disciplinary Proceeding, each Insured) shown on this endorsement the total of all covered **Legal Expenses** and/or **Fines and Penalties** incurred for any one Disciplinary Proceeding during the policy period. Even though a Disciplinary Proceeding may last longer than a policy period, that fact will not increase the maximum amount reimbursable under this policy.

We will not pay more than the **ANNUAL AGGREGATE** shown on this endorsement for the total of all covered **Legal Expenses** and/or **Fines and Penalties** incurred for any one Insured for all Disciplinary Proceedings incurred during the policy period. Even though these Disciplinary Proceedings may last longer than the policy period, that fact will not increase the **ANNUAL AGGREGATE** under this policy.

**Exclusions**

There are certain **Legal Expenses** and/or **Fines and Penalties** that this endorsement does not cover. These exclusions apply even if they conflict with other terms of the policy or the endorsement. We will not reimburse you for **Legal Expenses** and/or **Fines and Penalties**:

1. Incurred in a dispute about this insurance including questions as to whether **Legal Expenses** and/or **Fines and Penalties** are reimbursable under this endorsement.
2. If the **Legal Expenses** and/or **Fines and Penalties** arise out of any matter you conspired with another to institute or have instituted.
3. Incurred in defense of a criminal prosecution. Criminal prosecution means any governmental action for enforcement of criminal laws, including offenses, conviction for which could result in imprisonment.
4. Arising out of any matter other than a Disciplinary Proceeding.
5. Arising out of an application for initial placement on a medical staff.
6. Arising out of disputes over timely completion of medical records.

**Section III. GENERAL RULES AND CONDITIONS****Your duties if you have a Disciplinary Proceeding instituted against you**

You must notify us in writing within 30 days from the date a disciplinary proceeding is instituted.

**Appeals**

Appeals are considered to be part of the original Disciplinary Proceeding. All related Disciplinary Proceedings and all consolidated proceedings and proceedings arising out of the same events are considered as one Disciplinary Proceeding.



seq no. (cont'd)

**Reimbursement**

You will be reimbursed only for **Legal Expenses** incurred for legal services actually rendered, and for associated expenses actually incurred.

**Co-Payment**

You will be required to pay twenty-five percent (25%) of all **Legal Expenses** and/or **Fines and Penalties** incurred for legal services, in excess of the deductible amount, that are performed in regard to a covered Disciplinary Proceeding. HOWEVER, the requirement for a co-payment will be waived if you agree to utilize the services of an **Approved Attorney** for such legal services.

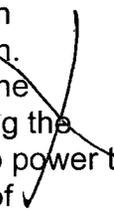
**Recovery and Subrogation**

Should you effect subrogation or receive additional reimbursement of the legal expenses covered in this endorsement, you must reimburse us for any and all benefits paid to you under this endorsement. We are entitled, at our own expense, to sue or arbitrate in your name and receive all the rights and remedies you have against any party for **Legal Expenses** and/or **Fines and Penalties** covered in this endorsement. You must give us all assistance in your power that we may require in order to secure those rights and remedies. In addition, you, at our request, must execute all documents necessary to enable us to effectively bring suit or demand arbitration in your name.

**Extended Reporting**

Your option to buy an extended reporting (tail) endorsement that extends the time for reporting claims, as specified under Section II. General Rules and Conditions of your policy, shall not apply to the coverages under this **Legal Expense** and **Fines and Penalties Endorsement**. 

**Section IV. ARBITRATION**

Any irreconcilable dispute between you and us is to be settled by arbitration in accordance with the then current rules of the American Arbitration Association. Judgment upon the award may be entered in any court having jurisdiction. The arbitrator has the power to decide any dispute between you and us concerning the application or interpretation of this endorsement. The arbitrator shall have no power to change or add to the provisions of this endorsement. Prior to the beginning of arbitration, each disputing party shall pay an equal share of the estimated cost of arbitration. 

**Section V. DEFINITIONS (when used in this endorsement)****Attorney**

An Attorney is an individual or group duly licensed to practice law at the time and place the legal services are rendered.



seq no. (cont'd)

**Approved Attorney**

An individual Attorney or a group of Attorneys that have been approved by the Company to provide Legal Services to physicians or surgeons for Disciplinary Proceedings covered herein. A list of **Approved Attorneys** can be obtained from us, at your request.

**Fines and Penalties**

**Fines and Penalties** shall mean administrative fines or penalties that you are required to pay as a result of a covered civil disciplinary proceeding.

**Instituted**

Instituted, with regard to the beginning of any Disciplinary Proceeding against you, means the date that you received formal written notice.

**Legal Expenses**

**Legal expenses** are an Attorney's fee for legal services rendered and any associated expenses. No judgment or expense other than for **Legal Expenses** of your attorney(s) shall be covered.

**Section VI. POLICY EXCLUSION AMENDED**

Because of this endorsement, Exclusion (5) of the policy is amended to conform to the terms of this endorsement.



API-243 (11/03)

seq no.

mm-dd-yy

policy no.

POLICY PRINCIPAL'S NAME (ID)

DEDUCTIBLE - INDEMNITY COSTS ONLY

It is understood and agreed that:

- (1) Our obligation to pay damages on your behalf applies only to the amount of damages in excess of the deductible stated below.
- (2) A deductible amount of \$ \_\_\_\_\_ will apply to each named insured or physician extender who is named in an endorsement **(if a single limit policy then instead put "will apply to each incident")** which results in a claim and/or lawsuit being filed or made against you during the Policy Period which occurred after your Retroactive Date.
- ~~(3) We will have no obligation to effect the settlement of any claim and/or lawsuit until you deposit with us the full amount of the deductible applicable to each claim and/or lawsuit.~~
- (4) However, as our sole option, we may pay any part or all of the deductible amount to effect settlement of any claim and/or lawsuit that has been agreed to in conformance with the provisions of this policy.
- (5) This deductible applies to indemnity costs incurred by us in the settlement of any claim and/or lawsuit. Upon our request you shall reimburse us within 30 days for such costs up to the amount of deductible.

**\*\*OPTION WHEN DEDUCTIBLE APPLIES TO ALL INSUREDS\*\***

- (6) Any physician and/or physician extender listed on the declarations sheet and/or endorsements as well as the first named insured are all responsible for any deductible applicable to a claim and/or lawsuit under this endorsement.

**\*\*OPTION WHEN DEDUCTIBLE APPLIES TO SELECTED INSUREDS\*\***

- (6) The below listed individuals as well as the first named insured are all responsible for any deductible applicable to a claim and/or lawsuit under this endorsement.

NAME OF INSURED) (ID NUMBER)

142



API-244 (01/07)

seq no.

mm-dd-yy

policy no.

POLICY PRINCIPAL'S NAME (ID)

DEDUCTIBLE - INDEMNITY AND LEGAL COSTS  
(SPECIFIED BY PROCEDURE) ENDORSEMENT

It is understood and agreed that:

- (1) Our obligation to pay damages on your behalf applies only to the amount of damages in excess of the deductible stated below.
- (2)\*OPT1\* A deductible amount of \$\_\_\_\_\_ will apply to each named insured or physician extender who is named in an endorsement (***if a single limit policy then instead put "will apply to each incident"***) which results in a claim and/or lawsuit being filed or made against you during the Policy Period which occurred after your Retroactive Date.
- (2)\*OPT2\* A deductible amount of \$\_\_\_\_\_ will apply to each claim and/or lawsuit being filed or made against you during the Policy Period which occurred after your Retroactive Date because of any and all injuries arising out of any incident alleged to have occurred due to any (procedure title) procedure.
- (3) We will have no obligation to effect the settlement of any claim and/or lawsuit until you deposit with us the full amount of the deductible applicable to each claim and/or lawsuit. 
- (4) However, as our sole option, we may pay any part or all of the deductible amount to effect settlement of any claim and/or lawsuit that has been agreed to in conformance with the provisions of this policy.
- (5) This deductible applies to indemnity costs incurred as well as legal costs incurred by us in the settlement or defense of any claim and/or lawsuit. Upon our request you shall reimburse us within 30 days for such costs as incurred on a quarterly basis, up to the amount of the deductible.

The term legal costs shall mean attorney's usual and customary fees and associated expenses for legal services rendered and incurred by us. Term shall include, but shall not be limited to costs for expert witnesses and court costs. It does not include our indirect expenses such as employee salaries, rent, utilities or similar usual office or administrative expenses.

143

seq no. (cont'd)

**\*\*OPTION WHEN DEDUCTIBLE APPLIES TO ALL INSUREDS\*\***

- (6) Any physician and/or physician extender listed on the declarations sheet and/or endorsements as well as the first named insured are all responsible for any deductible applicable to a claim and/or lawsuit under this endorsement.

**\*\*OPTION WHEN DEDUCTIBLE APPLIES TO SELECTED INSUREDS\*\***

- (6) The below listed individuals as well as the first named insured are all responsible for any deductible applicable to a claim and/or lawsuit under this endorsement.

(NAME OF INSURED) (ID NUMBER)

seq no.

mm-dd-yy

policy no.

POLICY PRINCIPAL'S NAME (ID)

REPORTING RIGHTS FOR TERMINATED PHYSICIANS  
ENDORSEMENT

For (the premium charged) (the additional premium of \$ \_\_\_\_\_) (no additional premium) it is understood and agreed that this endorsement affords the terminated physicians scheduled below reporting rights for those claims that are reported as a result of professional services rendered or should have been rendered while employed by the First Named Insured so long as the incident occurred after the retroactive date and before the termination date. Reporting rights are only afforded after the termination date and while the policy is in force.

NAME	RETROACTIVE DATE	TERMINATED DATE
------	---------------------	--------------------

The coverage provided for reported claims defined above, share in the group limits as described on the declarations sheet.

This endorsement does not increase the limits of coverage or provide a separate set of limits. Coverage will cease upon exhaustion of the aggregate limit.

If this policy has a deductible endorsement, the same terms, conditions, and amount of deductible apply to any claims made under this endorsement.

THIS ENDORSEMENT IS ONLY VALID WHILE THE ABOVE REFERENCED POLICY IS IN FORCE.

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ENDORSEMENT NO. seq no.

This endorsement, effective 12:01 A.M. mm-dd-yy forms a part of policy No. number issued to

Policy Principal's Name (ID) [First Named Insured]

by American Physicians Insurance Company

SLOT POLICY ENDORSEMENT

For (the premium charged) (no additional premium) (the additional premium of \$amount), this policy includes coverage, subject to the terms and conditions of the policy, for (number) slot position(s).

It is hereby understood and agreed that the group coverage as described on the declarations sheet includes vicarious liability for the professional services of those physicians staffing slot positions while employed by, working for, or in connection with the group.

The physicians staffing the slot positions, regardless of how many are named in the claim and/or lawsuit, share in (\$           ) for each loss and (\$           ) aggregate limits of coverage, subject to the terms and conditions of the policy. The individual coverage only includes liability for the professional services of those physicians staffing the slot positions while employed by, working for, or in connection with the group.

It is further understood that individual coverage, subject to the terms and conditions of the policy, for the physicians staffing the slot positions expires on the date that employment is terminated. Each terminated physician is afforded reporting rights for claims that are reported as a result of professional services rendered or that should have been rendered after the slot effective date of (mm-dd-yy) and before the termination date and while the policy is in force.

*(if the optional physician list is used below, form needs to be a two page endorsement with the next paragraph on the second page, and a leader indicating to turn to page two)*

Slot position is defined as any full time equivalent employment assignment for which temporary services are being provided. The temporary services provided during the employment assignment are required to be within the realm of specialty and training of the physician staffing the slot position. The insured is required to keep a log of those physicians, and hours worked, comprising the applicable slot positions.

**\*\*OPTIONAL\*\***

Covered Physicians

Effective Date:

Termination Date:

\_\_\_\_\_  
Authorized Representative

All other provisions remain unchanged.

161

ENDORSEMENT NO. seq no.

This endorsement, effective 12:01 A.M. mm-dd-yy forms a part of policy No. number issued to

Policy Principal's Name (ID) [First Named Insured]

by American Physicians Insurance Company

ACCIDENTAL DEATH AND DISMEMBERMENT (AD&D) COVERAGE  
ENDORSEMENT

It is hereby understood and agreed that Section IV. Notice of Group Accidental Death and Dismemberment (AD&D) Coverage is added to the policy as follows:

Accidental Death and Dismemberment (AD&D) coverage has been obtained for the licensed physician(s) who is (are) listed on the declarations sheet and/or endorsements as an insured under this policy. AD&D coverage is provided to American Physicians Insurance Company (API) by United States Life (the insuring company) through a group policy where API is the group policyholder and individual insureds are eligible for coverage as a policyholder of API. You will be provided a Certificate of Insurance to evidence and explain the AD&D coverage benefits for a qualifying injury or accidental death. The AD&D group policy is a contract between the insuring company and API which may be changed or ended without your consent.

AD&D coverage ceases when you no longer have professional liability insurance coverage in force with API. Your option to buy an extended reporting (tail) endorsement that extends the time for reporting claims, as specified under Section II. General Rules and Conditions of your policy, shall not apply to the AD&D coverage.

---

Authorized Representative

All other provisions remain unchanged.

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API-289 (10/07)

seq no.

mm-dd-yy

policy no.

POLICY PRINCIPAL'S NAME (ID)

DELETE NAMED INSURED ENDORSEMENT

For the (return premium of \$ \_\_\_\_\_) (premium charged), it is understood and agreed that (Individual) (Group) (Individual and Group) Coverage with respect to the following insured(s) is hereby terminated from this policy.

ID NO.	NAMED INSURED	CLASS	Termination Date
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Class Descriptions:

163

seq no.

mm-dd-yy

policy no.

POLICY PRINCIPAL'S NAME (ID)

**ADD NAMED INSURED ENDORSEMENT**

For (the additional premium of \$ \_\_\_\_\_) (no additional premium), it is understood and agreed that the declarations sheet is amended to include (Individual) (Group) (Individual and Group) Coverage with respect to the following individual(s). Unless specified below, the conditions and limits on the declarations sheet apply to those listed below.

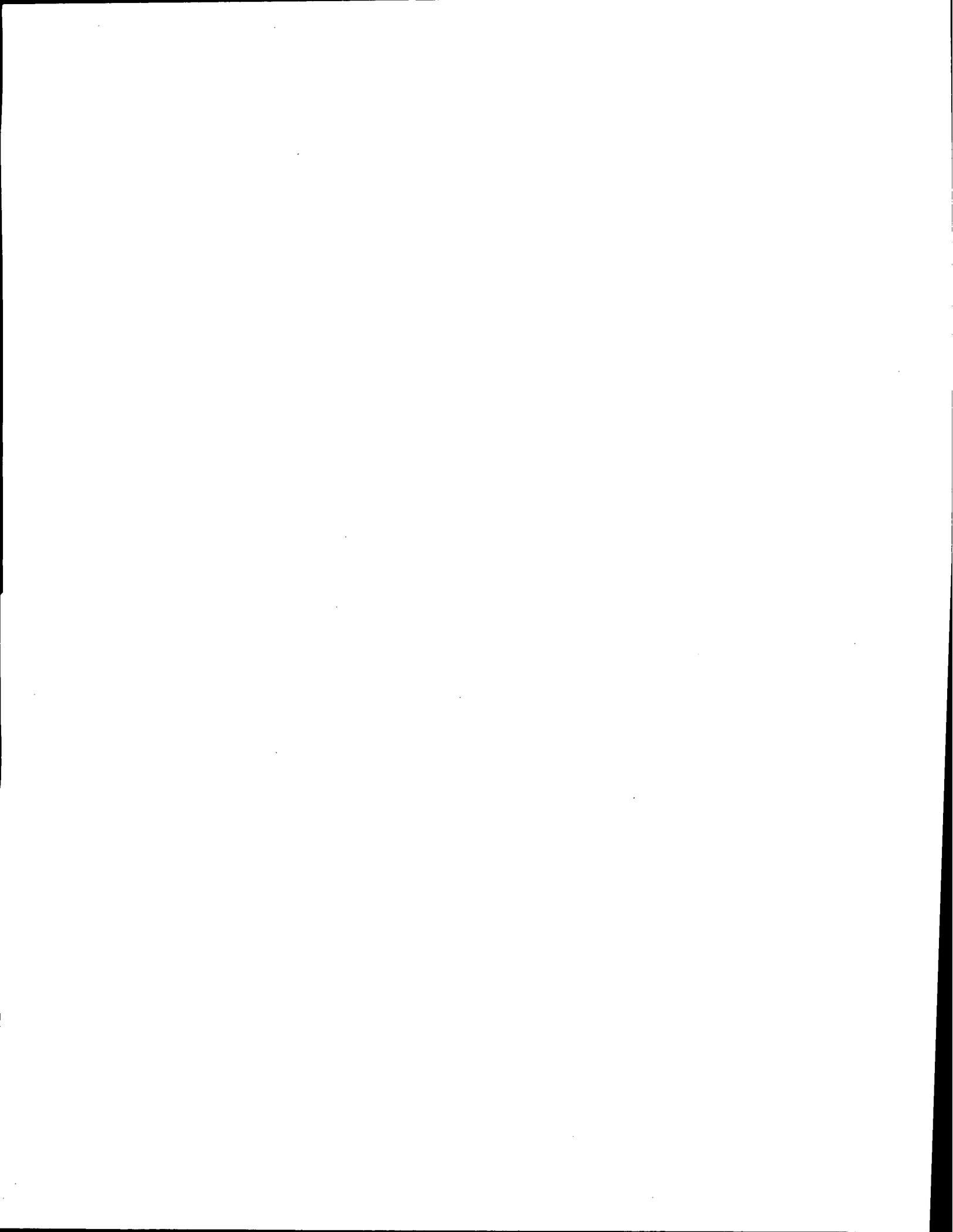
ID NO.	NAMED INSURED	CLASS	INDIVIDUAL RETROACTIVE EFFECT DATE	INDIVIDUAL API EFFECT DATE

**OPTIONAL:		LIMITS OF INDIVIDUAL COVERAGE	
DURING THE PERIOD		EACH LOSS	AGGREGATE
FROM	TO	\$ _____	\$ _____
MM-DD-YY	MM-DD-YY	\$ _____	\$ _____

**Comment [APS1]:** Not used on single limit policies

\*OPTIONAL\* It is understood and agreed that the coverage provided by this policy to the above listed individuals APPLIES ONLY to professional services rendered while practicing for or in connection with (group or individual's name) from (Date) to (Date).

Class Descriptions:



seq no.

mm-dd-yy

policy no.

POLICY PRINCIPAL'S NAME (ID)

### ARKANSAS AMENDATORY ENDORSEMENT

1. It is understood agreed that exclusion (13) "Exclusion for punitive or exemplary damages under Section I. Exclusions-What this policy does not cover" is deleted in its entirety.

2. It is understood and agreed that the provisions of your policy dealing with "Cancellation of your policy: How we can cancel for other reasons, Nonrenewal of your policy, and Premiums under Section II. General Rules and Conditions" are deleted and replaced to read as follows:

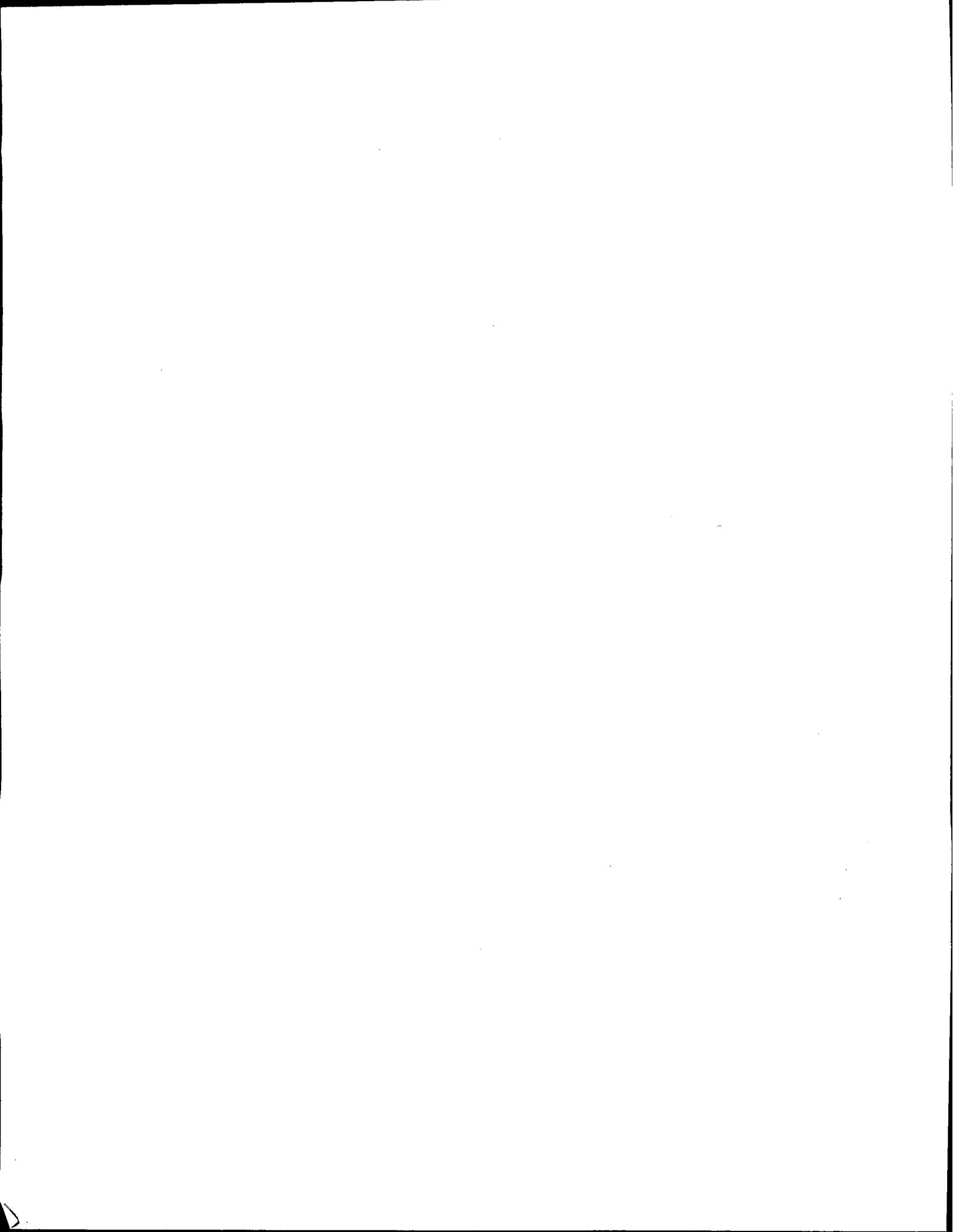
Cancellation of your policy: How we can cancel for other reasons.

We can cancel your policy after we have mailed or delivered written notice to the authorized representative of the first named insured:

- (1) within the first sixty (60) days of the policy period with such cancellation effective thirty (30) days thereafter; or
- (2) after sixty (60) days, or if this is a renewal policy, with such cancellation effective twenty (20) days thereafter for at least one of the following reasons:
  - (a) Fraud or material misrepresentation made by or with the knowledge of the named insured in obtaining the policy, continuing the policy, or in presenting a claim under the policy;
  - (b) The occurrence of a material change in the risk that substantially increases any hazard insured against after policy issuance;
  - (c) Violation of any local fire, health, safety, building or construction regulation or ordinances with respect to any insured property or the occupancy thereof that substantially increases any hazard insured against under this policy;
  - (d) A material violation of a material provision of the policy.

Nonrenewal of your policy

- (1) You can choose not to renew this policy for any reason. We have the same right. If we choose not to renew your policy, we will send notice of our intention not to renew the policy at least sixty (60) days before the existing policy expires.



## Premiums

The authorized representative of the first named insured is responsible for paying all premiums and will be the one to whom we will pay any return premiums. We can increase the premium for this policy by mailing sixty (60) days written notice of such increase prior to the effective date of renewal. A natural step increase is inherent in a claims-made policy and does not require written notice.

If the notice is mailed less than sixty (60) days prior to the end of the policy period and results in a premium increase equal to or greater than twenty-five percent (25%), we are required to extend the existing policy sixty (60) days from the date the notice is mailed or delivered. The premium for the policy as extended in such circumstances shall be no more than the pro rata premium of the existing policy.

All other provisions in the Policy remain unchanged.



**American Physicians Insurance Company**

**APIE PHYSICIAN SERVICES OFFICES:**

**American Physicians Insurance Company  
1301 Capital of Texas Highway South, Suite C300  
Austin, Texas 78746  
Telephone: 1-800-252-3628**

**If we at American Physicians Insurance Company fail to provide you with reasonable and adequate service, you should feel free to contact:**

**Arkansas Insurance Department  
Consumer Services Division  
1200 West Third Street  
Little Rock, Arkansas 72201-1904  
Telephone: 1-800-852-5494 (or 501-371-2640)**

**3 11 05 R**

**Arkansas Act 197 of 1987**

167

seq no.

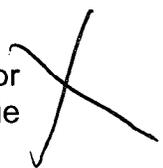
mm-dd-yy

policy no.

POLICY PRINCIPAL'S NAME (ID)

DEDUCTIBLE - INDEMNITY (AND LEGAL) COSTS  
ANNUAL AGGREGATE

It is understood and agreed that:

- (1) Our obligation to pay damages on your behalf applies only to the amount of damages in excess of the deductible stated below.
- (2) A deductible amount of \$\_\_\_\_\_ will apply to each named insured or physician extender who is named in an endorsement ***(if a single limit policy then instead put "will apply to each incident")*** which results in a claim and/or lawsuit being filed or made against you during the Policy Period which occurred after your Retroactive Date.
- (3) We will have no obligation to effect the settlement of any claim and/or lawsuit until you deposit with us the full amount of the deductible applicable to each claim and/or lawsuit. 
- (4) However, as our sole option, we may pay any part or all of the deductible amount to effect settlement of any claim and/or lawsuit that has been agreed to in conformance with the provisions of this policy.
- (5) This deductible applies to indemnity costs incurred (as well as legal costs incurred) by us in the settlement or defense of any claim and/or lawsuit. Upon our request you shall reimburse us within 30 days for such costs as incurred on a quarterly basis, up to the amount of the deductible.

**(Use if legal costs applies: The term legal costs shall mean attorney's usual and customary fees and associated expenses for legal services rendered and incurred by us. Term shall include, but shall not be limited to costs for expert witnesses and court costs. It does not include our indirect expenses such as employee salaries, rent, utilities or similar usual office or administrative expenses.)**

- (6) This deductible applies, as described in paragraph 5 above; however, the maximum aggregate deductible per annual policy period shall be no more than \$\_\_\_\_\_.

seq no. (cont'd)

**\*\*OPTION WHEN DEDUCTIBLE APPLIES TO ALL INSUREDS\*\***

- (7) Any physician and/or physician extender listed on the declarations sheet and/or endorsements as well as the first named insured are all responsible for any deductible applicable to a claim and/or lawsuit under this endorsement.

**\*\*OPTION WHEN DEDUCTIBLE APPLIES TO SELECTED INSUREDS\*\***

- (7) The below listed individuals as well as the first named insured are all responsible for any deductible applicable to a claim and/or lawsuit under this endorsement.  
(NAME OF INSURED) (ID NUMBER)

seq no.

mm-dd-yy

policy no.

POLICY PRINCIPAL'S NAME (ID)

INTERNSHIP, RESIDENCY, OR FELLOWSHIP PROGRAM  
EXCLUSIONARY ENDORSEMENT

For the premium charged, it is understood and agreed that insurance provided by this policy shall NOT apply to any activities in connection with or arising from your participation in or employment by any Internship, Residency, or Fellowship program.

seq no.

mm-dd-yy

policy no.

POLICY PRINCIPAL'S NAME (ID)

CONTRACTUAL LIABILITY ENDORSEMENT

In consideration of the premium charged for this policy, it is hereby understood and agreed that Exclusion (8) is amended to read as follows:

(8) Exclusion for contractual obligations. We will not cover any claims made against you for liability you assume by contract or agreement, including, but not limited to, any kind of indemnity or hold harmless agreement, unless you would have had that liability in the absence of such a contract or agreement; however, the Company will defend and indemnify such insured for liability assumed by such insured under a hold harmless agreement, provided such liability is based solely on the insured's professional services.

seq no.

mm-dd-yy

policy no.

POLICY PRINCIPAL'S NAME (ID)

### LIMITATION OF COVERAGE ENDORSEMENT

For the (premium charged) (additional premium of \$(input)), it is understood and agreed that coverage is provided, subject to the terms and conditions of the policy, to (Individual) (ID No.) for professional services rendered in (State). This coverage, subject to the terms and conditions of the policy, only applies to (text input\*).

**\*\*OPTION 1\*\***

It is further understood and agreed that no coverage is provided to (Individual) (ID No.) for any professional services (text input)

\*[Example inputs: proctoring services, training, observing]

[Example input for Option 1: covered under the UCLA policy between 01-01-96 and 04-01-99.]

seq no.

mm-dd-yy

policy no.

POLICY PRINCIPAL'S NAME (ID)

EXPERIENCE RENEWAL CREDIT ENDORSEMENT

**\*\*OPTION 1 – 1 year period\*\***

The experience renewal credit shall be based on the incurred loss ratio for the period beginning (indicate policy effective date: mm-dd-yy) and ending (indicate policy expiration date: mm-dd-yy).

The incurred loss ratio shall be calculated as the ratio of indemnity and/or expenses, paid and/or reserved, for all claims, incidents and/or lawsuits reported during the above mentioned period, to annual premiums paid for the same period.

The annual premium includes the maintenance fee, any endorsement adjustments, and extended reporting period (tail) premiums issued during the above mentioned policy period. The annual premium is net of any experience renewal credits paid during the above mentioned policy period.

The incurred loss ratio correlates to experience renewal credit percentages mentioned below:

Incurred Loss Ratio Tiers				Experience Renewal Credit Percentage
1	Less than or equal to	<u>(10%)(Input %)</u>	Greater than	<u>(0%)(Input %)</u> <u>15% (10%) (7%) Input %</u>
2	Less than or equal to	<u>(30%)(Input %)</u>	Greater than	<u>(10%)(Input %)</u> <u>(10%) (6%) (5%) (Input %)</u>
3	Less than or equal to	<u>(50%)(Input %)</u>	Greater than	<u>(30%)(Input %)</u> <u>(5%) (3%) (Input %)</u>
4			Greater than	<u>(50%)(Input %)</u> <u>(0%) (Input %)</u>

The experience renewal credit will be paid in two installments contingent upon the renewal of the current policy for the period beginning (indicate policy effective date for subsequent policy year: mm-dd-yy) ending (indicate policy expiration date for subsequent policy year: mm-dd-yy).

The first installment will be 40% of the experience renewal credit due. It will be paid within 60 days of the effective date of the renewed policy.

The second installment will be paid when all incidents, claims and/or lawsuits are closed for the period beginning (indicate policy effective date: mm-dd-yy) and ending (indicate policy expiration date: mm-dd-yy). The incurred loss ratio will be re-evaluated at that time and the experience renewal credit percentage will be reconsidered. If the experience renewal credit is greater than the first installment, then the difference between the recalculated experience renewal credit and the first installment will be paid. If the experience renewal credit is less than the first installment, no additional amount will be paid.

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Any future installment payments are forfeited if coverage is cancelled after the inception of this policy.

**\*\*OPTION 2 – 3 year period\*\***

The experience renewal credit shall be based on the incurred loss ratio for a three year period beginning (indicate policy effective date: mm-dd-yy) and ending (indicate policy expiration date: mm-dd-yy).

The incurred loss ratio shall be calculated as the ratio of indemnity and/or expenses, paid and/or reserved, for all claims, incidents and/or lawsuits reported during the above mentioned three year period, to annual premiums paid for the same period.

The average annual premium includes maintenance fees, any endorsement adjustments, and extended reporting period (tail) premiums issued during the above mentioned three year period. The annual premium is net of any experience renewal credits paid during the above mentioned policy period.

The incurred loss ratio correlates to experience renewal credit percentages mentioned below:

Incurred Loss Ratio Tiers					Experience Renewal Credit Percentage
1	Less than or equal to	10%	Greater than	0%	<u>(15%) (10%) (7%) (Input %)</u>
2	Less than or equal to	30%	Greater than	10%	<u>(10%) (6%) (5%) (Input %)</u>
3	Less than or equal to	50%	Greater than	30%	<u>(5%) (3%) (Input %)</u>
4			Greater than	50%	<u>(0%) (Input %)</u>

The experience renewal credit will be paid in two installments contingent upon the renewal of the current policy for the period beginning (indicate policy effective date for subsequent policy year: mm-dd-yy) ending (indicate policy expiration date for subsequent policy year: mm-dd-yy).

The first installment will be 40% of the experience renewal credit due. It will be paid within 60 days of the effective date of the renewed policy.

The second installment will be paid when all incidents, claims and/or lawsuits are closed for the three year period beginning (indicate policy effective date: mm-dd-yy) and ending (indicate policy expiration date: mm-dd-yy). The incurred loss ratio will be re-evaluated at that time and the experience renewal credit percentage will be reconsidered. If the experience renewal credit is greater than the first installment, then the difference between the recalculated experience renewal credit and the first installment will be paid. If the experience renewal credit is less than the first installment, no additional amount will be paid.

Any future installment payments are forfeited if coverage is cancelled after the inception of this policy.

seq no.

mm-dd-yy

policy no.

POLICY PRINCIPAL'S NAME (ID)

AMENDED PHYSICIAN EXTENDER DEFINITION ENDORSEMENT

It is understood and agreed that Section III. Definitions, Named insured, ancillary personnel, physician extenders, you, your and group is amended as follows:

Physician extenders are employees, agents, or independent contractors of a named insured who are physical therapists, physician assistants, certified registered nurse anesthetists, nurse practitioners, nurse midwives or (classification). There is no individual coverage for physician extenders unless specifically stated on the declarations sheet and/or endorsement(s) and they are individually named on an endorsement(s).

seq no.

mm-dd-yy

policy no.

POLICY PRINCIPAL'S NAME (ID)

VICARIOUS LIABILITY ENDORSEMENT  
FORMER EMPLOYEES/PARTNERS

For (the additional premium of \$ \_\_\_\_\_) (no additional premium), it is understood and agreed that this policy is amended to include vicarious liability coverage for (Policy Principal Group Name)(ID No.) if (Policy Principal Group Name)(ID No.) is named due to the professional services of physicians/physician extenders no longer associated with (Policy Principal Group Name)(ID No.), if and only if the professional services occurred during the time the physicians/physician extenders were employees or partners of (Policy Principal Group Name)(ID No.). These physicians/physician extenders are not insureds under this endorsement or policy, and no coverage is provided to them under this endorsement or policy. In addition, this endorsement neither increases the limits of coverage nor provides the Named Insured a separate or additional set of limits.

API-272 (12/07)

seq no.

mm-dd-yy

policy no.

POLICY PRINCIPAL'S NAME (ID)

AMENDED EXCLUSIONS ENDORSEMENT  
(MEDICAL DIRECTOR)

It is understood and agreed that Section I. Exclusions, What this policy does not cover is amended to read as follows:

- (1) Exclusions for status liability. We will not cover any claims made against you for positions such as a proprietor, hospital administrator, risk manager, peer review member, supervisor, owner, operator, officer, shareholder, partner, agent or member of the board of directors, trustees or governors of any hospital, infirmary, health maintenance organization, abortion clinic, blood bank, drug abuse center, surgery center, ambulatory care center, physical therapy center, weight control center, sanitarium, clinic with bed and board facilities, nursing home, laboratory or any business enterprise, whether or not related to patient care or treatment. The term laboratory in this exclusion does not apply to any radiological or pathological laboratory used exclusively as part of your professional practice as a radiologist or pathologist.

**\*\*\*OPTIONAL\*\*\***

It is further understood and agreed that the coverage provided by this endorsement APPLIES ONLY to services rendered while practicing for or in connection with (Name of First Named Insured-Policy Principal)(Input Name).

**\*\*OPTIONAL\*\***

This endorsement applies to the below listed individual(s):  
NAME OF INSURED (ID NUMBER)

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## ANCILLARY PERSONNEL ENDORSEMENT

*(This endorsement will be used on policies where ancillary personnel coverage was chosen either individually or vicarious only)*

**ADD AT EFFECTIVE DATE OF COVERAGE:**

**\*\*OPTION 11A & 1GA: defense only for the ancillary personnel\*\***

It is understood and agreed that the ancillary personnel have no individual coverage. However, if any ancillary personnel are named in a claim and/or lawsuit they will be provided coverage for defense costs only.

**\*\*OPTION 21A: Individual coverage for the ancillary personnel – All ancillary personnel share in single limit\*\***

It is understood and agreed that for (the additional premium of \$ ) (no additional premium), the ancillary personnel share in (\$indicate applicable limit) for each loss and (\$indicate applicable limit) aggregate limits of coverage if one or more ancillary personnel is named in a claim and/or lawsuit.

It is further understood that each terminated ancillary personnel is afforded reporting rights for claims that are reported as a result of professional services rendered or should have been rendered during their employment with (Name of Individual Insured Physician and / or Solo PA). Reporting rights are only afforded while the policy is in force.

**\*\*OPTION 2GA: Individual coverage for the ancillary personnel – All ancillary personnel share in single limit\*\***

It is understood and agreed that for (the additional premium of \$ ) (no additional premium), the ancillary personnel share in (\$indicate applicable limit) for each loss and (\$indicate applicable limit) aggregate limits of coverage if one or more ancillary personnel is named in a claim and/or lawsuit.

It is further understood that each terminated ancillary personnel is afforded reporting rights for claims that are reported as a result of professional services rendered or should have been rendered during their employment with the Group. Reporting rights are only afforded while the policy is in force.

**\*\*OPTION 31A – Individual coverage for the ancillary personnel – Each ancillary personnel has separate set of limits\*\***

It is understood and agreed that for (the additional premium of \$ ) (no additional premium), the limits of coverage, (\$indicate applicable limit) for each loss and (\$indicate applicable limit) aggregate, apply to each ancillary personnel who is named individually in a claim and/or lawsuit.

It is further understood that each terminated ancillary personnel is afforded reporting rights for claims that are reported as a result of professional services rendered or should have been rendered during their employment with (Name of Individual Insured Physician and / or Solo PA). Reporting rights are only afforded while the policy is in force.

**\*\*OPTION 3GA: Individual coverage for the ancillary personnel – Each ancillary personnel has separate set of limits\*\***

It is understood and agreed that for (the additional premium of \$ ) (no additional premium), the limits of coverage, (\$indicate applicable limit) for each loss and (\$indicate applicable limit) aggregate, apply to each

ancillary personnel who is named individually in a claim and/or lawsuit.

It is further understood that each terminated ancillary personnel is afforded reporting rights for claims that are reported as a result of professional services rendered or should have been rendered during their employment with the Group. Reporting rights are only afforded while the policy is in force.

**\*\*When adding Ancillary coverage to policy after declarations sheet has been issued at inception without Ancillary coverage (Ancillary coverage is new by this endorsement), select below options from applicable policy type and coverage choice\*\***

**ADD MID-TERM:** For (the additional premium of \$ ) (no additional premium), it is understood and agreed that the declarations sheet is amended to include individual coverage with respect to ancillary personnel.

**\*\*OPTION 1IA & 1GA: defense only for the ancillary personnel\*\***

It is understood and agreed that the ancillary personnel have no individual coverage. However, if any ancillary personnel are named in a claim and/or lawsuit they will be provided coverage for defense costs only.

**\*\*OPTION 2IA: Individual coverage for the ancillary personnel – All ancillary personnel share in single limit\*\***  
The ancillary personnel share in (\$indicate applicable limit) for each loss and (\$indicate applicable limit) aggregate limits of coverage if one or more ancillary personnel is named in a claim and/or lawsuit.

It is further understood each terminated ancillary personnel is afforded reporting rights for claims that are reported as a result of professional services rendered or should have been rendered during their employment with (Name of Individual Insured Physician and / or Solo PA). Reporting rights are only afforded while the policy is in force.

**\*\*OPTION 2GA: Individual coverage for the ancillary personnel – All ancillary personnel share in single limit\*\***  
The ancillary personnel share in (\$indicate applicable limit) for each loss and (\$indicate applicable limit) aggregate limits of coverage if one or more ancillary personnel is named in a claim and/or lawsuit.

It is further understood that each terminated ancillary personnel is afforded reporting rights for claims that are reported as a result of professional services rendered or should have been rendered during their employment with the Group. Reporting rights are only afforded while the policy is in force.

**\*\*OPTION 3IA – Individual coverage for the ancillary personnel – Each ancillary personnel has separate set of limits\*\***

It is understood and agreed that the limits of coverage, (\$indicate applicable limit) for each loss and (\$indicate applicable limit) aggregate, apply to each ancillary personnel who is named individually in a claim and/or lawsuit.

It is further understood that each terminated ancillary personnel is afforded reporting rights for claims that are reported as a result of professional services rendered or should have been rendered during their employment with (Name of Individual Insured Physician and / or Solo PA). Reporting rights are only afforded while the policy is in force.

**\*\*OPTION 3GA – Individual coverage for the ancillary personnel – Each ancillary personnel has separate set of limits\*\***

It is understood and agreed that the limits of coverage, (\$indicate applicable limit) for each loss and (\$indicate applicable limit) aggregate, apply to each ancillary personnel who is named individually in a claim and/or lawsuit.

It is further understood that each terminated ancillary personnel is afforded reporting rights for claims that are reported as a result of professional services rendered or should have been rendered during their employment with the Group. Reporting rights are only afforded while the policy is in force.

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**DELETE MID-TERM:** (For the return premium of \$ \_\_\_\_\_), it is understood and agreed that the declarations sheet is amended to delete individual coverage with respect to ancillary personnel from this policy. |

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policy no.

POLICY PRINCIPAL'S NAME (ID)

LIMITED SCOPE OF COVERAGE ENDORSEMENT

It is understood and agreed that coverage provided by this policy to (POLICY PRINCIPAL'S NAME (ID)) APPLIES ONLY to professional services by the below listed physicans or extenders.

Name

ID No.

\*OPTIONAL\* Effective Dates

mm-dd-yy to mm-dd-yy

API-279 (12/06)

seq no.

mm-dd-yy

policy no.

POLICY PRINCIPAL'S NAME (ID)

#### INCIDENT TRIGGER ENDORSEMENT

It is understood and agreed that Section I. Professional Liability Coverage, When a claim is made, is amended to include the following:

Whenever you are aware of an incident and give written notice of this incident to us during the policy period, then a claim, with respect to such incident, if made against you shall be deemed to have been first made against you on the date upon which we received the written notice of such incident. Incident is defined as:

An act or omission arising out of your rendering or failing to render professional services. All acts or omissions committed in the course of the rendering of professional services out of which a claim(s) has arisen, together with all related acts or omissions in the furnishing of professional services to all persons involved or affected, from which a claim arises or claims arise, shall be considered as one incident regardless of the number of policies or policy periods involved.

Such written notice must contain the names of the injured parties and any known witnesses, the specifics as to the nature, time, and place of the incident and the circumstances by which you first became aware of the incident. Reports of incidents made as part of an underwriting survey or a loss control inspection or survey shall not be considered notice for the purpose of coverage.

**\*\*OPTIONAL GROUP\*\***

This endorsement applies only to the written notice of incidents for (Policy Principal Group Name) and any additional named insureds for the professional services of any insured of (Group Name)(ID No.)(Policy Number).

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