



Agenda

Mangum City Hospital Authority

March 26, 2024 at 5:00 PM

City Administration Building at 130 N Oklahoma Ave.

The Trustees of the Mangum City Hospital Authority will meet in regular session on March 26, 2024, at 5:00 PM, in the City Administration Building at 130 N. Oklahoma Ave, Mangum, OK for such business as shall come before said Trustees.

CALL TO ORDER

ROLL CALL AND DECLARATION OF A QUORUM

CONSENT AGENDA

The following items are considered to be routine and will be enacted by one motion. There will be no separate discussion of these items unless a Board member (or a community member through a Board member) so requests, in which case the item will be removed from the Consent Agenda and considered separately. If any item involves a potential conflict of interest, Board members should so note before adoption of the Consent Agenda.

1. Approve February 27, 2024 regular meeting minutes as present.
2. Approve February 2024 Quality meeting minutes as presented.
3. Approve February 2024 Medical Staff meeting minutes as presented.
4. Approve February 2024 Clinic Report.
5. Approve February 2024 CCO Report.
6. Approve February 2024 CEO Report.
7. Approve the following forms, policies, appointments, and procedures previously approved 1/18/24 through Corporate Management, on 3/14/24 Quality Committee and on 3/21/24 Medical Staff.
 - Discussion with the possible action to approve the Form- MRMC –Seasonal Influenza Patient Vaccine Consent/Declination Form
 - Discussion with the possible action to approve the Form- MRMC – Patient Pneumococcal Vaccine Consent/Declination Form
 - Discussion with the possible action to approve the Signage- MRMC – Contact and Respiratory Precaution Signage
 - Discussion with the possible action to approve the Policy and Procedure: Patient Influenza and Pneumococcal Vaccination Policy
 - Discussion with the possible action to approve the Standing Order: Seasonal Influenza Patient Vaccine Standing Order
 - Discussion related to HIM Delinquencies

FURTHER DISCUSSION

Consideration of any items removed from the consent agenda.

REMARKS

Remarks or inquiries by the audience not pertaining to any item on the agenda.

REPORTS

- [8.](#) Financial Report for February 2024

OTHER ITEMS

9. Discussion with the possible action regarding accepting or soliciting proposals for the completion of the FY22 and FY23 audit.
- [10.](#) Discussion with the possible action to approve: Statement of Work between Clifton Larson Allen LLP and Mangum Regional Medical Center for FY22 auditing services.
- [11.](#) Discussion with the possible action to approve: Second Amendment to Contract Pharmacy Services Agreement between Puckett Discount Drug and Mangum Regional Medical Center to include the 12 essential contract pharmacy compliance elements provided by HRSA.
- [12.](#) Discussion with the possible action to approve: First Amendment to Contract Pharmacy Services Agreement between Granite Drug Co and Mangum Regional Medical Center to include the 12 essential contract pharmacy compliance elements provided by HRSA
- [13.](#) Discussion with the possible action to approve: Cloud EHR Service Agreement Service Addendum between Mangum Regional Medical Center and Evident, LLC with Third Party Wolters Kluwer/Sentri7 for Antimicrobial Use and Resistance (AUR) Reporting for lab reporting services
- [14.](#) Discussion with the possible action to approve: Interface Performance Expectations between Mangum Regional Medical Center and Evident, LLC with Third Party Wolters Kluwer/Sentri7 for Antimicrobial Use and Resistance (AUR) Reporting for lab reporting services
- [15.](#) Discussion with possible action to approve: Policy providing cyber liability insurance coverage • Coalition Arch Specialty Insurance Company • CFC
- [16.](#) Discussion with the possible action to approve: Policy with Philadelphia Indemnity Insurance Company providing property liability insurance coverage for hospital, clinic, lab building, and Annex building.
- [17.](#) Discussion with the possible action to approve: Policy with Continental Casualty Company providing Directors and Officers liability insurance coverage and Employment Practices Liability insurance coverage.
- [18.](#) Discussion with the possible action to approve: Financing Agreement providing financing for cyber and general/professional liability policies. This agreement will be determined from Line Item #14. The BancDirect Financing agreement promissory note Quote number 2624133.1 for a total of \$50,365.50 which is embodied with the MedPro General Liability and the CFC Cyber Liability Insurance or the BancDirect Financing Agreement promissory note Quote 2611783.1 for a total of \$59,847.45 which is embodied with MedPro General Liability and the Coalition Insurance Company CRC Group for Cyber Liability Insurance.

- [19.](#) Discussion with the possible action to approve: The MRMC and Greer County Health Department X-Ray Agreement providing x-ray services for patients designated to receive from Greer County Health Department
- [20.](#) Discussion with the possible action to approve: The credit application to establish a new account for purchasing Information Technology supplies between Mangum Regional Medical Center and Data Center Warehouse (DCW).
21. Discussion with the possible action to approve the appointment Meghan Smith the Infection Preventionist for 2024
- [22.](#) Discussion with the possible action to approve the 2024 Infection Control Risk Assessment
23. Discussion related to Pyxis (Med Dispensing system).
24. Discussion with the possible action on appointing a member on the board to serve as Vice-Chairman.

EXECUTIVE SESSION

25. Discussion and possible action to enter into executive session for the review and approval of medical staff privileges/credentials/contracts for the following providers pursuant to 25 O.S. § 307(B)(1):
 - **Provider Agreements**
 - Brian Bluth, M.D.
 - John Chiaffitelli, D.O.
 - Jeff Brand, PA
 - **Credentialing**
 - Dr. Gilmore M.D. Courtesy Privileges
 - Dr. Langley MD- Temp. Courtesy Privileges

OPEN SESSION

26. Discussion and possible action in regard to executive session, if needed.

STAFF AND BOARD REMARKS

Remarks or inquiries by the governing body members, City Manager, City Attorney or City Employees

NEW BUSINESS

Discussion and possible action on any new business which has arisen since the posting of the Agenda that could not have been reasonably foreseen prior to the time of the posting (25 O.S. 311-10)

ADJOURN

Motion to Adjourn

Duly filed and posted at 4:00 p.m. on the 22nd day of March 2024, by the Secretary of the Mangum City Hospital Authority.

Ally Kendall Secretary



Minutes

Mangum City Hospital Authority Session

February 27, 2024 at 5:00 PM

City Administration Building at 130 N Oklahoma Ave.

The Trustees of the Mangum City Hospital Authority will meet in regular session on February 27, 2024, at 5:00 PM, in the City Administration Building at 130 N. Oklahoma Ave, Mangum, OK for such business as shall come before said Trustees.

CALL TO ORDER

Chairman Vanzant called meeting to order at 5:04pm

ROLL CALL AND DECLARATION OF A QUORUM

PRESENT:

Trustee Cheryl Lively
Trustee Michelle Ford
Chairman Carson Vanzant
Trustee Lisa Hopper
Trustee Ronnie Webb

Chairman Vanzant made a motion to move Line-Item 9 and 11 to the top of this meeting for audit presentation, per Auditor request. Second made by Trustee Webb.

Voting Yea: Trustee Lively, Trustee Ford, Chairman Vanzant, Trustee Hopper, Trustee Webb

9. Presentation on the Mangum Regional Medical Center audit from CLA, LLP, for the period ending December 31, 2021.

Greg Thelen reports via phone regarding the independent auditors' report. The most important thing we can provide is the opinion on the financial statement. That is what we are hired to do as your independent auditor to provide assurance that the financial statements are free of material misstatements and happy to report we did issue an unmodified opinion which is the highest level of assurance you could receive from an independent auditor. We encountered no significant difficulties in dealing with management and all financial statement disclosures were neutral, consistent and clear. There weren't any uncorrected misstatements and only a few corrected which we were able to work through with management.

11. Discussion and possible action to accept the FY2021 Audit completed by CLA, LLP, for the period ending December 31, 2021, and submitting the audit in accordance with applicable state statutes.

Motion to accept made by Chairman Vanzant, Seconded by Trustee Hopper.
Voting Yea: Trustee Ford, Chairman Vanzant, Trustee Hopper, Trustee Webb
Voting Nay: Trustee Lively

CONSENT AGENDA

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1. Approve January 23, 2024 regular meeting minutes as presented.
2. Approve January 2024 Quality meeting minutes as presented.
3. Approve January 2024 Medical Staff meeting minutes as presented.
4. Approve January 2024 Clinic Report.
5. Approve January 2024 CCO Report.
6. Approve January 2024 CEO Report.
7. Approve the following forms, policies, appointments, and procedures previously approved 1/18/24 through Corporate Management, on 2/15/24 Quality Committee and on 2/22/24 Medical Staff.

Review with the consideration of approval for the Policy & Procedure: MRMC –Corporate Bad Debt Policy

Trustee Lively requested to remove line-item number 4. Chairman Vanzant requested to remove line-item 7.

Motion to approve Consent Agenda line items 1-3, 5-6 and removing line-items 4 and 7 made by Chairman Vanzant, Seconded by Trustee Lively

Voting Yea: Trustee Lively, Trustee Ford, Chairman Vanzant, Trustee Hopper, Trustee Webb

FURTHER DISCUSSION

Consideration of any items removed from the consent agenda.

Line-item number 4, Kelley speaks on Clinic Report updates. States for January 2024 we are short a provider however our numbers are better at 177 compared to 167 from 2023. We had 22 new patients and are currently looking for a provider for the Clinic. We are at 27% Medicare, 39% private insurance, 4% self-pay, and 30% Medicaid for 2023. Trustee Lively is concerned with provider stability as it is something we have struggled with. Trustee Hopper agrees stating numbers will not change significantly until we establish a provider that is willing to stay and be consistent.

Motion to approve item number 4 made by Chairman Vanzant, Second made by Trustee Hopper.

Voting Yea: Trustee Lively, Trustee Ford, Chairman Vanzant, Trustee Hopper, Trustee Webb

Line-item number 7, bad debt policy, Kelley explains the policy and procedures with no significant changes to what was previously approved.

Motion to approve line-item 7 made by Trustee Webb, Second made by Trustee Ford.

Voting Yea: Trustee Ford, Trustee Hopper, Trustee Webb

Voting Nay: Chairman Vanzant

Voting Abstaining: Trustee Lively

REMARKS

Remarks or inquiries by the audience not pertaining to any item on the agenda.

None.

REPORTS

8. Financial Report for January 2024

January 2024 Financial Statement Overview

• Statistics

- * The average daily census (ADC) for January 2024 was 8.03 – (PY fiscal year end of 11.32).
- * Acute payer mix was approximately 38% MCR/MCR Managed Care combined & quite lower than the 78% for the prior fiscal year end.
- * Swing Bed payer mix was 65% MCR & 35% MCR Managed Care. For the prior year end those percentages were 90% & 10%, respectively.

• Balance Sheet Highlights

- * The cash balance as of January 31, 2024, inclusive of both operating & reserves, was \$928K. This increase of \$36K from December 31, 2023, balance was primarily due to an increase in patient cash receipts.
- * Days cash on hand, inclusive of reserves, was 20.0 based on January expenses.
- * Net AR decreased by \$742K from December.
- * Payments of approximately \$1.15M were made on AP (prior 3-month avg was \$1.3M).
- * Cash receipts were \$258K more than in the previous month (\$1.2M vs \$930K).
- * The Medicare principal balance decreased by \$131K due to ERS loan payments and a receivable for \$300k was booked. The FY17 loan should be paid-in-full in March 2024.

OTHER ITEMS

10. Discussion of impact from Medicare Managed Care on Rural Hospitals

Via phone Chris and Tina from the reimbursement department spoke regarding issues when it comes to cost reporting and how it is impacting hospitals all across the country. Chris speaks on how there has been a significant change in the total of medicare managed care patients and how it is being reported on the cost reports. Cohesive recently switched to PYA to assist in preparing our annual cost reports and PYA is in an agreeance to how medicare managed care swing should be reported. This internal change will have a significant impact on crucial access hospitals and how we are reimbursed moving forward.

Chairman Vanzant stepped out for emergency 6:08pm

12. Discussion with the possible action to approve the Memorandum of Understanding between The Oklahoma Department of Mental Health and Substance Abuse Services and Mangum Regional Medical Center for overdose education and naloxone distribution (OEND) training course for hospital and provision of overdose reversal kits. Previously tabled 1/23/24

Motion to approve made by Trustee Webb, Seconded by Trustee Hopper.
Voting Yea: Trustee Lively, Trustee Ford, Trustee Hopper, Trustee Webb

13. Discussion with the possible action to approve the Organ Recovery Agreement between LifeShare Transplant Donor Services of Oklahoma, Inc. and Mangum Regional Medical Center for the procurement of organs for transplantation from suitable donors. Previously Tabled 1/23/24

Motion to approve made by Trustee Webb, Seconded by Trustee Hopper.
Voting Yea: Trustee Lively, Trustee Ford, Trustee Hopper, Trustee Webb

14. Discussion with the possible action to approve the Subscription Services Agreement Service Addendum between Evident, LLC and Mangum Regional Medical Center for the Communication Center software subscription. Previously tabled 1/23/24

Motion to approve made by Trustee Ford, Seconded by Trustee Webb.
Voting Yea: Trustee Lively, Trustee Ford, Trustee Hopper, Trustee Webb

15. Discussion with possible action to approve the Consulting Agreement between Pharmacy Consultants, Inc. DBA 340B Pharmacy Compliance Partners and Mangum Regional Medical Center for 340B consulting services which includes the 340B Compliance Partners Platinum Plan, Referral Prescription Capture Services, and 340B Data Management Services.

Motion to approve made by Trustee Hopper, Seconded by Trustee Ford.
Voting Yea: Trustee Lively, Trustee Ford, Trustee Hopper, Trustee Webb

16. Discussion with the possible action to approve the Engagement Letter between PYA, P.C. and Mangum Regional Medical Center for cost report preparation services.

Motion to approve made by Trustee Webb, Seconded by Trustee Ford.
Voting Yea: Trustee Lively, Trustee Ford, Trustee Hopper, Trustee Webb

17. Discussion with the possible action to approve Cohesive Healthcare Resources, LLC consolidation. This item refers to the staffing consolidation between Cohesive Staffing Solutions, LLC and Cohesive Healthcare Resources, LLC.

Chee states this item is for information only, informing the board of consolidating Cohesive in Mangum. Cohesive Healthcare Resources will now be consolidating with Cohesive Staffing Solutions for accounting purposes to reduce paperwork. This will benefit the employees as they would only need to file taxes under one entity and the hospital will be

billed in one invoice. Everything remains the same as far as core and staffed employees, but all would fall under essentially the same umbrella with Cohesive Staffing Solutions, this involves the structure side.

Board expresses more concern with staffing. Chee says this structure does not change anything that's current right now.

18. Discussion with the possible action to approve the Service Addendum to Master Service Agreement between TruBridge, LLC and Mangum Regional Medical Center for patient statement processing services.

Motion to approve made by Trustee Webb, Seconded by Trustee Hopper.
Voting Yea: Trustee Lively, Trustee Ford, Trustee Hopper, Trustee Webb

19. Discussion with the possible action to approve the Business Service Agreement between Sparklight Business and Mangum Regional Medical Center for back-up internet services.

Motion to approve made by Trustee Ford, Seconded by Trustee Hopper.
Voting Yea: Trustee Lively, Trustee Ford, Trustee Hopper, Trustee Webb

20. Discussion with the possible action to approve the Amendment to Physician Participation Agreement between Humana and Mangum Regional Medical Center for Medicare and Medicaid health benefits plans offered or administered by Humana.

Motion to approve made by Trustee Webb, Seconded by Trustee Hopper.
Voting Yea: Trustee Lively, Trustee Ford, Trustee Hopper, Trustee Webb

21. Discussion with the possible action to approve the Amendment to Hospital Participation Agreement between Humana and Mangum Regional Medical Center for Medicare and Medicaid health benefits plans offered or administered by Humana.

Motion to approve made by Trustee Webb, Seconded by Trustee Hopper.
Voting Yea: Trustee Lively, Trustee Ford, Trustee Hopper, Trustee Webb

22. Discussion with the possible action to approve the Liability Insurance Renewal between The Medical Protective Company and Mangum Regional Medical Center for professional liability and general liability coverage.

Motion to approve made by Trustee Hopper, Seconded by Trustee Ford.
Voting Yea: Trustee Lively, Trustee Ford, Trustee Hopper, Trustee Webb

23. Discussion with the possible action to approve the Rental Contract between Midtown Investments, LLC dba Custom Medical Solutions and Mangum Regional Medical Center for bariatric equipment.

Motion to approve made by Trustee Hopper, Seconded by Trustee Webb.
Voting Yea: Trustee Lively, Trustee Ford, Trustee Hopper, Trustee Webb

24. Discussion with the possible action to approve the Subscription Quote Renewal with ContractSafe for Mangum Regional Medical Center for cloud-based contract management and storage services.

Motion to approve made by Trustee Hopper, Seconded by Trustee Ford.
Voting Yea: Trustee Lively, Trustee Ford, Trustee Hopper, Trustee Webb

25. Discussion with the possible action to approve the GPO/Buying Group Declaration between AmerisourceBergen Drug Corporation and Mangum Regional Medical Center for drug/medication group purchasing organizations contract pricing services.

Motion to approve made by Trustee Webb, Seconded by Trustee Hopper.
Voting Yea: Trustee Lively, Trustee Ford, Trustee Hopper, Trustee Webb

26. Discussion with the possible action to approve the New Account and Credit Application Form and Order Form between FFF Enterprises, Inc. and Mangum Regional Medical Center for flu vaccination orders for the hospital and clinic

Motion to approve made by Trustee Hopper, Seconded by Trustee Ford.
Voting Yea: Trustee Lively, Trustee Ford, Trustee Hopper, Trustee Webb

27. Discussion with the possible action to approve the Retainer Agreement between Katz Brunner Healthcare and Mangum Regional Medical Center for payor contract review, negotiation, and analysis services.

Motion to approve made by Trustee Hopper, Seconded by Trustee Ford.
Voting Yea: Trustee Lively, Trustee Ford, Trustee Hopper
Voting Nay: Trustee Webb

28. Discussion with the possible action to approve the appointment of Denise Jackson for Risk Manager for 2024

Chairman Vanzant returned 6:51pm

Motion to approve made by Trustee Hopper, Seconded by Trustee Webb.
Voting Yea: Trustee Ford, Trustee Hopper, Trustee Webb
Voting Nay: Trustee Lively, Chairman Vanzant

29. Discussion of the Strong Mind program.

Update on the Strong Mind program is a three day of week program for the elderly 55 and up. They work in an outpatient setting and can be anyone in the community this age range however need to come with a referral. This is for mood management, socialization training or stress management. The program will work with a councilor or phycologists. They will help with depression, anxiety, excessive irritability, etc. and during their time with us (10-2 when the program runs) we will provide transportation and meals.

30. Discussion with the possible action to approve the amendment to the Blue Traditional Network Participating Hospital Agreement, and the Blue Choice PPO, Blue Preferred PPO, BlueLines HMO, Blue Advantage PPO, Blue Plan65 Select, NativeBlue, Blue Cross Medicare Advantage PPO Network Addendums to the Blue Traditional Network Participating Hospital Agreement, and the Blue Cross Medicare Advantage HMO to the BlueLines HMO Network Addendum to the Blue Traditional network Participating Hospital Agreement to provide benefit plans offered or administered by Blue Cross.

Motion to approve made by Trustee Webb, Seconded by Trustee Hopper.
 Voting Yea: Trustee Lively, Trustee Ford, Chairman Vanzant, Trustee Hopper, Trustee Webb

EXECUTIVE SESSION

31. Discussion and possible action regarding a pending claim or investigation relating to HIM delinquent chart completions where, with the advice of the attorney, public disclosure may seriously impair the ability of the public body to process the claim or conduct the investigation, with possible executive session in accordance with 25 O.S. 307(B)(4).

OPEN SESSION

32. Discussion and possible action in regard to executive session, if needed.

Executive Session not needed.

Kelley addressed they were having problems with a specific provider on charts, this has been corrected however wanted to inform the Board. Cohesive plans to update Board monthly moving forward.

EXECUTIVE SESSION

33. Discuss and make a decision to enter into executive session for the review and approval of **medical staff privileges/credentials/contracts** for the following providers pursuant to 25 O.S. § 307(B)(1):
- **Credentialing-**
 - Laura Gilmore MD-Temporary Courtesy Privileges
 - **Re-Credentialing**
 - David Arles, APRN-CNP-Allied Health Profession
 - Dr. Nagy MD-Courtesy Privileges
 -

OPEN SESSION

34. Discussion and possible action in regard to executive session, if needed.

Executive Session not needed.

Motion to approve Credentialing made by Chairman Vanzant, Seconded by Trustee Hopper
 Voting Yea: Trustee Lively, Trustee Ford, Chairman Vanzant, Trustee Hopper, Trustee Webb

Motion to approve Re-Credentialing made by Chairman Vanzant, Seconded by Trustee Webb
 Voting Yea: Trustee Lively, Trustee Ford, Chairman Vanzant, Trustee Hopper, Trustee Webb

EXECUTIVE SESSION

35. Discussion and possible action with regard to a Data Security Breach Incident where discussing any matter where disclosure of information would violate confidentiality requirements of state or federal law, with possible executive session in accordance with 25 O.S. 307(B)(7).

Chairman Vanzant declared to enter into executive session at 7:13pm

Motion made by Trustee Webb, Seconded by Trustee Hopper
Voting Yea: Trustee Lively, Trustee Ford, Chairman Vanzant, Trustee Hopper, Trustee Webb

OPEN SESSION

36. Discussion and possible action in regard to executive session, if needed.

Chairman Vanzant declared out of Executive Session at 7:21pm

Motion made by Chairman Vanzant, Seconded by Trustee Hopper
Voting Yea: Trustee Lively, Trustee Ford, Chairman Vanzant, Trustee Hopper, Trustee Webb

No Action

STAFF AND BOARD REMARKS

Remarks or inquiries by the governing body members, City Manager, City Attorney or City Employees

None.

NEW BUSINESS

Discussion and possible action on any new business which has arisen since the posting of the Agenda that could not have been reasonably foreseen prior to the time of the posting (25 O.S. 311-10)

None.

ADJOURN

Motion to Adjourn

Motion to adjourn made by Trustee Lively, Seconded by Trustee Hopper.
Voting Yea: Trustee Lively, Trustee Ford, Chairman Vanzant, Trustee Hopper, Trustee Webb

7:24pm

Carson Vanzant, Chairman

Ally Kendall, Secretary

Mangum Regional Medical Center
Quality and Patient Safety Committee Meeting
Agenda and Meeting Minutes for January 2024

Business Office		
Infection Control		
Radiology		
Plant Operations		
Materials Management		
Environmental Services		
Laboratory		
Human Resources		
Other		
Other		
Other		

Meeting Location: OR	Reporting Period: January 2024	
Chairperson:	Meeting Date: 02/15/24	Meeting Time: 13:00
Medical Representative: Dr C	Actual Start Time: 1325	Actual Finish Time: 1348
Hospital Administrator/CEO: Kelley Martinez	Next Meeting Date/Time: 03/14/2024 @ 13:00	

Mangum Regional Medical Center
Quality and Patient Safety Committee Meeting
Agenda and Meeting Minutes for January 2024

Mission: To provide our Mangum community and surrounding counties with convenient, gold-standard “dependable and repeatable” patient care, while assisting and supporting all their medical healthcare needs.

** Items in blue italics denote an item requiring a vote*

I. CALL TO ORDER				
Agenda Item	Presenter	Time Allotted	Discussion/Conclusions	Decision/Action Items
A. Call to Order	QM	1 min		Approval: First – Nick/ Second Josey
II. COMMITTEE MEETING REPORTS & APPROVAL OF MINUTES				
Agenda Item	Presenter	Time Allotted	Discussion/Conclusions	Decision/Action Items
A. Quality and Patient Safety Committee 1. <i>Approval of Meeting Minutes</i>	Denise Jackson	2 min	Meeting minutes – Jan 2024	Approval: First – Chasity, Second – Meghan
B. Environment of Care (EOC) Committee 1. <i>Approval of Meeting Minutes</i>	Mark Chapman	2 min	Department manager not available for personal reasons, will defer reporting until next month's meeting	
C. Infection Control Committee 1. <i>Approval of Meeting Minutes</i>	Meghan Smith	2 min	IP working on Annual ICRA, IP appointment and TB assessment, to be presented at next meeting for approval	Approval: First – Chasity, Second – Meghan
D. Pharmacy & Therapeutics (P&T) Committee 1. <i>Approval of Meeting Minutes</i>	Chelsea Church/ Lynda James	2 min	Department manager not available, will defer reporting until next month's meeting	
E. Health Information Management (HIM)/Credentialing Committee 1. <i>Approval of Meeting Minutes</i>	Jennifer Dryer/ Kaye Hamilton	2 min	Department manager not available for staffing reasons, will defer reporting until next month's meeting	
D. Utilization Review (UR) Committee 1. <i>Approval of Meeting Minutes</i>	Chasity Howell	2 min	Met with QM,CEO about MyCare Corner issues, Activities is monitoring SWB pt charts for MyCare Corner access to help capture all charts	Approval: First – Meghan, Second – Josey
III. DEPARTMENT REPORTS				
Agenda Item	Presenter	Time Allotted	Discussion/Conclusions	Decision/Action Items

Mangum Regional Medical Center
Quality and Patient Safety Committee Meeting
Agenda and Meeting Minutes for January 2024

A. Nursing/Emergency Department	Nick Walker	2 min	6 units of blood product administered with no reactions. MedDispense malfunctioning with power glitches, during the last incident a quick fix was found however IT is investigating for a long term fix ACLS/PALs/Nurse meeting date set for 2/12 & 2/13
B. Radiology	Pam Esparza	2 min	3 films repeated for the month due to clipped image
C. Laboratory	Tonya Bowan	5 min	2 labs repeated d/t clotting with redraw preformed. 5 new orders expired, called providers for new orders on those patients. The alere analyzer was down for the month due to incubator not working, 1 staff licensure renewal completed. Working on a Medline contract for lesser supply cost, Working on a contract for new Semiens machine, working on contract with CPL for reference lab as they interface with CPSI, waiting on board approval for CPSI interfacing on internal faxing
D. Respiratory Care	Heather Larson	2 min	Working on new 02 flowmeters and suction set up. RT work time changed to 0700 for all RT staff
E. Therapy		2 min	Assistive equipment needs – 11 Sessions: PT 66, OT 68, ST 3 Improved Assessment Scores: 6/6, 7/7, 1/0
F. Materials Management	Josey Kenmore	2 min	8 back orders for the month, no recalls affecting the hospital. Working on a new requisition process, new materials manager Brittany

Mangum Regional Medical Center
Quality and Patient Safety Committee Meeting
Agenda and Meeting Minutes for January 2024

G. Business Office	Dannille Cooper	2 min	Department manager not available for personal reasons, will defer reporting until next month's meeting	
H. Human Resources	Bethany Moore	2 min	2 new employees, HR was out due to personal emergency 1/22/24-2/2/24	
I. Environmental Services	Mark Chapman	2 min	Department manager not available for personal reasons, will defer reporting until next month's meeting	
J. Facility/Plant Operations	Mark Chapman	2 min	Department manager not available for personal reasons, will defer reporting until next month's meeting	
K. Dietary	Marla Abernathy	2 min	Cleaning schedule being discussed with Corporate due to the current calculations	
L. Information Technology	Tim Hopen	2 min	ER Wow not working correctly, recalibrated these. Lab analyzer not sending results, replaced analyzer	

IV. OLD BUSINESS

Agenda Item	Presenter	Time Allotted	Discussion/Conclusions	Decision/Action Items
A. Old Business	QM	2 min	1) Radiology Policy Manuel 2) Emergency Department Policy Manuel 3) Quality Policy Manuel 4) IT Policy Manuel 5) Drug Room Policy Manuel 6) Hospital Policy/Form/Order Set/Protocol and other Document Review Process Policy 7) Policy, Protocols, Forms, or other Document Development, Review, and Implementation Process Policy	Approved Jan 2024

V. NEW BUSINESS

Agenda Item	Presenter	Time Allotted	Discussion/Conclusions	Decision/Action Items
A. New Business	QM	2 min	See Policy and Appointment below	

Mangum Regional Medical Center
Quality and Patient Safety Committee Meeting
Agenda and Meeting Minutes for January 2024

VI. QUALITY ASSURANCE/PERFORMANCE IMPROVEMENT DASHBOARD REPORT				
Agenda Item	Presenter	Time Allotted	Discussion/Conclusions	Decision/Action Items
A. Volume & Utilization	CM	2 min	1 AMA – pt with chronic complaint, seen multiple times at other facilities, requesting testing not performed at MRMC, pt became upset that requested testing was not able to be performed and left w/o signing AMA	
B. Case Management	CM	2 min	MyCare Corner requires education in each chart type to accurately capture numbers. AD will monitor all in-pt charts to make sure it is being done correctly	
C. Risk Management	QM	2 min	No complaints/grievances 1 fall with minor injuries No deaths for the reporting period	
D. Nursing	CCO	2 min	Pain assessment percentage – po 65%, IV 60%, multiple nurses noted to not completing the post assessment when admin pain meds. Nursing education done on 2/13/24, correct pain assessment/documentation was addressed with all nursing staff	
E. Emergency Department	CCO/QM	5 min	2 re-admits for the period, 1 returned post ct with reaction due to iodine, this was addressed in patient allergy section of chart/treatment given for reaction ED log – still missing seen by date time (20 charts – 14 day/6 night) and admit time (2 – day) CNO has been addressing this with nursing staff 1 stroke with extended ER time (13 hrs 37 min d/t weather and travel hazards 15 ED transfers to higher level of care	QM to begin direct messaging nurse/cno with ED log error (missing seen by date/time, admit time, etc)

Mangum Regional Medical Center
Quality and Patient Safety Committee Meeting
Agenda and Meeting Minutes for January 2024

F. Pharmacy & Therapeutics (P&T)	Pharmacy	2 min	Department manager not available, will defer reporting until next month's meeting
G. Respiratory Care	RT	2 min	1 instance of missed chart checks with individual coaching preformed
H. Wound Care	WC	2 min	No in-pt wound development for the month
I. Radiology	RAD	2 min	1 CT not read w/i hour reporting time, radiologist busy during that time
J. Laboratory	LAB	5 min	Aleri machine down, resulting in longer test result time, one tech using incorrect technique for reagents/education provided to tech as well as education to a tech on correct microscopic technique due to reading error
K. Infection Control/Employee Health	IC/EH	2 min	No hospital acquired infections, HH/PPE down with nursing staff, education to be held at skills fair. Antimicrobial monitoring is not currently working with interface, will begin reporting once this is working
L. Health Information Management (HIM)	HIM	2 min	Department manager not available for staffing reasons, will defer reporting until next month's meeting
M. Dietary	Dietary	2 min	Cleaning schedule being discussed with Corporate due to the current calculations Reflect the whole week and not the daily tasks
N. Therapy	Therapy	2 min	Fall precautions in place – 9/9 Gym equipment cleaning compliance – 100%
O. Human Resources (HR)	HR	2 min	1 CNA – not provided orientation per Corporate HR d/t previous employment at MRMC. Annual education 84 %, EH has notified all employees due/past due

Mangum Regional Medical Center
Quality and Patient Safety Committee Meeting
Agenda and Meeting Minutes for January 2024

			of need for completion w/i 30 days. 1 Dietary employee termed d/t NCNS	
P. Business Office	BOM	2 min	Department manager not available for personal reasons, will defer reporting until next month's meeting	
Q. Environmental Services	EVS	2 min	Department manager not available for personal reasons, will defer reporting until next month's meeting	
R. Materials Management	MM	2 min	Requisition system still in process	
S. Life Safety	PO	2 min	Department manager not available for personal reasons, will defer reporting until next month's meeting	
T. Emergency Preparedness	EP	2 min	Department manager not available, will defer reporting until next month's meeting	
U. Information Technology	IT	2 min	ER Wow not working correctly, recalibrated these. Lab analyzer not sending results, replaced analyzer	
V. Outpatient Services	Therapy	2 min	No outpatient WC for reporting period, Corporate working on getting Therapy Outpatient indicators in the workbook	
W. Strong Minds	N/A	N/A	N/A	N/A

VII. POLICIES & PROCEDURES

Agenda Item	Presenter	Time Allotted	Discussion/Conclusions	Decision/Action Items
A. Review and <i>Approve</i>	QM	1 min	Corporate Bad Debt Policy	Approval: First – Kelley, Second – Tonya
B. Review and <i>Approve to Retire</i>				

VIII. PERFORMANCE IMPROVEMENT PROJECTS

Agenda Item	Presenter	Time Allotted	Discussion/Conclusions	Decision/Action Items
A. Performance Improvement Project (PIP)	QM	2 min	The following 2024 proposed PIPs are at Corporate for approval -	

Mangum Regional Medical Center
Quality and Patient Safety Committee Meeting
Agenda and Meeting Minutes for January 2024

			1.) Bed side scanning 2.) Pain Assessment	
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IX. OTHER

Agenda Item	Presenter	Time Allotted	Discussion/Conclusions	Decision/Action Items
A. Risk Manager Appointment	QM	1 min	Appoint Denise Jackson for Risk Manager 2024	Approval: First – Chasity, Second – Tonya
B.				

X. ADJOURNMENT

Agenda Item	Presenter	Time Allotted	Discussion/Conclusions	Decision/Action Items
A. Adjournment	QM	1 min	There being no further business, meeting adjourned by Kelley seconded by Nick at 13:48.	

MEMBERS & INVITED GUESTS

Voting MEMBERS				
Kelley Martinez <input type="checkbox"/>	Nick Walker <input type="checkbox"/>	Chasity Howell <input type="checkbox"/>	Meghan Smith <input type="checkbox"/>	Marla Abernathy <input type="checkbox"/>
Tonya Bowen <input type="checkbox"/>	Pam Esparza <input type="checkbox"/>	Heather Larson <input type="checkbox"/>	Josey Kenmore <input type="checkbox"/>	Brittany Gray <input type="checkbox"/>
Dr C <input type="checkbox"/>	Bethany Moore (teams) <input type="checkbox"/>	Tim Hopen (teams) <input type="checkbox"/>	Kaye Hamilton (teams) <input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Lynda James (teams)	<input type="checkbox"/> Chelsea Church (teams)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Non-Voting MEMBERS				
Denise Jackson <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
INVITED GUESTS				
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Date Minutes Approved:	
Signature of ChairPerson:	

Mangum Regional Medical Center
Medical Staff Meeting
Thursday
February 22, 2024

MEMBERS PRESENT:

John Chiaffitelli, DO, Medical Director
Absent:
Guest:

ALLIED HEALTH PROVIDER PRESENT:

David Arles, APRN-CNP
Mary Barnes, APRN-CNP

NON-MEMBERS PRESENT:

Kelley Martinez, RN, CEO
Chelsea Church, PharmD
Nick Walker, RN, CCO
Denise Jackson, RN, Quality
Megan Smith, RN, Infection Control
Lynda James, LPN, Pharmacy Tech

1. Call to order
 - a. The meeting was called to order at 11:51 am by Dr. John Chiaffitelli, Medical Director.
2. Acceptance of minutes
 - a. The minutes of the January 18, 2024, Medical Staff Meeting were reviewed.
i.Action: Dr. Chiaffitelli, Medical Director, made a motion to approve the minutes.
3. Unfinished Business
 - a. None
4. Report from the Chief Executive Officer
 - a. We are finishing up the area for the Strong Minds program. We hope to have it out to the state for approval in February.

- Operations Overview
 - We are working with other organizations to try to increase our outpatient, inpatient and swing bed census.
 - We continue to monitor our patient satisfaction. Per our Press Ganey scores our overall ER score is 74.67%.
 - For inpatient our overall score is 100%. This is the highest it has been for the last year. Both data points are from the 4th quarter of 2023. As for inpatients, our providers and nurses were at the 99th percentile with a box score of 100.
 - We started a manager educational series. This is where we as leaders are learning new techniques on management.
 - We continue to look for a full-time provider for the clinic.
 - We continue to educate our staff and providers of changes regarding documentation and regulations.

Written report remains in the minutes.

5. Committee / Departmental Reports

a. Medical Records

1. Report will be submitted next month.

b. Nursing

Patient Care

- MRMC Education included:
 1. Wound Vac education for nursing staff completed on 01/09/2024.
 2. CPSI updates and education regarding documentation.
 3. Planning for skills fair in March 2024.
- MRMC Emergency Department reports no patient Left Without Being Seen (LWBS).
- MRMC Laboratory reports zero contaminated blood culture set(s).
- MRMC Infection Prevention reports 0 CAUTI.
- MRMC Infection Prevention report 0 CLABSI.
- MRMC Infection Prevention reports 0 HAI, or MDRO for the month of January.

Client Service

- Total Patient Days increased with 251 patient days in January 2024 as compared to 254 patient days in December 2023. This represents an average daily census of 7.2. In addition, MRMC Emergency Department provided care to 175 patients in January 2024.
- MRMC Case Management reports 30 Total Admissions for the month of January 2024.

- January 2024 COVID-19 Stats at MRMC: Swabs (1 PCR & 134 Antigen) with 15 Positive.

Preserve Rural Jobs

- MRMC filled a fulltime core RN position.
- MRMC has one, PRN CNA position open currently
- Multiple patients either came in person, called, or sent letters thanking staff for their care. One patient also brought a large amount of bird seed for the bird feeders outside of patient windows.
- BLS, ACLS and PALS classes scheduled for 02/14/2024.
- February nurses meeting scheduled for 02/13/2024 at 1730.

Written report remains in minutes.

c. Infection Control

- Old Business
 - a Sepsis Screening in ED. Sepsis screen has improved this month; 4/5 the sepsis protocol was followed and completed.
- New Business
 - a. N/A
- Data:
 - a, N/A
- Policy & Procedures Review:
 - a. N/A
- Education/In Services
 - a. N/A
- Updates: No updates at this time.
- Annual Items:
 - a. Completed March 2023

Written report remains in minutes.

d. Environment of Care and Safety Report

- i. Evaluation and Approval of Annual Plans –
- i.i. Old Business - -

- a. Chrome pipe needs cleaned and escutcheons replaced on hopper in ER- could not replace escutcheons due to corroded piping in wall – capped off leaking pipe under the floor to stop leak – will remove or cover hopper – hopper will be covered – remodel starting 12-23-2023.
- b. ER Provider office flooring needing replaced. Tile is onsite.- Remodel is starting 12-18-2023.
- c. Damaged ceiling tile in patient area due to electrical upgrade-will need more tile to complete.
- d. Replace ceiling tile that do not fit properly – will need more tile to complete.

- e. EOC, EM and Life Safety Plans will be evaluated and approved in the February EOC meeting.
- f. Add additional sanitizer dispensers in patient wing – will need more dispensers.
- i.i.i. New Business
 - a. Appoint 2024 Safety Officer – Mark Chapman appointed 2024 Safety Officer – Motion made by Kelley Martinez and seconded by Kaye Hamilton.
Written report remains in minutes.
- e. Laboratory
 - i. Tissue Report – None – January, 2024 – Approved
 - i.i. Transfusion Report – January, 2024 – Approved
- f. Radiology
 - i. There was a total of – 218 X-Rays/CT/US
 - i.i. Nothing up for approval
 - i.i.i. Updates:
 - o No new updates
 Written report remains in minutes.
- g. Pharmacy
 - i. Verbal Report by PharmD.
 - i.i. COVID-19 Medications-Have 1 dose of Bebtelovimab, 30 doses of Remdesivir and 18 Paxlovid doses in-house.
 - i.i.i. P & T Committee Meeting – P&T Meeting will be held on March 21, 2024.
 - iv. Solu-Medrol has been added to the shortage list. We have plenty in house at this time.

Written report remains in the minutes.
- h. Physical Therapy
 - i. No report.
- i. Emergency Department
 - i. No report
- j. Quality Assessment Performance Improvement Risk
 - Risk Management
 - o Grievance – 0
 - o 0 - Fall with no injury
 - o 1 - Fall with minor injury
 - o 0– Fall with major injury
 - o Death – 0
 - o AMA/LWBS – 3/0
 - Quality

- Quality Minutes from previous month included as attachment.

- HIM – H&P – Completion 20/20 = 100% - Discharge Summary 20/20 = 100%
- Med event – 6
- Afterhours access was – 76
- Compliance
Written report remains in minutes.

k. Utilization Review

- i. Total Patient days for January: 249
- i.i. Total Medicare days for January: 126
- i.i.i. Total Medicaid days for January: 23
- iv. Total Swing Bed days for January: 158
- v. Total Medicare SB days for January: 102
Written report remains in the minutes.

Motion made by Dr. John Chiaffitelli, Medical Director to approve Committee Reports for January, 2024.

6. New Business

- a. Review & Consideration of Approval of Policy & Procedure: MRMC – Corporate Bad Debt Policy
i.Motion: made by John Chiaffitelli, DO, Medical Director, to approve Policy and Procedure: MRMC – Corporate Bad Debt Policy.
- b. Review & Consideration of Approval of Appointment: Risk Manager Appointment for Mangum Regional Medical Center
i.Motion: made by John Chiaffitelli, DO, Medical Director, to appoint Denise Jackson as Risk Manager for the Mangum Regional Medical Center.

7. Adjourn

- a. Dr Chiaffitelli made a motion to adjourn the meeting at 12:07 pm.

Medical Director/Chief of Staff

Date



Clinic Operations Report

Mangum Family Clinic

February 2024

Monthly Stats	February 2023	February 2024
Total Visits	123	178
Provider Prod	109	92
RHC Visits	103	160
Nurse Visits	0	0
Televisit	0	0
Swingbed	20	18

Provider Numbers	RHC	TH	SB
Barnes	146		2
Chiaffitelli			11
Langley	14		
other			

Payor Mix	
Medicare	44
Medicaid	57
Self	13
Private	63

Visits per Geography	
Mangum	147
Granite	20
Willow	5

Month	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Visits	177	178											

Clinic Operations:

- Interviewed and extended an offer to Nelson Ogembo, CNP, from the Dallas area. He accepted and is in the process of applying for Oklahoma privileges.
- Dr. Sonja Langley saw patients for a week while Mary Barnes was on PTO.
- Mary Barnes announced her intentions NOT to cover the clinic in the month of April. Working on Dr. Langley to cover for that month.
- Awaiting a start date for Nelson Ogembo to start. More to come.
- Approximately 70 clinic referrals back to the hospital ancillary departments.

Quality Report:

Improvement Measure	Actual	Goal	Comments
Reg Deficiencies	0	0	10 audited
Patient Satisfaction	9	5	5-excellent; 4-good
New Patients	22	10	Extremely impressive given the circumstances
No Show	5.7%	<12%	15 no shows for the month
Expired Medications	0	0	None noted.

Outreach:

- Nothing specific to report. Clinic continues to support the community by providing quality compassionate care.

Summary :

Mangum Clinic continues to stand strong despite the provider situation. Mary Barnes continues to be a cornerstone to the clinic for the time and she will be missed as she decrease her clinic availability. We look forward to having Dr. Langley fill in in in the near future and are very excited to have Nelson Ogembo joining the clinic as a full time provider.

“You love, you serve, and you show people you care. It’s the simplest, most powerful, greatest, success model of all time.” Joe Gordon.



Chief Clinical Officer Report February 2024

Patient Care

- MRMC Education included:
 1. Veraflo/VAC/Veraflo Cleanse Choice complete education by J. Lindquist, BSN, RN, 3M WCCS
 2. C. Diff education with infection prevention.
 3. Skills fair scheduled for March 28, 2024.
- MRMC Emergency Department reports no patients Left Without Being Seen (LWBS).
- MRMC Laboratory reports 0 contaminated blood culture set(s).
- MRMC Infection Prevention reports 0 CAUTI.
- MRMC Infection Prevention report 0 CLABSI.
- MRMC Infection Prevention reports 3 HAI and 0 MDRO for the month of February.

Client Service

- Total Patient Days increased with 352 patient days in February 2024 as compared to 251 patient days in February 2024. This represents an average daily census of 12.1. In addition, MRMC Emergency Department provided care to 182 patients in February 2024.
- MRMC Case Management reports 36 Total Admissions for the month of February 2024.
- February 2024 COVID-19 Stats at MRMC: Swabs (3 PCR & 119 Antigen) with 6 Positive.

Mangum Regional Medical Center												
Monthly Census Comparison												
	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec
Inpatient	30	36										
Swing Bed	10	18										
Observation	3	1										
Emergency Room	175	182										
Lab Completed	2377	2439										
Rad Completed	128	199										
Ventilator Days	0	0										

Preserve Rural Jobs and Culture Development

- MRMC filled a full-time core CNA position.
- MRMC has one, PRN CNA position open currently.
- Patients continue to voice their praise and appreciation for the care received at MRMC. We continue to strive for excellence and improving patient/community relations.



Chief Executive Officer Report February 2024

Operations Overview

- We have a full-time provider hired for the clinic. Credentialing process is started, we do not have a start date yet.
- We continue to look for a counselor for the Strong Minds program.
- We are working with other organizations to try to increase our outpatient, inpatient, and swing bed census.
- Looking at clinic collections for February we collected a total of \$1097.12 at time of service.
- The hospital collected \$32,509.05 in copays and collections for the month of February. This number was mainly due to a few high past due accounts.
- We continue to be involved in the community and we have attended several events.
- We are also going to have a table in the upcoming health fair in April partnering with Partnerships Achieving Wellness.
- We are getting closer to paying off one of our ERS loans to Medicare. This payment schedule ends in March, this will increase our payments to around \$86,000 per month.

Mangum Board Meeting Financial Reports

February 29, 2024

REPORT TITLE	
1	Financial Summary (Overview)
2	Cash Receipts - Cash Disbursements - NET
3	Financial Update (page 1)
4	Financial Update (page 2)
5	Stats
6	Balance Sheet Trend
7	Cash Collections Trend
8	Medicare Payables (Receivables)
9	Current Month Income Statement
10	Income Statement Trend
11	RHC YTD Income Statement
12	AP Aging Summary

Mangum Regional Medical Center
Financial Summary
February 29, 2024

	Prior Month	Current Month	Feb-24 Year-to-Date	Mthly Avg Year-to-Date
ADC (Average Daily Census)	8.03	12.14	10.02	10.02
Payer Mix % (Acute):				
MCR	26.37%	71.70%	43.06%	
MCR Mgd Care	12.09%	20.75%	15.28%	
All Others	61.54%	7.55%	41.67%	
Total	100.00%	100.00%	100.00%	
Payer Mix % (SWB):				
MCR	64.56%	89.63%	80.96%	
MCR Mgd Care	35.44%	10.37%	19.04%	
All Others	0.00%	0.00%	0.00%	
Total	100.00%	100.00%	100.00%	
Operating margin	(180,192)	(158,066)	(338,258)	(169,129)
<i>Operating Margin (Current Month vs Mthly Avg)</i>	(11,063)	11,063		
NPR (Net Patient Revenue)	1,220,829	1,141,541	2,362,370	1,181,185
<i>NPR (Current Month vs Mthly Avg)</i>	39,644	(39,644)		
Operating Expenses	1,440,927	1,318,214	2,759,141	1,379,570
<i>Oper Exp (CM vs Mthly Avg)</i>	61,357	(61,357)		
NPR % of Oper Exp	84.7%	86.6%	85.6%	
Patient Days	249	352	601	301
Oper Exp / PPD	\$ 5,787	\$ 3,745	\$ 4,591	
# of Months	1	1	2	
Cash Receipts (rnd)	1,187,504	708,816	1,896,319	948,160
<i>Cash Receipts (CM vs Mthly Avg)</i>	239,344	(239,344)		
Cash as a % of NPR (s/b 100% min)	97.3%	62.1%	80.3%	
Calendar Days	31	29	60	
Operating Exp / Day	\$ 46,482	\$ 45,456	\$ 45,986	
Cash - (unrestricted)	928,483	646,998	646,998	
Days Cash-On-Hand	20.0	14.2	14.1	
Cash - (including restricted)	928,483	646,998	646,998	
Days Cash-On-Hand	20.0	14.2	14.1	
MCR Rec (Pay) - "as stated - but to be adjusted"	(1,786,019)	(1,802,438)		
AP & Accrued Liab	14,171,722	14,472,763		
Accounts Receivable (at net)	1,029,644	1,482,640		
Per AP aging schedule (incl. accruals)	Jan-24	Feb-24	Net Change	
Account Payable - Cohesive	11,203,840	12,191,686	987,846	
Account Payable - Other	1,914,111	1,409,147	(504,963)	
Total	13,117,951	13,600,833	482,883	
Cohesive Loan	5,241,832	5,210,815	(31,017)	

Mangum Regional Medical Center
 Cash Receipts - Cash Disbursements Summary
 February 2024

	Current Month	COVID	Total Less COVID	Year-To-Date	COVID	Year-To-Date Less COVID
Cash Receipts	\$ 708,816	\$ -	\$ 708,816	\$ 1,896,320	\$ -	\$ 1,896,320
Cash Disbursements	\$ (995,157)	\$ -	\$ (995,157)	\$ (2,145,679)	\$ -	\$ (2,145,679)
NET	\$ (286,341)	\$ -	\$ (286,341)	\$ (249,359)	\$ -	\$ (249,359)
				0.00		

	Prior Month	COVID	Total Less COVID	Prior Month YTD	COVID	Prior Month YTD Less COVID
Cash Receipts	\$ 1,187,504	\$ -	\$ 1,187,504	\$ 1,187,504	\$ -	\$ 1,187,504
Cash Disbursements	\$ (1,150,522)	\$ -	\$ (1,150,522)	\$ (1,150,522)	\$ -	\$ (1,150,522)
NET	\$ 36,982	\$ -	\$ 36,982	\$ 36,982	\$ -	\$ 36,982



March 26, 2024

Board of Directors
Mangum Regional Medical Center

February 2024 Financial Statement Overview

- Statistics
 - The average daily census (ADC) for February 2024 was **12.14** – (Year-To-Date **10.02** PY fiscal year end of **11.32**).
 - Year-To-Date Acute payer mix was approximately **58%** MCR/MCR Managed Care combined & quite lower than the prior fiscal year end of **79%**.
 - Year-To-Date Swing Bed payer mix was **81%** MCR & **19%** MCR Managed Care. For the prior year end those percentages were **90%** & **10%**, respectively.

- Balance Sheet Highlights
 - The cash balance as of February 29, 2024, inclusive of both operating & reserves, was **\$647K**. This decrease of **\$281K** from January 31, 2024, balance was primarily due to a decrease in patient cash receipts.
 - Days cash on hand, inclusive of reserves, was **14.2** based on February expenses.
 - Net AR increased by **\$453K** from January.
 - Payments of approximately **\$995K** were made on AP (prior 3-month avg was **\$1.1M**).
 - Cash receipts were **\$479K** less than in the previous month (**\$708K vs \$1.19M**).
 - The Medicare principal balance decreased by **\$131K** due to ERS loan payments and a YTD receivable for **\$150k** is booked. The FY17 loan should be paid-in-full in March 2024.



- Income Statement Highlights
 - Net patient revenue for February 2024 was **\$1.14M**, which is approximately a decrease of **\$79K** over the prior month.
 - Operating expenses, exclusive of interest & depreciation, were **\$1.32M**.
 - 340B revenue was **\$17K** in February, a decrease of **\$20K** from the prior month. YTD revenue was **\$55K**. Net profit from this service line YTD is **\$22K**.

- Clinic (RHC) Income Statement Highlights - actual & projected (includes swing bed rounding):
 - Current month average visits per day = **8.8**
 - Projected operating revenues (YTD) = **\$258K**
 - Projected operating expenses (YTD) = **\$629K**
 - Projected operating loss (YTD) = **-\$371K**

MANGUM REGIONAL MEDICAL CENTER

Admissions, Discharges & Days of Care

Fiscal Year 2024

	12/31/2024			12/31/2023
	January	February	YTD	YTD
Admissions				
Inpatient	19	18	37	178
Swingbed	10	18	28	137
Observation	3	1	4	21
	<u>32</u>	<u>37</u>	<u>69</u>	<u>336</u>
Discharges				
Inpatient	20	17	37	178
Swingbed	8	12	20	132
Observation	3	1	4	21
	<u>31</u>	<u>30</u>	<u>61</u>	<u>331</u>
Days of Care				
Inpatient-Medicare	24	38	62	356
Inpatient-Other	67	15	82	274
Swingbed-Medicare	102	268	370	3,161
Swingbed-Other	56	31	87	340
Observation	4	1	5	21
	<u>253</u>	<u>353</u>	<u>606</u>	<u>4,152</u>
Calendar days	31	29	366	365
ADC - (incl OBS)	8.16	12.17	1.66	11.38
ADC	8.03	12.14	1.64	11.32
ER	227	237	464	1,677
Outpatient	106	98	204	1,832
RHC	177	176	353	1,978

MANGUM REGIONAL MEDICAL CENTER
Comparative Balance Sheet - Unaudited
Fiscal Year 2024

Item 8.

	January	February	12/31/23	Variance
Cash And Cash Equivalents	928,483	646,998	80,298	566,700
Patient Accounts Receivable, Net	1,029,644	1,482,640	1,410,015	72,625
Due From Medicare	300,000	150,000	0	150,000
Inventory	255,138	261,348	259,367	1,981
Prepays And Other Assets	1,866,039	1,838,554	1,897,615	(59,061)
Capital Assets, Net	1,829,169	1,799,080	1,859,246	(60,166)
Total Assets	6,208,472	6,178,619	6,318,729	(140,110)
Accounts Payable	13,278,998	13,580,039	12,876,396	703,643
AHSO Related AP	892,724	892,724	892,724	0
Due To Medicare	2,086,019	1,952,438	2,218,453	(266,016)
Covid Grant Funds	-	-	0	0
Due To Cohesive - PPP Loans	-	-	0	0
Notes Payable - Cohesive	5,241,832	5,210,815	5,272,849	(62,034)
Notes Payable - Other	30,675	23,247	38,045	(14,798)
Alliantz Line Of Credit	-	-	0	0
Leases Payable	271,991	271,189	272,789	(1,600)
Total Liabilities	21,802,238	21,930,451	21,571,256	359,196
Net Assets	(15,593,766)	(15,751,832)	(15,252,526)	(499,306)
Total Liabilities and Net Assets	6,208,472	6,178,619	6,318,729	(140,110)

**Mangum Regional Medical Center
Cash Receipts & Disbursements by Month**

2022				2023			2024		
Month	Receipts	Funds	Disbursements	Month	Receipts	Disbursements	Month	Receipts	Disbursements
		Stimulus							
Jan-22	2,163,583		1,435,699	Jan-23	1,290,109	1,664,281	Jan-24	1,187,504	1,150,522
Feb-22	1,344,463	254,626	1,285,377	Feb-23	1,506,708	1,809,690	Feb-24	708,816	995,157
Mar-22	789,800		1,756,782	Mar-23	1,915,435	1,109,683	Mar-24		
Apr-22	1,042,122		1,244,741	Apr-23	2,005,665	1,365,533	Apr-24		
May-22	898,311		1,448,564	May-23	1,436,542	2,237,818	May-24		
Jun-22	1,147,564		1,225,070	Jun-23	1,777,525	1,506,459	Jun-24		
Jul-22	892,142		979,914	Jul-23	1,140,141	1,508,702	Jul-24		
Aug-22	890,601		1,035,539	Aug-23	1,600,786	1,352,905	Aug-24		
Sep-22	2,225,347		1,335,451	Sep-23	1,490,569	1,295,680	Sep-24		
Oct-22	1,153,073		1,233,904	Oct-23	1,211,980	1,345,813	Oct-24		
Nov-22	935,865		1,476,384	Nov-23	985,475	1,355,224	Nov-24		
Dec-22	1,746,862		1,073,632	Dec-23	929,990	1,191,570	Dec-24		
	<u>15,229,733</u>	254,626	<u>15,531,057</u>		<u>17,290,925</u>	<u>17,743,359</u>		<u>1,896,319</u>	<u>2,145,679</u>
Subtotal FY 2022	<u><u>15,484,359</u></u>			Subtotal FY 2023	<u><u>17,290,925</u></u>		Subtotal FY 2024	<u><u>1,896,319</u></u>	

**Mangum Regional Medical Center
Medicare Payables by Year**

	Original Balance	Balance as of 02/29/24	Total Interest Paid as of 02/29/24
2016 C/R Settlement	1,397,906.00	-	205,415.96
2017 Interim Rate Review - 1st	723,483.00	-	149,425.59
2017 Interim Rate Review - 2nd	122,295.00	-	20,332.88
2017 6/30/17-C/R Settlement	1,614,760.00	-	7,053.79
2017 12/31/17-C/R Settlement	(535,974.00)	85,015.46	268,526.96
2017 C/R Settlement Overpayment	3,539,982.21	-	-
2018 C/R Settlement	1,870,870.00	-	241,040.31
2019 Interim Rate Review - 1st	323,765.00	-	5,637.03
2019 Interim Rate Review - 2nd	1,802,867.00	-	277,488.75
2019 C/R Settlement	(967,967.00)	-	-
2020 C/R Settlement	(3,145,438.00)	-	-
<i>FY21 MCR pay (rec) estimate</i>	(1,631,036.00)	-	-
<i>FY22 MCR pay (rec) estimate</i>	(318,445.36)	-	-
2016 C/R Audit - Bad Debt Adj	348,895.00	-	16,927.31
2018 MCR pay (rec) Audit est.	(34,322.00)	-	-
2019 MCR pay (rec) Audit est.	(40,612.00)	-	-
2020 MCR pay (rec) Audit	(74,956.00)	-	-
<i>FY23 (8-month IRR) L4315598</i>	95,225.46	88,311.52	4,586.09
<i>FY23 (8-month IRR) L4315599</i>	1,918,398.00	1,779,110.66	38,303.20
<i>FY23 MCR pay (rec) remaining estimate</i>	-	-	-
<i>FY24 MCR pay (rec) estimate</i>	-	(150,000.00)	-
Total	7,009,696.31	1,802,437.64	1,234,737.86

Mangum Regional Medical Center
Statement of Revenue and Expense
For The Month and Year To Date Ended February 29, 2024
Unaudited

Item 8.

MTD					YTD			
Actual	Budget	Variance	% Change		Actual	Budget	Variance	% Change
328,884	244,299	84,585	35%	Inpatient revenue	882,802	505,256	377,546	75%
1,305,865	1,116,474	189,391	17%	Swing Bed revenue	1,997,268	2,310,086	(312,819)	-14%
798,546	486,030	312,516	64%	Outpatient revenue	1,544,041	1,128,596	415,445	37%
268,737	139,552	129,184	93%	Professional revenue	460,096	316,116	143,980	46%
<u>2,702,032</u>	<u>1,986,356</u>	<u>715,676</u>	<u>36%</u>	Total patient revenue	<u>4,884,207</u>	<u>4,260,054</u>	<u>624,153</u>	<u>15%</u>
1,354,471	578,835	775,636	134%	Contractual adjustments	2,549,140	1,390,770	1,158,370	83%
150,000	-	150,000	#DIV/0!	Contractual adjustments: MCR Settlement	(150,000)	-	(150,000)	#DIV/0!
56,019	72,595	(16,576)	-23%	Bad debts	122,696	155,189	(32,492)	-21%
<u>1,560,491</u>	<u>651,430</u>	<u>909,061</u>	<u>140%</u>	Total deductions from revenue	<u>2,521,836</u>	<u>1,545,958</u>	<u>975,878</u>	<u>63%</u>
1,141,541	1,334,926	(193,385)	-14%	Net patient revenue	2,362,370	2,714,095	(351,725)	-13%
1,439	3,089	(1,650)	-53%	Other operating revenue	3,946	6,187	(2,241)	-36%
17,167	12,607	4,560	36%	340B REVENUES	54,567	25,214	29,353	116%
<u>1,160,148</u>	<u>1,350,622</u>	<u>(190,475)</u>	<u>-14%</u>	Total operating revenue	<u>2,420,883</u>	<u>2,745,497</u>	<u>(324,614)</u>	<u>-12%</u>
				Expenses				
535,269	372,079	163,190	44%	Salaries and benefits	946,547	765,473	181,075	24%
(37,292)	143,994	(181,287)	-126%	Professional Fees	121,093	287,988	(166,895)	-58%
291,650	345,347	(53,697)	-16%	Contract labor	589,967	713,825	(123,859)	-17%
88,301	141,304	(53,003)	-38%	Purchased/Contract services	179,659	282,827	(103,168)	-36%
225,000	225,000	-	0%	Management expense	450,000	450,000	-	0%
75,565	94,132	(18,567)	-20%	Supplies expense	163,838	192,076	(28,238)	-15%
28,767	30,300	(1,533)	-5%	Rental expense	62,273	60,601	1,672	3%
15,200	18,358	(3,158)	-17%	Utilities	41,013	36,716	4,297	12%
1,802	1,085	717	66%	Travel & Meals	1,802	2,170	(368)	-17%
10,628	12,130	(1,503)	-12%	Repairs and Maintenance	22,874	24,261	(1,387)	-6%
12,896	11,415	1,482	13%	Insurance expense	25,568	11,415	14,153	124%
8,288	8,084	205	3%	Other Expense	18,813	16,271	2,542	16%
11,198	20,773	(9,575)	-46%	340B EXPENSES	32,574	41,547	(8,973)	-22%
<u>1,267,272</u>	<u>1,424,002</u>	<u>(156,730)</u>	<u>-11%</u>	Total expense	<u>2,656,021</u>	<u>2,885,168</u>	<u>(229,148)</u>	<u>-8%</u>
<u>(107,125)</u>	<u>(73,380)</u>	<u>(33,745)</u>	<u>46%</u>	EBIDA	<u>(235,137)</u>	<u>(139,672)</u>	<u>(95,466)</u>	<u>68%</u>
<u>-9.2%</u>	<u>-5.4%</u>	<u>-3.80%</u>		EBIDA as percent of net revenue	<u>-9.7%</u>	<u>-5.1%</u>	<u>-4.63%</u>	
20,853	28,774	(7,922)	-28%	Interest	42,943	58,690	(15,747)	-27%
30,089	49,698	(19,609)	-39%	Depreciation	60,177	99,396	(39,219)	-39%
<u>(158,066)</u>	<u>(151,852)</u>	<u>(6,214)</u>	<u>4%</u>	Operating margin	<u>(338,258)</u>	<u>(297,758)</u>	<u>(40,500)</u>	<u>14%</u>
-	-	-		Other	-	-	-	
-	-	-		Total other nonoperating income	-	-	-	
<u>(158,066)</u>	<u>(151,852)</u>	<u>(6,214)</u>	<u>4%</u>	Excess (Deficiency) of Revenue Over Expenses	<u>(338,258)</u>	<u>(297,758)</u>	<u>(40,500)</u>	<u>14%</u>
<u>-13.62%</u>	<u>-11.24%</u>	<u>-2.38%</u>		Operating Margin %	<u>-13.97%</u>	<u>-10.85%</u>	<u>-3.13%</u>	

MANGUM REGIONAL MEDICAL CENTER
Statement of Revenue and Expense Trend - Unaudited
Fiscal Year 2024

Item 8.

	January	February	March	April	May	June	July	August	September	October	November	December	YTD
Inpatient revenue	553,917	328,884											882,802
Swing Bed revenue	691,403	1,305,865											1,997,268
Outpatient revenue	745,496	798,546											1,544,041
Professional revenue	191,359	268,737											460,096
Total patient revenue	2,182,175	2,702,032	-	-	-	-	-	-	-	-	-	-	4,884,207
Contractual adjustments	1,194,669	1,354,471											2,549,140
Contractual adjustments: MCR Settlement	(300,000)	150,000											(150,000)
Bad debts	66,677	56,019											122,696
Total deductions from revenue	961,346	1,560,491	-	-	-	-	-	-	-	-	-	-	2,521,836
Net patient revenue	1,220,829	1,141,541	0	0	0	0	0	0	0	0	0	0	2,362,370
Other operating revenue	2,507	1,439											3,946
340B REVENUES	37,399	17,167											54,567
Total operating revenue	1,260,735	1,160,148	0	0	0	0	0	0	0	0	0	0	2,420,883
	84.7%	86.6%	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	85.6%
Expenses													
Salaries and benefits	411,278	535,269											946,547
Professional Fees	158,386	(37,292)											121,093
Contract labor	298,317	291,650											589,967
Purchased/Contract services	91,358	88,301											179,659
Management expense	225,000	225,000											450,000
Supplies expense	88,273	75,565											163,838
Rental expense	33,505	28,767											62,273
Utilities	25,813	15,200											41,013
Travel & Meals	-	1,802											1,802
Repairs and Maintenance	12,246	10,628											22,874
Insurance expense	12,672	12,896											25,568
Other	10,525	8,288											18,813
340B EXPENSES	21,375	11,198											32,574
Total expense	1,388,748	1,267,272	-	-	-	-	-	-	-	-	-	-	2,656,021
EBIDA	\$ (128,013)	\$ (107,125)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (235,137)
EBIDA as percent of net revenue	-10.2%	-9.2%	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	-9.7%
Interest	22,090	20,853											42,943
Depreciation	30,089	30,089											60,177
Operating margin	\$ (180,192)	\$ (158,066)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (338,258)
Other	-	-											-
Total other nonoperating income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Excess (Deficiency) of Revenue Over Expenses	(180,192)	(158,066)	0	0	0	0	0	0	0	0	0	0	(338,258)
Operating Margin % (excluding other misc. rev)	-14.29%	-13.62%	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	-13.97%

	2/29/2024
On-Site Visits -->	316
On-Site Visit / Bus Day -->	7.35

	"Annualized"
On-Site Visits -->	1,896
On-Site Visit / Bus Day -->	7.32

Mangum Family Clinic

One Month Ended 02/29/2024

Description	YTD FS Per General Ledger	Eliminate Rev Deduct & Other Inc	Adj Rev Deduct to RHC Calc	Cost Report Allocations	2	FY 2024
					RHC Financial Statements	"Annualized" RHC Financial Statements
Gross Patient Revenue	38,829	-	-	-	38,829	232,975
Less: Revenue deductions	42,013	(42,013)	4,133	-	4,133	24,799
Net Patient Revenue	80,842	(42,013)	4,133	-	42,962	257,774
Other Income (if any)	434	(434)	-	-	-	-
Operating revenue	81,276	(42,447)	4,133	-	42,962	257,774
Operating Expenses:						
Salaries	19,388	-	-	-	19,388	116,326
Benefits	-	-	-	-	-	-
Prof Fees	1,500	-	-	6,920	8,420	50,520
Contract Labor	-	-	-	-	-	-
Purch Serv	8,662	-	-	-	8,662	51,973
Supplies	956	-	-	-	956	5,738
Rent	4,902	-	-	-	4,902	29,413
Utilities	1,570	-	-	-	1,570	9,418
Repairs	300	-	-	-	300	1,800
Other	202	-	-	-	202	1,212
Insurance	451	-	-	-	451	2,705
Travels & Meals	-	-	-	-	-	-
Management Fee Direct Exp	-	-	-	23,081	23,081	138,486
Critical Access Hospital Overhead Allocation (a)	-	-	-	36,823	36,823	220,938
Total Operating Expenses	37,931	-	-	66,824	104,755	628,529
Net Income (loss)	43,345	(42,447)	4,133	(66,824)	(61,792)	(370,755)

MGMT Fee Allocation est. 2023	1 months	11,540
IP Rounding allocation based on 8/31/22 IRR estimate	8 months	27,681
CAH Overhead Allocation - from Chris based on last filed cost report ----->	12 months	220,936
Total allocation ----->		260,157

Mangum RHC Reimbursement Analysis

4

(a) Will experience increased volumes from swing-bed rounding in FY2023

7.9

8.8

One Month Ended 02/29/2024

Payer	VOLUMES: Current Month			
	Clinic (On-Site)	Telehealth	Swing-Bed (a)	TOTAL
MCR	30		14	44
MCR Managed Care	8		1	9
Medicaid	56			56
BCBS	29			29
Commercial	23			23
Self-Pay	12		3	15
Other	-			-
	158	-	18	176

Payer	VOLUMES: Year-To-Date 02-29-24			
	Clinic (On-Site)	Telehealth	Swing-Bed (a)	TOTAL
MCR	64		18	82
MCR Managed Care	16		16	32
Medicaid	117			117
BCBS	46			46
Commercial	55			55
Self-Pay	18		3	21
Other	-			-
	316	-	37	353

	Projected Reimbursement Rate			
MCR	\$ 148.38	\$ -	\$ 148.38	
MCR Managed Care	\$ 148.38	\$ -	\$ 148.38	338.62
Medicaid	\$ 148.38	\$ -	\$ 148.38	
BCBS	\$ 73.00	\$ -	\$ -	51.51
Commercial	\$ 73.00	\$ -	\$ -	72.45
Self-Pay	\$ 73.00	\$ -	\$ -	11.93
Other	\$ 73.00	\$ -	\$ -	135.7

	Projected Reimbursement			
MCR	9,496	-	2,671	12,167
MCR Managed Care	2,374	-	2,374	4,748
Medicaid	17,360	-	-	17,360
BCBS	3,358	-	-	3,358
Commercial	4,015	-	-	4,015
Self-Pay	1,314	-	-	1,314
Other	-	-	-	-
	\$ 37,917	\$ -	\$ 5,045	\$ 42,962

Clinic (On-Site)	# of Accounts at + or - \$5 balance	Total Cash Received	Average Payment per Visit
MCR			<-- use RHC rate
MCR Managed Care			<-- use RHC rate
Medicaid			<-- use RHC rate
BCBS			#DIV/0!
Commercial			#DIV/0!
Self-Pay			#DIV/0!
Other			#DIV/0!

Telehealth	# of Accounts at + or - \$5 balance	Total Cash Received	Average Payment per Visit
MCR			
MCR Managed Care			
Medicaid			
BCBS			#DIV/0!
Commercial			#DIV/0!
Self-Pay			#DIV/0!
Other			#DIV/0!

Latest filed cost report:			FY24 Proj
Cost	\$ 104,755		\$ 628,529
Visits	353	12	4,236 <-- excl Telehealth.
MCR rate	\$ 296.76		\$ 148.38

Jan 22 Rate Letter \$ 338.62

12/19/23 New Rate per (2024) \$ 282.65

VENDOR NAME	DESCRIPTION	0-30 Days	31-60 Days	61-90 Days	OVER 90 Days	2/29/2024	1/31/2024	12/31/2023	11/30/2023	10/31/2023
ALCO SALES & SERVICE CO	Patient Supplies	-	-	-	-	-	-	-	-	299.80
AMERICAN HEART ASSOCIATION INC	Supplies	-	-	-	-	-	-	-	-	-
AMERICAN PROFICIENCY INSTITUTE	Lab Supplies	-	-	-	-	-	-	-	-	-
ANESTHESIA SERVICE INC	Patient Supplies	-	-	-	-	-	-	-	1,050.00	-
APEX MEDICAL GAS SYSTEMS, INC	Supplies	-	-	-	-	-	-	-	-	-
ARAMARK	Linen Services	6,099.60	-	-	-	6,099.60	-	3,012.95	18,077.70	15,064.75
ASPEN INSPECTION SERVICES	Repairs/maintenance	-	-	-	-	-	-	-	-	-
AT&T	Fax Service	-	-	-	-	-	-	-	-	-
AVANAN, INC.	COVID Capital	-	-	-	16,800.00	16,800.00	16,800.00	16,800.00	16,800.00	16,800.00
BARRY DAVENPORT	1099 Provider	-	-	-	-	-	-	-	-	-
BIO-RAD LABORATORIES INC	Lab Supplies	649.74	-	-	-	649.74	-	-	1,396.32	1,568.45
BRIGGS HEALTHCARE	Supplies	-	-	-	-	-	-	-	-	-
CARNEGIE EMS	Patient Transport Svs	-	-	-	-	-	-	4,740.00	4,740.00	4,740.00
CARNEGIE TRI-COUNTY MUN. HOSP	Pharmacy Supplies	-	-	-	-	-	-	-	-	-
CDW-G LLC	Supplies	-	-	-	3,059.84	3,059.84	3,059.84	3,059.84	3,059.84	3,059.84
CITY OF MANGUM	Utilities	-	-	-	-	-	-	-	-	-
CLIA LABORATORY PROGRAM	Lab Services	3,124.00	-	-	-	3,124.00	-	-	-	-
CliftonLarsonAllen LLP	Audit firm	-	-	-	-	-	-	-	5,512.50	-
COHESIVE HEALTHCARE MGMT	Mgmt Fees	225,270.00	225,257.40	225,382.50	1,448,777.14	2,124,687.04	1,899,474.64	1,679,110.19	1,473,760.38	1,347,477.88
COHESIVE HEALTHCARE RESOURCES	Payroll	497,863.60	463,276.72	592,699.72	4,249,971.19	5,803,811.23	5,270,642.14	5,572,768.99	5,274,460.02	4,790,954.17
COHESIVE MEDIRYDE LLC	Patient Transportation Service	2,905.75	-	-	-	2,905.75	-	-	-	-
COHESIVE STAFFING SOLUTIONS	Agency Staffing Service	266,000.55	268,274.42	317,387.57	3,408,619.79	4,260,282.33	4,033,723.20	4,028,090.53	4,146,429.55	4,148,926.00
COMMERCIAL MEDICAL ELECTRONICS	Quarterly Maintenance	-	-	-	-	-	-	2,450.00	2,450.00	-
CORRY KENDALL, ATTORNEY AT LAW	Legal Fees	4,000.00	2,000.00	2,000.00	13,980.95	21,980.95	19,980.95	21,980.95	23,980.95	19,980.95
CPSI	EHR Software	-	-	-	-	-	-	-	-	-
CURBELL MEDICAL PRODUCTS INC	Supplies	-	-	-	-	-	-	-	-	-
DELL FINANCIAL SERVICES LLC	Server Lease	-	-	-	-	-	-	-	-	-
DIAGNOSTIC IMAGING ASSOCIATES	Radiology Purch Svs	-	-	-	-	-	-	-	2,150.00	2,150.00
DOERNER SAUNDERS DANIEL ANDERS	Legal Fees	-	-	1,386.00	357,172.16	358,558.16	358,558.16	358,558.16	356,914.16	356,914.16
DR W. GREGORY MORGAN III	1099 Provider	-	-	-	-	-	-	-	-	-
DYNAMIC ACCESS	Vascular Consultant	2,550.00	-	-	-	2,550.00	-	1,000.00	1,125.00	-
eCLINICAL WORKS, LLC	RHC EHR	-	-	-	-	-	-	6,000.00	6,000.00	6,000.00
EMD MILLIPORE CORPORATION	Lab Supplies	-	-	-	-	-	-	-	-	-
F1 INFORMATION TECHNOLOGIES IN	IT Support Services	-	-	-	-	-	-	-	2,928.00	-
FEDEX	Shipping	-	-	-	-	-	-	-	-	-
FFF ENTERPRISES INC	Pharmacy Supplies	-	-	-	-	-	-	-	592.56	-
FIRSTCARE MEDICAL SERVICES, PC	1099 Provider	-	-	-	-	-	-	-	-	-
FORVIS LLP	Finance Purch Svs(Formerly BKD)	-	-	-	-	-	-	-	6,642.00	6,642.00
FOX BUILDING SUPPLY	Repairs/maintenance	-	-	-	-	-	(151.19)	(151.19)	(151.19)	(151.19)
GEORGE BROS TERMITE & PEST CON	Pest Control Service	160.00	-	-	-	160.00	-	-	160.00	-
GLOBAL EQUIPMENT COMPANY INC.	Patient Supplies	-	-	-	-	-	-	1,518.74	-	-
GRAINGER	Maintenance Supplies	-	-	-	-	-	113.79	551.73	160.81	273.73
GREER COUNTY CHAMBER OF	Advertising	-	-	-	-	-	-	-	-	-
GREER COUNTY TREASURER	Insurance	-	-	-	5,650.00	5,650.00	5,650.00	5,650.00	11,300.00	-
HAC INC	Dietary Supplies	-	-	-	-	-	-	22.23	345.68	-
HEALTH CARE LOGISTICS	Pharmacy Supplies	-	-	-	-	-	-	-	-	100.38
HEARTLAND PATHOLOGY CONSULTANT	Lab Consultant	-	-	-	-	-	-	-	-	-
HENRY SCHEIN	Lab Supplies	1,755.65	-	-	-	1,755.65	-	-	-	-
HEWLETT-PACKARD FINANCIAL SERV	Computer Services	307.10	307.10	-	-	614.20	307.10	614.20	-	-
HILL-ROM COMPANY, INC	Rental Equipment	-	-	-	-	-	-	-	-	-
HOBART SERVICE	Repairs/maintenance	-	-	-	-	-	-	-	2,060.38	-
ICU MEDICAL SALES INC.	Supplies	-	-	-	-	-	-	-	-	-
HSI	Materials Purch svs	-	-	-	-	-	-	-	-	-
IMPERIAL, LLC.-LAWTON	Dietary Purchased Service	-	-	-	-	-	-	-	-	-
INQUIREE LLC	RHC purch svs	-	-	-	225.00	225.00	225.00	225.00	225.00	225.00
INSIGHT DIRECT USA INC.	IT Minor Equipment	-	-	-	-	-	-	-	1,007.36	1,007.36
JANUS SUPPLY CO	Housekeeping Supplies, based in Altus	611.04	-	-	-	611.04	-	-	-	-
JIMALL & KANISHA' LOFTIS	Rent House	-	-	-	-	-	-	-	-	-
KCI USA	Rental Equipment	1,527.24	-	-	-	1,527.24	-	-	-	-

VENDOR NAME	DESCRIPTION	0-30 Days	31-60 Days	61-90 Days	OVER 90 Days	2/29/2024	1/31/2024	12/31/2023	11/30/2023	10/31/2023
KING GUIDE PUBLICATIONS INC	Advertising	-	-	-	-	-	-	-	-	-
LABCORP	Lab purch svcs	2,430.86	-	-	-	2,430.86	-	-	-	-
LAMPTON WELDING SUPPLY	Patient Supplies	-	-	-	-	-	-	-	-	-
LANGUAGE LINE SERVICES INC	Translation service	-	-	-	-	-	-	135.00	135.00	-
LOCKE SUPPLY	Plant Ops supplies	-	-	-	-	-	-	-	59.36	663.80
MANGUM STAR NEWS	Advertising	60.00	-	-	-	60.00	-	244.50	-	-
MARK CHAPMAN	Employee Reimbursement	-	-	-	-	-	-	-	-	-
MCKESSON / PSS - DALLAS	Patient Care/Lab Supplies	1,648.61	-	-	-	1,648.61	771.17	4,911.97	-	-
MEDLINE INDUSTRIES	Patient Care/Lab Supplies	5,697.49	-	-	-	5,697.49	-	8,430.85	(32.98)	-
MYHEALTH ACCESS NETWORK, INC	Compliance purch svcs	-	-	-	-	-	-	-	-	-
NATHAN ANDREW PERRY	Biomed Services	1,750.00	-	-	-	1,750.00	-	-	-	-
NATIONAL RECALL ALERT CENTER	Safety and Compliance	-	-	-	-	-	-	-	-	-
NEXTIVA, INC.	Phone Svcs	-	-	2,544.98	-	2,544.98	2,544.98	3,707.22	-	-
NUANCE COMMUNICATIONS INC	RHC purch svcs	-	-	-	-	-	-	-	-	-
OFMQ	Quality purch svcs	350.00	-	-	-	350.00	-	350.00	350.00	-
OHERI	Education/Training	-	-	-	-	-	-	-	-	-
OKLAHOMA BLOOD INSTITUTE	Blood Bank	-	-	-	-	-	-	7,618.30	-	6,475.90
OPTUM	Pharmacy Supplies	-	-	-	-	-	-	104.95	-	114.95
ORTHO-CLINICAL DIAGNOSTICS INC	Lab purch svcs	-	-	-	-	-	-	1,203.96	1,203.96	1,203.96
PARA REV LOCKBOX	CDM purch svcs	-	-	-	-	-	-	-	-	-
PHARMA FORCE GROUP LLC	340B purch svcs	-	-	-	-	-	-	-	-	-
PHARMACY CONSULTANTS, INC.	PHARMACY CONSULTANTS, INC.	-	-	-	-	-	-	-	-	-
PHILADELPHIA INSURANCE COMPANY	OHA Insurance	2,321.00	-	-	-	2,321.00	-	-	-	-
PHILIPS HEALTHCARE	Supplies	-	-	-	-	-	-	-	-	-
PIPETTE COM	Lab maintenance	-	-	-	-	-	-	-	-	-
PITNEY BOWES GLOBAL FINANCIAL	Postage rental	-	-	-	-	-	-	-	-	-
PORT53 TECHNOLOGIES, INC.	Software license	-	-	-	-	-	-	-	-	-
PRESS GANEY ASSOCIATES, INC	Purchased Service	738.48	-	-	-	738.48	-	738.48	-	738.48
PUCKETT DISCOUNT PHARMACY	Pharmacy Supplies	-	-	-	-	-	-	-	-	-
PURCHASE POWER	Postage Fees	-	-	-	-	-	-	-	-	-
RADIATION CONSULTANTS	Radiology maintenance	-	-	-	-	-	-	-	-	-
RESPIRATORY MAINTENANCE INC	Repairs/maintenance	-	-	-	-	-	-	-	-	-
REYES ELECTRIC LLC	COVID Capital	-	-	-	16,000.00	16,000.00	-	20,000.00	25,000.00	25,000.00
RUSHMORE TRANSPORT LLC	Patient Transportation Service	503.25	-	-	-	503.25	-	-	-	-
RUSSELL ELECTRIC & SECURITY	Repair and Maintenance	600.00	-	-	-	600.00	-	-	-	-
SBM MOBILE PRACTICE, INC	1099 Provider	-	-	-	-	-	-	-	-	-
SCHAPEN LLC	Clinic Rent	-	-	-	-	-	-	-	-	-
SECURITY CHECK	Security	-	-	-	-	-	-	-	280.00	-
SHERWIN-WILLIAMS	Supplies	-	-	-	(11.78)	(11.78)	(11.78)	(11.78)	(11.78)	(11.78)
SHRED-IT USA LLC	Secure Doc disposal service	-	-	-	-	-	-	-	-	2,544.75
SIEMENS HEALTHCARE DIAGNOSTICS	Service Contract	-	-	-	-	-	-	-	3,912.29	-
SIZEWISE	Rental Equipment	-	-	-	-	-	-	-	2,473.50	2,473.50
SMAART MEDICAL SYSTEMS INC	Radiology interface/Radiologist provider	-	-	-	-	-	-	-	-	-
SOMSS LLC	1099 Provider	-	-	-	-	-	-	-	-	-
SPACELABS HEALTHCARE LLC	Telemetry Supplies	-	-	-	-	-	-	-	1,566.30	-
SPARKLIGHT BUSINESS	Cable service	-	-	-	-	-	-	-	-	445.94
STANDLEY SYSTEMS LLC	Printer lease	2,150.57	-	-	-	2,150.57	-	2,175.57	-	-
STAPLES ADVANTAGE	Office Supplies	-	-	-	-	-	-	257.36	-	-
STERICYCLE INC	Waste Disposal Service	1,961.17	-	-	-	1,961.17	-	-	1,335.19	-
STRYKER INSTRUMENTS	Patient Supplies	-	-	-	-	-	-	-	-	-
SUMMIT UTILITIES	Utilities	238.63	-	-	-	238.63	-	-	-	-
TECUMSEH OXYGEN & MEDICAL SUPP	Patient Supplies	-	-	-	-	-	-	-	-	-
TIGER ATHLETIC BOOSTERS	Advertising	-	-	-	-	-	-	-	-	-
TOUCHPOINT MEDICAL, INC	Med Dispense Monitor Support	-	-	-	3,285.00	3,285.00	3,285.00	3,285.00	3,285.00	3,285.00
TRIOSE INC	Freight	-	-	-	-	-	-	-	56.11	-
TRS MANAGED SERVICES	Agency Staffing-old	-	-	-	27,400.26	27,400.26	31,495.26	46,203.53	55,383.73	63,463.18
ULINE	Patient Supplies	-	-	-	-	-	-	-	-	-
ULTRA-CHEM INC	Housekeeping Supplies	-	-	-	-	-	-	-	-	-
US FOODSERVICE-OKLAHOMA CITY	Food and supplies	-	-	-	-	-	-	-	-	-

VENDOR NAME	DESCRIPTION	0-30 Days	31-60 Days	61-90 Days	OVER 90 Days	2/29/2024	1/31/2024	12/31/2023	11/30/2023	10/31/2023
US MED-EQUIP LLC	Swing bed eq rental	-	-	-	-	-	-	964.51	-	-
VITAL SYSTEMS OF OKLAHOMA, INC	Swing bed purch service	-	-	-	4,855.00	4,855.00	7,255.00	7,255.00	7,255.00	7,255.00
WELCH ALLYN, INC.	Supplies	-	-	-	-	-	-	-	-	-
WORTH HYDROCHEM	semi-annual water treatment	-	-	-	-	-	-	482.00	482.00	482.00
Grand Total		1,033,274.33	959,115.64	1,141,400.77	9,555,784.55	12,689,575.29	11,653,723.26	11,814,058.74	11,465,909.70	10,836,167.96
			Reconciling Items:		Conversion Variance	13,340.32	13,340.32	13,340.32	13,340.32	13,340.32
					AP Control	14,060,308.08	13,279,936.59	13,355,032.85	12,944,811.83	12,748,174.36
					Accrued AP	433,248.93	730,737.67	414,086.98	592,194.01	719,663.51
AHSO Related AP	Description	1/31/2024			AHSO Related AP	(892,723.76)	(892,723.76)	(892,723.76)	(892,723.76)	(892,723.76)
ADP INC	QMI Payroll Service Provider	4,276.42			TOTAL AP	13,600,833.25	13,117,950.50	12,876,396.07	12,644,282.08	12,575,114.11
ADP SCREENING AND SELECTION	QMI Payroll Service Provider	1,120.00				13,600,833.25				
ALLIANCE HEALTH SOUTHWEST OKLA	Old Mgmt Fees	698,000.00				-				
AMERICAN HEALTH TECH	Rental Equipment-Old	22,025.36								
C.R. BARD INC.	Surgery Supplies-Old	3,338.95								
COMPLIANCE CONSULTANTS	Lab Consultant-Old	1,000.00								
ELISE ALDUINO	1099 AHSO consultant	12,000.00								
HEADRICK OUTDOOR MEDIA INC	AHSO Advertising	25,650.00								
HERC RENTALS-DO NOT USE	Old Rental Service	7,653.03								
IMEDICAL INC	Surgery Supplies-Old	1,008.29								
MEDSURG CONSULTING LLC	Equipment Rental Agreement	98,670.36								
MICROSURGICAL MST	Surgery Supplies-Old	2,233.80								
MID-AMERICA SURGICAL SYSTEMS	Surgery Supplies-Old	3,607.60								
NINJA RMM	IT Service-Old	2,625.00								
QUARTZ MOUNTAIN RESORT	Alliance Travel	9,514.95								
SUBTOTAL-AHSO Related AP		892,723.76								

Hospital Vendor Contract Summary Sheet

1. Existing Vendor New Vendor
2. **Name of Contract:** CliftonLarsonAllen LLP
3. **Contract Parties:** MRMC/CliftonLarsonnAllen LLP
4. **Contract Type Services:** Service Agreement
5. **Impacted Hospital Departments:** Hospital Financials
6. **Contract Summary:** Statement of work-audit services. Under this agreement CLA will audit financial statements and related notes for year ending December 31, 2022.
7. **Cost:** \$23,500
8. **Prior Cost:**
9. **Term:**
- 10.
11. **Termination Clause:**
12. **Other:**



CliftonLarsonAllen LLP
<https://www.claconnect.com>

Statement of Work - Audit Services

February 29, 2024

This document constitutes a statement of work ("SOW") under the master service agreement ("MSA") dated December 6, 2023, or superseding MSA, made by and between CliftonLarsonAllen LLP ("CLA," "we," "us," and "our") and Mangum City Hospital Authority DBA: Mangum Regional Medical Center ("you," "your," or "the entity"). We are pleased to confirm our understanding of the terms and objectives of our engagement and the nature and limitations of the services CLA will provide for the entity as of and for the year ended December 31, 2022.

Greg Thelen is responsible for the performance of the audit engagement.

Scope of audit services

We will audit the financial statements of the Mangum City Hospital Authority DBA: Mangum Regional Medical Center, which collectively comprise the basic financial statements of Mangum City Hospital Authority DBA: Mangum Regional Medical Center, and the related notes to the financial statements as of and for the year ended December 31, 2022.

The Governmental Accounting Standards Board (GASB) provides for certain required supplementary information (RSI) to accompany the entity's basic financial statements.

Management has elected to omit the presentation of RSI.

Nonaudit services

We will also provide the following nonaudit services:

- Preparation of your financial statements and the related notes.
- Proposal and preparation of adjusting journal entries identified during the audit process, as needed

Audit objectives

The objectives of our audit of the financial statements are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP). Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards

generally accepted in the United States of America (U.S. GAAS) will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

Our audits will be conducted in accordance with U.S. GAAS. Those standards require us to be independent of the entity and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. Our audit will include tests of your accounting records and other procedures we consider necessary to enable us to express such opinions.

We will apply certain limited procedures to the RSI in accordance with U.S. GAAS. However, we will not express an opinion or provide any assurance on the RSI because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. We will also perform procedures to enable us to express an opinion on whether the supplementary information (as identified above) other than RSI accompanying the financial statements is fairly stated, in all material respects, in relation to the financial statements as a whole.

We will issue a written report upon completion of our audit of your financial statements.

Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add an emphasis-of-matter or other-matter paragraph to our auditors' report, or if necessary, withdraw from the engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If circumstances occur related to the condition of your records, the availability of sufficient, appropriate audit evidence, or the existence of a significant risk of material misstatement of the financial statements caused by error, fraudulent financial reporting, or misappropriation of assets, which in our professional judgment prevent us from completing the audit or forming opinions on the financial statements, we retain the right to take any course of action permitted by professional standards, including declining to express opinions or issue a report, or withdrawing from the engagement.

Auditor responsibilities, procedures, and limitations

We will conduct our audit in accordance with U.S. GAAS.

Those standards require that we exercise professional judgment and maintain professional skepticism throughout the planning and performance of the audit. As part of our audit, we will:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and evaluate whether audit evidence obtained is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness

of the entity's internal control. However, we will communicate to you in writing any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements, including the amounts and disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Conclude, based on our evaluation of audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the entity's ability to continue as a going concern for a reasonable period of time.

Although our audit planning has not been concluded and modifications may be made, we have identified the following significant risk(s) of material misstatement as part of our audit planning:

- Management override of controls
- Financial close and reporting
- Revenue recognition
- Valuation of patient accounts receivable
- Adoption and implementation of GASB 87 - Leases

There is an unavoidable risk, because of the inherent limitations of an audit, together with the inherent limitations of internal control, that some material misstatements may not be detected, even though the audit is properly planned and performed in accordance with U.S. GAAS. Because we will not perform a detailed examination of all transactions, material misstatements, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity, may not be detected.

In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management and those charged with governance of any material errors, fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management and those charged with governance of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential.

Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Management responsibilities

Our audit will be conducted on the basis that you (management and, when appropriate, those charged with governance) acknowledge and understand that you have certain responsibilities that are fundamental to the conduct of an audit.

You are responsible for the preparation and fair presentation of the financial statements and RSI in accordance with U.S. GAAP.

Management's responsibilities include the selection and application of accounting principles; recording and reflecting all transactions in the financial statements; determining the reasonableness of significant accounting estimates included in the financial statements; adjusting the financial statements to correct material misstatements; and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the entity's ability to continue as a going concern for 12 months beyond the financial statement date.

You are responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including monitoring ongoing activities and safeguarding assets. You are responsible for the design, implementation, and maintenance of internal controls to prevent and detect fraud; assessing the risk that the financial statements may be materially misstated as a result of fraud; and for informing us about all known or suspected fraud affecting the entity involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the entity received in communications from employees, former employees, regulators, or others. In addition, you are responsible for identifying and ensuring that the entity complies with applicable laws and regulations, and informing us of all instances of identified or suspected noncompliance whose effects on the financial statements should be considered.

You are responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, including amounts and disclosures, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters, and for the accuracy and completeness of that information (including information from within and outside of the general and subsidiary ledgers); (2) additional information that we may request for the purpose of the audit; and (3) unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence.

You agree to inform us of events occurring or facts discovered subsequent to the date of the financial statements that may affect the financial statements.

Management is responsible for providing us with a written confirmation concerning representations made by you and your staff to us in connection with the audit and the presentation of the basic financial statements and RSI. During our engagement, we will request information and explanations from you regarding, among other matters, the entity's activities, internal control, future plans, specific transactions,

and accounting systems and procedures. The procedures we will perform during our engagement and the conclusions we reach as a basis for our report will be heavily influenced by the representations that we receive in the representation letter and otherwise from you. Accordingly, inaccurate, incomplete, or false representations could cause us to expend unnecessary effort or could cause a material fraud or error to go undetected by our procedures. In view of the foregoing, you agree that we shall not be responsible for any misstatements in the entity's financial statements that we may fail to detect as a result of misrepresentations made to us by you.

Responsibilities and limitations related to nonaudit services

For all nonaudit services we may provide to you, management agrees to assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, and/or experience to understand and oversee the services; evaluate the adequacy and results of the services; and accept responsibility for the results of the services. Management is also responsible for ensuring that your data and records are complete and that you have received sufficient information to oversee the services.

Use of financial statements

Should you decide to include or incorporate by reference these financial statements and our auditors' report(s) thereon in a future private placement or other offering of equity or debt securities, you agree that we are under no obligation to re-issue our report or provide consent for the use of our report in such a registration or offering document. We will determine, at our sole discretion, whether we will re-issue our report or provide consent for the use of our report only after we have performed the procedures we consider necessary in the circumstances. If we decide to re-issue our report or consent to the use of our report, we will be required to perform certain procedures including, but not limited to, (a) reading other information incorporated by reference in the registration statement or other offering document and (b) subsequent event procedures. These procedures will be considered an engagement separate and distinct from our audit engagement, and we will bill you separately. If we decide to re-issue our report or consent to the use of our report, you agree that we will be included on each distribution of draft offering materials and we will receive a complete set of final documents. If we decide not to re-issue our report or decide to withhold our consent to the use of our report, you may be required to engage another firm to audit periods covered by our audit reports, and that firm will likely bill you for its services. While the successor auditor may request access to our workpapers for those periods, we are under no obligation to permit such access.

If the parties (i.e., you and CLA) agree that CLA will not be involved with your official statements related to municipal securities filings or other offering documents, we will require that any official statements or other offering documents issued by you with which we are not involved clearly indicate that CLA is not involved with the contents of such documents. Such disclosure should read as follows:

CliftonLarsonAllen LLP, our independent auditor, has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. CliftonLarsonAllen LLP also has not performed any procedures relating to this offering document.

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your website or submitted on a regulator website, you understand that

electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in those sites or to consider the consistency of other information in the electronic site with the original document.

We may issue preliminary draft financial statements to you for your review. Any preliminary draft financial statements should not be relied on or distributed.

Engagement administration and other matters

We understand that your employees will prepare all confirmations, account analyses, and audit schedules we request and will locate any documents or invoices selected by us for testing. A list of information we expect to need for our audit and the dates required will be provided in a separate communication.

In accordance with Section 1861(v)(1) of the Social Security Act, the Secretary and Comptroller General have access, upon request, to the contract and to the books, documents, and records of CLA that are necessary to verify the nature and extent of the costs of services furnished under this contract. This will remain applicable until the expiration of four years after the services furnished under this contract.

Professional standards require us to be independent with respect to you in the performance of these services. Any discussion that you have with our personnel regarding potential employment with you could impair our independence with respect to this engagement. Therefore, we request that you inform us prior to any such discussions so that we can implement appropriate safeguards to maintain our independence and objectivity. Further, any employment offers to any staff members working on this engagement without our prior knowledge may require substantial additional procedures to ensure our independence. You will be responsible for any additional costs incurred to perform these procedures.

Our audit engagement ends on delivery of our signed report. Any additional services that might be requested will be a separate, new engagement. The terms and conditions of that new engagement will be governed by a new, specific SOW for that service.

Fees

Our professional fees are outlined in the table below:

Service	Fee
Financial Statement Audit	\$21,000
Implementation of GASB 87 Leasing Standard	\$2,500
Total	\$23,500

We will also bill for expenses including travel, internal and administrative charges, and a technology and client support fee of five (5%) of all professional fees billed. Our fee is based on anticipated cooperation from your personnel and their assistance with locating requested documents and preparing requested schedules. If the

requested items are not available on the dates required or are not accurate, the fees and expenses will likely be higher.

Unexpected circumstances

We will advise you if unexpected circumstances require significant additional procedures resulting in a substantial increase in the fee estimate.

Changes in accounting and audit standards

Standard setters and regulators continue to evaluate and modify standards. Such changes may result in new or revised financial reporting and disclosure requirements or expand the nature, timing, and scope of the activities we are required to perform. To the extent that the amount of time required to provide the services described in the SOW increases due to such changes, our fee may need to be adjusted. We will discuss such circumstances with you prior to performing the additional work.

Agreement

We appreciate the opportunity to provide to you the services described in this SOW under the MSA and believe this SOW accurately summarizes the significant terms of our audit engagement. This SOW and the MSA constitute the entire agreement regarding these services and supersedes all prior agreements (whether oral or written), understandings, negotiations, and discussions between you and CLA related to audit services. If you have any questions, please let us know. Please sign, date, and return this SOW to us to indicate your acknowledgment and understanding of, and agreement with, the arrangements for our audit of your financial statements including the terms of our engagement and the parties' respective responsibilities.

Sincerely,

CliftonLarsonAllen LLP

Response:

This letter correctly sets forth the understanding of Mangum City Hospital Authority DBA: Mangum Regional Medical Center .

CLA
CLA

Greg Thelen

Greg Thelen, Principal

SIGNED 3/1/2024, 2:55:25 PM CST

Client

Mangum City Hospital Authority DBA: Mangum
Regional Medical Center

SIGN:

Carson VanZant

DATE:

Hospital Vendor Contract Summary Sheet

1. Existing Vendor New Vendor
2. **Name of Contract:** Puckett's Drug Company
3. **Contract Parties:** MRMC/Puckett's Drug Company
4. **Contract Type Services:** Pharmacy Services Agreement
5. **Impacted Hospital Departments:** Hospital Outpatients
6. **Contract Summary:** This agreement is between Mangum Regional Medical Center and Granite Drug to provide pharmacy services to our patients under the 340B program.
7. **Cost:** None
8. **Prior Cost:** None
9. **Term:**
10. **Termination Clause:**
11. **Other:**

Second Amendment to
Contract Pharmacy Services Agreement

This Second Amendment is dated as signed below and amends the Contract Pharmacy Services Agreement dated November 22, 2021, between Mangum Regional Hospital (Covered Entity) and Puckett Discount Drug (Pharmacy).

Contract Pharmacy Services Agreement will be amended as follows:

1. Pharmacy Services: Pharmacy shall perform comprehensive pharmacy services inclusive of
 - a. Dispense Drugs to Patients in accordance with all applicable state and federal statutes and regulations;
 - b. Maintain all records and reports required under this Agreement, 340B Program, and by any applicable federal and state law and regulations. Such records shall be retained for not less than three (3) years after the expiration of this Agreement and shall be available for inspection or audit by the Covered Entity and as otherwise permitted by law and this Agreement;
 - c. Patient drug utilization review;
 - d. Maintain Eligible Patient drug profiles in accordance with pharmacies' usual business practices;
 - e. Counsel and advise Eligible Patients consistent with the rules, limitations, and privileges incident to the pharmacy-patient relationship.
 - f. Pharmacy may provide other services to Eligible Patients. The Parties understand and agree that Pharmacy provides such services on its own behalf, and may bill responsible payers for reimbursement for those services for its own account.
2. Audits: The parties understand and agree that they are subject to audit by outside parties (by DHHS, third-party independent auditing firms retained by the Covered Entity, and participating 340B Program manufacturers) of records that directly pertain to the compliance with the prohibition on Covered 340B Drug resale or transfer and the prohibition on duplicate Medicaid rebates and discounts. The parties agree to cooperate with such audits and to comply with provisions of applicable audit guidelines.
3. Agreement Available to Office of Pharmacy Affairs (OPA): The Parties understand and agree that a copy of this Agreement will be provided upon written request to DHHS/Health Resources and Services Administration (HRSA/OPA).
4. Pharmacy Locations: Puckett Discount Drug is located at 101 N Louis Tittle Ave , Mangum, OK 73554. In the event there is a nonmaterial discrepancy between the address information above and on the 340B OPAIS listing, the 340B OPAIS listing shall control and the Parties agree an amendment to this Agreement shall not be required.
5. Covered Entity Locations: Mangum Regional Medical Center is located at 1 Wickersham Drive, Mangum, OK 73554 and registered with 340B ID CAH371330-00. This agreement applies to the

Covered Entity and all eligible child sites or associated grantee sites deemed eligible by the Office of Pharmacy Affairs, as reflected on 340B OPAIS.

All other terms and conditions of the Agreement shall remain in full force and effect.

Puckett Discount Drug

By: _____

Name: _____

Title: _____

Date Signed: _____

Mangum Regional Medical Center

By: _____

Name: _____

Title: _____

Date Signed: _____

Hospital Vendor Contract Summary Sheet

1. Existing Vendor New Vendor
2. **Name of Contract:** Granite Drug Company
3. **Contract Parties:** MRMC/Granite Drug
4. **Contract Type Services:** Pharmacy Services Agreement
5. **Impacted Hospital Departments:** Hospital Outpatients
6. **Contract Summary:** This agreement is between Mangum Regional Medical Center and Granite Drug to provide pharmacy services to our patients under the 340B program.
7. **Cost:** None
8. **Prior Cost:** None
9. **Term:**
10. **Termination Clause:**
11. **Other:**

First Amendment to
Contract Pharmacy Services Agreement

This First Amendment is dated as signed below and amends the Contract Pharmacy Services Agreement dated November 29, 2022, between Mangum Regional Medical Center (Covered Entity) and Granite Drug Co (Pharmacy).

Contract Pharmacy Services Agreement will be amended as follows:

1. Pharmacy Services: Pharmacy shall perform comprehensive pharmacy services inclusive of
 - a. Dispense Drugs to Patients in accordance with all applicable state and federal statutes and regulations;
 - b. Maintain all records and reports required under this Agreement, 340B Program, and by any applicable federal and state law and regulations. Such records shall be retained for not less than three (3) years after the expiration of this Agreement and shall be available for inspection or audit by the Covered Entity and as otherwise permitted by law and this Agreement;
 - c. Patient drug utilization review;
 - d. Maintain Eligible Patient drug profiles in accordance with pharmacies' usual business practices;
 - e. Counsel and advise Eligible Patients consistent with the rules, limitations, and privileges incident to the pharmacy-patient relationship.
 - f. Pharmacy may provide other services to Eligible Patients. The Parties understand and agree that Pharmacy provides such services on its own behalf, and may bill responsible payers for reimbursement for those services for its own account.
2. Audits: The parties understand and agree that they are subject to audit by outside parties (by DHHS, third-party independent auditing firms retained by the Covered Entity, and participating 340B Program manufacturers) of records that directly pertain to the compliance with the prohibition on Covered 340B Drug resale or transfer and the prohibition on duplicate Medicaid rebates and discounts. The parties agree to cooperate with such audits and to comply with provisions of applicable audit guidelines.
3. Agreement Available to Office of Pharmacy Affairs (OPA): The Parties understand and agree that a copy of this Agreement will be provided upon written request to DHHS/Health Resources and Services Administration (HRSA/OPA).
4. Pharmacy Locations: Granite Drug Co is located at 316 North Main St, Granite, OK 73547. In the event there is a nonmaterial discrepancy between the address information above and on the 340B OPAIS listing, the 340B OPAIS listing shall control and the Parties agree an amendment to this Agreement shall not be required.
5. Covered Entity Locations: Mangum Regional Medical Center is located at 1 Wickersham Dr, Mangum, OK 73554 and registered with 340B ID CAH371330-00. This agreement applies to the

Covered Entity and all eligible child sites or associated grantee sites deemed eligible by the Office of Pharmacy Affairs, as reflected on 340B OPAIS.

All other terms and conditions of the Agreement shall remain in full force and effect.

Granite Drug Co

By: _____

Name: _____

Title: _____

Date Signed: _____

Mangum Regional Medical Center

By: _____

Name: _____

Title: _____

Date Signed: _____



Subscription Services Agreement Service Addendum

This **SERVICE ADDENDUM** (this "Addendum") dated this **27th** day of **February 2024** is hereby entered into by and between **EVIDENT, LLC** ("Evident") and **MANGUM REGIONAL MEDICAL CENTER** ("Customer").

WHEREAS, Customer wishes to obtain additional services from Evident under the terms and conditions of the Subscription Services Agreement (the "Agreement") executed by and between the parties and dated December 19, 2018 and Evident is willing to provide such additional services;

NOW THEREFORE, it is mutually understood and agreed to by the parties that:

1. **Engagement for Additional Services:** Evident agrees to furnish, and Customer agrees to accept and pay for, the Service(s) as set forth in the Exhibit A attached hereto under the terms and conditions of the Agreement.
2. **Effective Date:** The Service Term for each Exhibit A attached hereto, unless otherwise specified therein, shall be deemed to have commenced on the first day of the first month in which service is provided under the given Exhibit A.
3. **Charges:**
 - (a) **Service Fees:** Customer agrees to pay Evident the fees set forth in EXHIBIT A. For the avoidance of doubt, the monthly subscription fees specified in EXHIBIT A are in addition to Customer's existing monthly subscription fee obligations.
 - (b) **Fee Increases:** Notwithstanding anything in the Agreement to the contrary, Customer understands that the monthly subscription fees may be increased by Evident by not more than five percent (5%) on an annual basis without further notice.
4. **Entire Addendum:** This Addendum, to include Exhibit A, sets forth the entire understanding of the parties hereto with respect to the subject matter contained herein and supersedes all other oral or written representations with respect to the same.
5. **Miscellaneous:** Except as may be specifically modified in this Addendum, all other terms and conditions of the Agreement that are in effect as of the date of this Addendum shall remain fully in force. In the event of a conflict between this Addendum and the Agreement or any prior addendum or amendment thereto, the terms and conditions of this Addendum shall govern and control. This Addendum may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute a single instrument.

[Signature page follows]



Subscription Services Agreement Service Addendum

IN WITNESS WHEREOF, the parties hereto have executed this Subscription Services Agreement
Service Addendum

MANGUM REGIONAL MEDICAL CENTER
1 Wickersham Drive
Mangum, OK 73554

By: _____
(Authorized Signature)

Name: _____
(Printed)

Title: _____

Date: _____

EVIDENT, LLC
54 Saint Emanuel Street
Mobile, AL 36602

By: _____
(Authorized Signature)

Name: Christopher L. Fowler
(Printed)

Title: Chief Executive Officer

Date: _____



Subscription Services Agreement Exhibit A Services and Service Fees

Service: Service Subscription – Senti7® AUR Reporting

A. Services and Fees:

1. Services: The Service Subscription will include:

- The initial set-up of and provision of access to Senti7® Antimicrobial Use and Resistance (AUR) Reporting (the "Service Software")

Service Disclaimer: Evident makes no guarantee as to the validity or accuracy of the data provided by Pharmacy OneSource under this subscription and does not accept any responsibility for any consequences arising out of its use.

Subscription/Limitations: Customer understands and agrees that it is being granted a subscription to access and use the Service Software during the term of this Exhibit A. TruBridge expressly reserves and Customer expressly consents that the entire right and title to the Service Software is and shall remain in TruBridge. Customer may not rent, lease, transfer, modify, assign, loan, resell, act as a service bureau, time share or otherwise transfer the Service Software or any portion thereof. Customer may not permit third parties to benefit from the use or functionality of the Service Software via a timesharing, service bureau or other arrangement. Unless otherwise agreed to in writing by TruBridge, the Service Software may only be used within the United States.

Additional Terms: Pharmacy OneSource, Inc., as a third party licensor of Senti7, requires additional terms and conditions associated with their product. Customer shall abide by the terms and conditions specified in the Pharmacy OneSource Passthrough Terms and Conditions (the "Additional Terms") which shall be made available upon request. With regard to services provided under this Exhibit A, in the event of a conflict between the Additional Terms and the Agreement, the Additional Terms will govern.

Note: Service Subscriptions do not include connectivity.

Additional Required Software

Two (2) Uni-Directional AUR Reporting Interfaces Included

2. Service Fees/Payment Schedule:

- a. **Service Activation Fee:** Waived
- b. **Annual Subscription Fee:** \$ 14,040

B. Service Term: Five (5) Years



Interface Performance Expectations

Third Party System: AUR via Wolters Kluwer/Sentri7

Revised: January 15, 2024

In response to the hospital's request, Evident has performed a preliminary level of effort review of an interface between the software provided by Evident and the third-party system indicated above. The attached Interface Performance Expectations have been developed by Evident to reflect the communication protocols and functionality of the proposed interface. To ensure a clear understanding of the interface to be delivered by Evident, we require that representatives of the hospital review the attached performance expectations and provide confirmation of your agreement with interface communication protocols and functionality by signing below.

Please note that both this signed document and an order for the interface must be received by Evident before any additional development efforts as may be needed to deliver the interface will begin.

However, it is understood that

1. the signing of this document **only** signifies agreement with the Interface Performance Expectations.
2. signing by the hospital **does not** obligate the hospital to order the proposed interface.

Hospital Name: _____
(Print Clearly)

Hospital Location (City/State): _____

Hospital

By: _____
(Authorized Signature)

Name: _____
(Printed)

Title: _____

Date: _____



Interface Performance Expectations

Third Party System: AUR via Wolters Kluwer/Sentri7

Revised: January 15, 2024

- **Antimicrobial Use (AU) & Antimicrobial Resistance (AR) (AUR) Interface Functionality:**
 Outbound from Thrive – Patient Demographics (HL7 ADT messages)
 Outbound from Thrive – Pharmacy Orders (HL7 RDE messages)
 Outbound from Thrive – Laboratory with Microbiology Results (HL7 ORU messages) *
- **Requirements for sending Discrete Microbiology Results to Sentri7:**
 - > A facility performing microbiology testing in-house with results uploaded to Thrive via an interface must utilize one of the analyzers listed below. ***Microbiology results entered in Thrive via manual result entry cannot be sent in a discrete format.*** One of the following Microbiology Analyzers interfaced via a Lantronix is required to store discrete micro results:
 - Microscan/Labpro
 - Vitek with Observa
 - Vitek without Observa
 - Vitek with Myla DMS
 - Phoenix with Epicenter
 - Giles BIOMIC***Laboratory Infection Control Application set-up is required to send discrete microbiology results from an analyzer.***
 - > Microbiology results received by Evident from a third-party LIS or Reference Lab must be sent to Evident in a discrete format to be transmitted to Sentri7 in a discrete format

Please review the *NOTES below for additional information.

- The interface functionality outlined in this document does not include documentation from the following Thrive software applications - Electronic File Management, Electronic Forms or Notes. ***Reports from these applications each require a separate interface.***
- The following functionality is ***not*** available with the interface:
 - > Medication Treatment and Administration
 - > Transmission of patient Vital Signs
 - > Intake & Output entries
 - > Device Flow Chart Data
 - > Denominator for Procedure data
- Data will be transmitted utilizing TCP/IP communications. Evident will be configured as the client for sending data. HL7 Minimal Lower Layer Protocol will be followed for data framing. Evident expects to receive HL7 message acknowledgements from the receiving application.
- The proper functionality of this interface is dependent upon the facility being on the latest version of Thrive software. Modifications to the HIS programs are limited to the current software release update.



Interface Performance Expectations

Third Party System: AUR via Wolters Kluwer/Sentri7

Revised: January 15, 2024

- Evident Thrive EHR is ONC-ACB certified to the 2015 certification edition. Any interface transmitting data to meet Promoting Interoperability Program measures will be configured in HL7 v2.5.1 only. Similarly, Evident will install HL7 unidirectional and bidirectional interfaces will be installed using version 2.5.1 unless otherwise noted prior to interface implementation.
- Only active patient data (not yet archived) can be sent through the interface.
- **Patient Demographics Outbound from Thrive -**
 - > Messages may include the following HL7 segments: MSH, SFT, EVN, PID, PD1, NK1, PV1, PV2, MRG, OBX, AL1, DG1, DRG, PR1, GT1, IN1, IN2, ACC, UB1, UB2, ZE1 (employer information), ZRV (Patient HIE consent), and ZED (ED visit log).
 - > Evident can filter segments not supported.
 - > The following is a list of ADT event types supported with outbound messaging. Event types can be filtered or mapped based on third-party system needs.
 - A01 – Admit to a Room
 - A02 – Transfer from One Room to Another Room
 - A03 – Discharge from a Room
 - A04 – Patient Registration
 - A05 – Pre-Admit
 - A06 – Stay Type Change: O/P to I/P (Stay type 2 to 1 only)
 - A07 – Stay Type Change: I/P to O/P (Stay type 1 to 2 only)
 - A08 – Update to Patient Information
 - A11 – Cancel Admit
 - A13 – Cancel Discharge
 - A17 – Swap Patient Location
 - A18 – Merge Patient Data
 - A23 – Delete Patient Record
 - A28 – Add Person Profile Information
 - A31 – Update Person Profile Information
 - A40 – Merge Patient Identifier List
 - P12 – Procedure Update; Thrive's default BAR message event
 - > ADT update messages (A08) will be triggered based upon the following Thrive registration updates:
 - patient type or subtype, hospital service code, chief complaint, medical record number (if previously blank), admit and discharge dates,
 - patient name, date of birth, race, gender, SSN, address, home phone number, marital status
 - guarantor name, address, date of birth, SSN, phone number
 - insurance company name or phone number, policy number, policy group, subscriber name or relationship to patient
 - attending physician, second physician, primary care physician
 - patient allergies



Interface Performance Expectations

Third Party System: AUR via Wolters Kluwer/Sentri7

Revised: January 15, 2024

- > Thrive utilizes Micromedex allergy codes and descriptions. These codes cannot be translated by Evident.
 - > Diagnosis codes, procedure codes and DRG codes are sent in the message from the MR Grouper. Evident's default is a BAR transaction with event type P12 that will send MR coding updates reporting all available codes with each message.
 - > ADT messages may be filtered by Stay Type, Service Code, or Subtype. Other filter options may be evaluated at install.
- **Pharmacy Orders Outbound from Thrive –**
 - > Pharmacy order messages may include the following HL7 segments: MSH, SFT, PID, PD1, NK1, PV1, PV2, ORC, TQ1, RXE, RXR, and RXC. Evident can filter segments based on third-party needs.
 - > Pharmacy orders can include the following: new orders (NW), order status changes (SC) and order cancellations (CA) for IV and non-IV pharmacy orders.
 - > Pharmacy orders will contain the indicated Give Time of a medication but not the administered time.
 - > Pharmacy orders will include immunizations/vaccinations if there is an order being placed to administer.
 - > Medication administration messages are not included with the interface.
 - > Patient home medications, medication dispense, or fill messages are not included with this interface.
 - **Laboratory Results Outbound from Thrive –**
 - > Lab results will be sent as HL7 ORU messages and may include the following segments: MSH, SFT, PID, PD1, NK1, PV1, PV2, AL1, DG1, GT1, ORC, TQ1, OBR, OBX, NTE, and SPM.
 - > Evident can filter segments, if determined needed.
 - > Lab results may include both discrete and non-discrete text data sent in HL7 ORU messages. For the transmission of discrete reference lab and/or microbiology results please see the ***NOTES** below.
 - > Scanned result documents are not included with this interface functionality and require a separate interface feed from Thrive Electronic File Management (EFM).
 - > By default, Thrive order codes (item number) and test codes will be sent in OBR-4 and OBX-3, respectively, of the HL7 ORU message. Thrive utilizes the test name as both the test code and test description. Example: OBX|1|NM|Hemoglobin^Hemoglobin|...
 - > When available, the applicable LOINC codes along with the local order and test codes will be sent in the HL7 message.
 - The coding systems for local and LOINC codes will be identified in the appropriate HL7 OBR-4 and OBX-3 component fields.
 - It is the facility's responsibility to ensure LOINC codes are loaded in the appropriate tables within Thrive software applications. **Note: LOINC codes are not available at the test level (OBX-3) with textual, non-discrete results.**



Interface Performance Expectations

Third Party System: AUR via Wolters Kluwer/Sentri7

Revised: January 15, 2024

- > Evident will send corrections of single test results that are part of an ordered panel, i.e. CBC. A status of "C" will be applied to OBX.11 for the corrected test(s). The entire panel will be included in the transmission.
- > Results will be transmitted automatically when they are completed. Results can also be resent using manual send options within the Thrive software applications. Only final verified results will be sent through the interface unless otherwise specified by the facility.

***NOTES:**

Modifications to third-party reference lab interfaces and/or Microbiology analyzer interfaces to accommodate discrete and coded results will not automatically apply to outbound lab result interfaces.

To enable transmission of discrete/coded lab results from Thrive to existing lab result-receiving vendors, the facility is encouraged to coordinate discussions with those vendors. Please contact Evident to initiate the appropriate modifications to those interfaces.

When changes are made to begin sending discrete/coded reference lab results to a downstream vendor, all downstream interfaces will receive discrete/coded reference lab results.

Modifications to accommodate discrete/coded microbiology results may be made per individual interface.

- Translations may be required for some table-driven fields in Thrive, such as race, relationship, etc.
 - > For any translations not performed by the third-party vendor, the facility will need to provide Evident with a one-to-one cross-reference of Thrive codes to third-party codes prior to development of the interface.
 - > The cross-reference file provided can be an Excel file or comma-delimited text file. Once the initial translation tables are created, the facility will be responsible for any future maintenance to the tables.
- Sample messages from the facility's Thrive software can be provided after the scheduled implementation begins and messages are being generated.
- As Evident strives to meet the changing needs of the healthcare industry and the complexities required with interoperability, future enhancements to the software may necessitate modifications to existing facility interfaces. We encourage all facilities to plan accordingly for the potential of longer development time, supplementary input from parties involved and additional fees. Evident is not responsible for any third-party vendor costs that may be incurred for interface changes.



Interface Performance Expectations

Third Party System: AUR via Wolters Kluwer/Sentri7

Revised: January 15, 2024

- The above requirements meet the preliminary needs for the interface. This initial sign-off is needed prior to development of the interface. Relatively minor changes during development are permitted if the third-party and Evident both agree that it will not impact development resources/timelines and implementation target dates. Please note that changes outside the scope of this initial interface performance expectation will require review for level of effort and may necessitate an additional quote.

Hospital Vendor Contract Summary Sheet

1. Existing Vendor New Vendor
2. **Name of Contract:** Coalition
3. **Contract Parties:** MRMC/Coalition/Arch
4. **Contract Type Services:** Service Contract
5. **Impacted Hospital Departments:** Hospital Records
6. **Contract Summary:** To provide cyber coverage and help protect against a wide range of cyber incidents. Coverage for up-front cost in the event of a claim. Help mitigate cyber risk. Will pay expenses related to network, regulatory agencies, PCI fines, and will help with breach response cost.
7. **Cost:** \$13,164.64
8. **Prior Cost:** \$11,427
9. **Term:** yearly
10. **Termination Clause:** None
11. **Other:**



Jan 23, 2024

Insurica
P.O. Box 25928
Oklahoma City, OK 73125

Re: Mangum Regional Medical Center, Ref# 12258864-A
Proposed Effective 4/21/2024 to 4/21/2025

We are pleased to confirm the attached quotation for **(Cyber)** being offered with **Arch Specialty Insurance Company**. This carrier is **Non-Admitted** in the state of **OK**. Please note that this quotation is based on the coverage, terms and conditions as stated in the attached quotation, which may be different from those requested in your original submission. As you are the representative of the Insured, it is incumbent upon you to review the terms of this quotation carefully with your Insured, and reconcile any differences from the terms requested in the original submission. CRC Insurance Services, Inc. disclaims any responsibility for your failure to reconcile with the Insured any differences between the terms quoted as per the attached and those terms originally requested. The attached quotation may not be bound without a fully executed CRC brokerage agreement.

NOTE: The Insurance Carrier indicated in this quotation reserves the right, at its sole discretion, to amend or withdraw this quotation if it becomes aware of any new, corrected or updated information that is believed to be a material change and consequently would change the original underwriting decision.

Should coverage be elected as quoted per the attached, Premium and Commission are as follows:

Premium:	\$11,999.00
Broker Fee	\$400.00
Surplus Lines Tax	\$743.94
OK Transaction Fee	\$21.70

<i>Option to Elect Terrorism Coverage</i>
TRIPRA Premium: APPLIES \$11.43
Additional Taxes: \$0.71
Total Including TRIA(if elected) \$13,176.78

Grand Total: \$13,164.64

Commission: 12%

MEP: %

Broker Fees & Policy Fees are Fully Earned at Binding

NOTE: If insured is located outside your resident state, you must hold appropriate non-resident license prior to binding.

If Non Admitted the following applies:

Oklahoma Tax Filings are the responsibility of: () Your Agency () CRC

This policy is not subject to the protection of any guaranty association in the event of liquidation or receipt of the insurer. Item 15.

Upon requesting quotes and/or placement for the coverage listed herein, the producing retail broker hereby confirms that he/she has performed any and all diligent searches, as may be required by statute, for coverage through licensed carriers or other means of placement, and as necessary maintain proof of declination. Where allowed by governing statutes, "diligent effort" may not require an actual physical search and declination on each risk, but may be based on the retail producing broker's own experience, opinion and overall knowledge of acceptability in the admitted marketplace.

CRC is compensated in a variety of ways, including commissions and fees paid by insurance companies and fees paid by clients. Some insurance companies pay brokers supplemental commissions (sometimes referred to as "contingent commissions" or "incentive commissions"), which is compensation that is based on a broker's performance with that carrier. These supplemental commissions may be based on volume, profitability, retention, growth or other measures. Even if a contingent commission agreement exists with a carrier, we recognize that our responsibility is to promote the best interests of the policyholder in the selection of an insurance company. For more information on CRC's compensation, please contact your CRC broker.

Financing Insurance Premiums

Premium financing budgets insurance payments and improves liquidity for other business objectives: working capital, business growth, business expansion.

If your clients choose to pay their insurance in monthly installments, it's fast and easy with AFCO Credit Corporation, which is an affiliate of CRC, providing premium financing solutions for companies across the United States.

You can learn more about how premium financing works and how it can expand your relationship with your clients by emailing afcodirect@afco.com; or call toll-free **877-317-6437**, option 1. Additional information is available at <https://www.afco.com/partners/crc.html>.

Sincerely,

LA Exec Pro
213-439-3400
LAExecProSupport@crcgroup.com
12258864

Active protection from digital risk

Every cyber insurance policy offered by Coalition is powered by our unique Active Insurance approach – which combines the power of industry-leading cyber coverage, proactive cyber risk management, and dedicated in-house expertise to better protect organizations from digital risks. That’s why our policyholders experience **64% fewer claims** compared to the overall market.¹

The Active Cyber Insurance Advantage



Superior, Innovative Coverage²

- ▶ **Comprehensive cyber coverage** to help protect against a wide range of incidents – including ransomware and funds transfer fraud
- ▶ Coverage for up-front costs in the event of a claim (no waiting for reimbursement!)
- ▶ Includes pre-claims assistance to get help triaging cyber incidents – without fear of triggering a claim

52%

of reported events handled with **no additional cost** beyond the premium in H1 2023¹



Preventative Cyber Risk Management

- ▶ Access to **Coalition Control™**, our risk management platform, for continuous monitoring of your digital presence
- ▶ Personalized alerts to help spot vulnerabilities before they escalate
- ▶ On-demand support and guidance to address cybersecurity risks

No-cost

assistance available from our dedicated Security Support Team



Expert Claims and Incident Response Teams³

- ▶ 5 minute average claims response time
- ▶ **Experienced team** of claims experts, security engineers, and forensic specialists
- ▶ Unique capabilities to help minimize the impact of a claim, including funds recovery and ransomware negotiation

\$23M

of fraudulently transferred funds were **successfully recovered** by Coalition in H1 2023¹

¹ Coalition 2023 Cyber Claims Report Mid-year Update

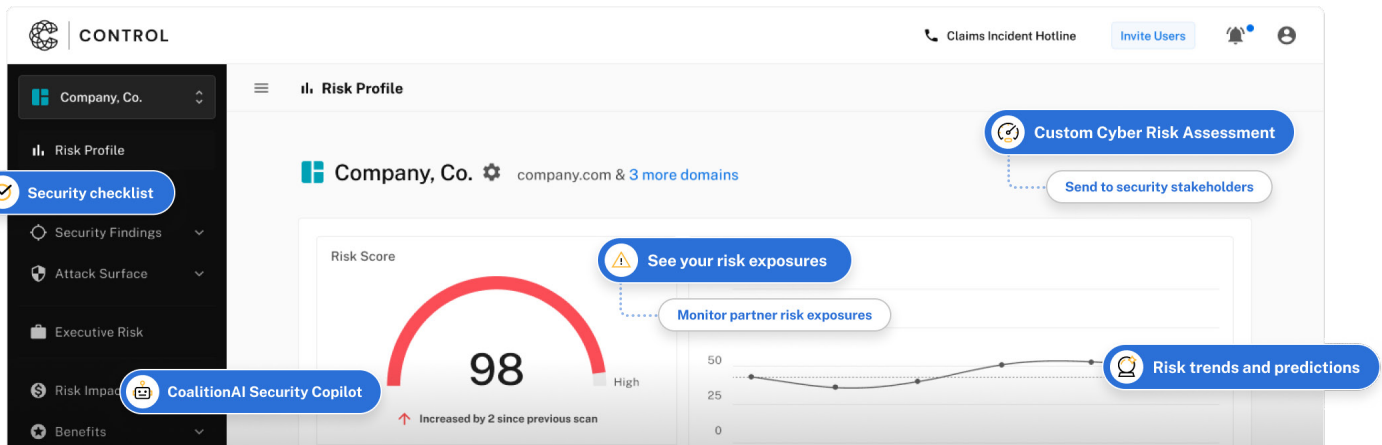
² Exclusions and limitations apply. See disclaimers and the policy as issued

³ Coalition Incident Response (CIR) services provided through Coalition’s affiliate are offered to policyholders as an option via our incident response firm panel.

Cybersecurity Tools & Services

More than an insurance provider – your partner in helping manage cyber risk

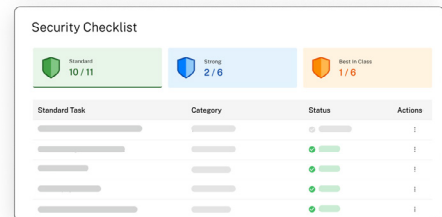
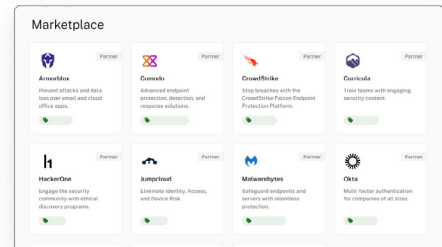
We help you detect and mitigate cyber risks **before** they turn into claims. While insured, you'll receive full access to [Coalition Control™](#) and hands-on security support.



Receive full access to Coalition Control, our cyber risk management platform

Powered by proprietary technology and data, Control helps you identify and address the security risks most likely to result in an attack.

- **Understand your specific risks** and access helpful remediation guidance
- **Stay protected** with ongoing monitoring and personalized alerts
- **Resolve security issues** with on-demand support from our in-house team
- **Explore add-on services** to strengthen your protection against the most advanced cyber threats



Get started at coalitioninc.com/control

Active insurance helps protect your business

Coalition has helped policyholders resolve more than **47,000** critical security vulnerabilities.

Why this matters:

Policyholders with one unresolved critical vulnerability were 33% more likely to experience a claim than those who resolved the vulnerability.* We're committed to helping you proactively address your digital risks and avoid cyber insurance claims.

* Coalition 2023 Cyber Claims Report

Mangum Regional Medical Center

QUOTE NUMBER: C-4LPX-258554-CYBER-2024-01

POLICY PERIOD: April 21, 2024- April 21, 2025

MARKET: SURPLUS

Cyber Insurance Quote

LIMIT	RETENTION	PREMIUM
\$1,000,000	\$10,000	\$11,999.00

COVERAGE HIGHLIGHTS

- ✓ Pay on behalf language
- ✓ \$0 retention for services from Coalition Incident Response
- ✓ Breach response costs handled outside the limits
- ✓ Pre-claims assistance - INCLUDED in the policy

Case study: Coalition helps dentist avoid engaging in ransomware negotiation

A dentistry group discovered that dozens of its offices had been hit with ransomware. Each office reported all its files had been encrypted. Fortunately, the organization maintained viable data backups at each location and began restoring data immediately. Ultimately, the healthcare company avoided having to pay the ransom but was inoperable due to a complicated data restoration process. Business Interruption coverage provided compensation for five days of downtime and data restoration, while Breach Response coverage handled patient notification costs.

Have questions? Your dedicated rep is here to help.

Contact **Trevor Heaney, +14154801431 (direct), trevor@coalitioninc.com**

¹Claim scenarios are provided for illustrative purposes only and do not take into account any person's particular circumstances. Exclusions and limitations apply. See [disclaimers](#) and the policy as issued.



COALITION CYBER POLICY QUOTATION

Please be advised this quotation is for surplus lines coverage. Compliance with applicable laws and payment of taxes and fees is the responsibility of the Insured, Insurance Agent, or Insurance Broker. Upon binding of this account, we must receive a signed application from the Insured.

Subject to the terms and conditions contained herein, Coalition Insurance Solutions (“Coalition”) agrees to issue to the below Named Insured the following quotation for insurance coverage:

Coalition Quote No.:	C-4LPX-258554-CYBER-2024-01	
Named Insured	Mangum Regional Medical Center	
Address	1 Wickersham Drive Mangum, OK 73554	
Policy Period	From: April 21, 2024 (Effective Date) To: April 21, 2025 (Expiration Date) <i>Both dates 12:01 A.M. at the Named Insured’s address above.</i>	
Policy Premium	Premium without TRIA	\$11,987.00
	TRIA Premium	\$12.00
	Total Premium	\$11,999.00
Aggregate Policy Limit of Liability	\$1,000,000	

Coverage under this policy is provided only for those Insuring Agreements for which a limit of liability appears below. If no limit of liability is shown for an Insuring Agreement, such Insuring Agreement is not provided by this policy. The Aggregate Policy Limit of Liability shown above is the most the Insurer(s) will pay regardless of the number of Insured Agreements purchased.

THIRD PARTY LIABILITY COVERAGES

Insuring Agreement	Limit / Sub-Limit	Retention / Sub-Retention
A. NETWORK AND INFORMATION SECURITY LIABILITY	\$1,000,000	\$10,000
B. REGULATORY DEFENSE AND PENALTIES	\$1,000,000	\$10,000
C. MULTIMEDIA CONTENT LIABILITY	\$1,000,000	\$10,000
D. PCI FINES AND ASSESSMENTS	\$1,000,000	\$10,000

FIRST PARTY COVERAGES

Insuring Agreement	Limit / Sub-Limit	Retention / Sub-Retention
E. BREACH RESPONSE	\$1,000,000	\$10,000
F. CRISIS MANAGEMENT AND PUBLIC RELATIONS	\$1,000,000	\$10,000
G. CYBER EXTORTION	\$1,000,000	\$10,000
H. BUSINESS INTERRUPTION AND EXTRA EXPENSES	\$1,000,000	\$10,000
		i. Waiting period: 8 hours
		ii. Enhanced waiting period: 8 hours
I. DIGITAL ASSET RESTORATION	\$1,000,000	\$10,000



Coalition Insurance Solutions, Inc.
 OK License No. 0100298249
 55 2nd St, Suite 2500
 San Francisco, CA 94105
 Producer Code: 1035616

Item 15.

J. FUNDS TRANSFER FRAUD	\$250,000	\$25,000
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Coverages by Endorsement	Limit / Sub-Limit	Retention / Sub-Retention
BREACH RESPONSE SEPARATE LIMIT Limit is separate from and in addition to the Aggregate Policy Limit of Liability	\$1,000,000	\$10,000
BI/PD3. BODILY INJURY AND PROPERTY DAMAGE – 3RD PARTY	\$250,000	\$10,000
BI/PD1. BODILY INJURY AND PROPERTY DAMAGE – 1ST PARTY	\$250,000	\$10,000
CR. COMPUTER REPLACEMENT ENDORSEMENT	\$1,000,000	\$10,000
SF. SERVICE FRAUD	\$100,000	\$10,000
RHL. REPUTATIONAL HARM LOSS	\$1,000,000	Waiting period: 14 days
POLLUTION	\$250,000	\$10,000
<i>POLLUTION ENDORSEMENT amends A. NETWORK AND INFORMATION SECURITY LIABILITY (if selected) and B. REGULATORY DEFENSE AND PENALTIES (if selected); use of this limit reduces the limit for A. and B.</i>		
REPUTATION REPAIR	\$1,000,000	\$10,000
<i>REPUTATION REPAIR ENDORSEMENT amends F. CRISIS MANAGEMENT AND PUBLIC RELATIONS; use of this limit reduces limit for F.</i>		

Pre-Claim Assistance \$2,990 *Pre-claim assistance is a benefit included as part of the premium. See Section V, CLAIMS PROCESS, PRE-CLAIM ASSISTANCE of the Policy for more details.*

Insurers and Quota Share Percentage

Insurer	Policy No.	Quota Share % of Loss	Quota Share Limit of Liability	Premium
Arch Specialty Insurance Company		30%	\$300,000	\$3,599.70
Allianz Underwriters Insurance Company		20%	\$200,000	\$2,399.80
Ascot Specialty Insurance Company		20%	\$200,000	\$2,399.80
Fortegra Specialty Insurance Company		30%	\$300,000	\$3,599.70

Retroactive Date Full Prior Acts Coverage

Continuity Date April 21, 2023

Endorsements and Forms Effective at Inception

POLICY DECLARATIONS	SP 14 797 0221
SIGNATURE PAGE - USA ALLIANZ	CYUSP-00NT-000001-0622-00
SIGNATURE PAGE ARCH	CYUSP-00NT-000006-0922-00
SIGNATURE PAGE ASCOT	CYUSP-00NT-000004-0922-00
SIGNATURE PAGE FORTEGRA	CYUSP-00NT-000003-0323-01
COALITION CYBER POLICY	SP 14 798 0419
QUOTA SHARE ENDORSEMENT	SP 15 629 0218
SERVICE OF SUIT ENDORSEMENT	SP 14 927 0219
OKLAHOMA CHANGES	SP 15 201 1117
BODILY INJURY AND PROPERTY DAMAGE ENDORSEMENT -- 1ST PARTY	SP 14 799 1117
BODILY INJURY AND PROPERTY DAMAGE ENDORSEMENT -- 3RD PARTY	SP 14 800 0518
COMPUTER REPLACEMENT ENDORSEMENT	SP 17 514 0419
POLLUTION ENDORSEMENT	SP 14 801 0318



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Item 15.

REPUTATIONAL HARM LOSS	SP 16 383 0718
REPUTATION REPAIR ENDORSEMENT	SP 14 802 1117
SERVICE FRAUD ENDORSEMENT	SP 16 183 0518
CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM	SP 17 252 0219
DISCLOSURE PURSUANT TO TERRORISM RISK INSURANCE ACT	SP 17 255 0220
MISCELLANEOUS AMENDMENTS (CRC INSURANCE SERVICES) ENDORSEMENT	SP 16 857 0119
STATE CHANGES	SP 15 201SL 1117
BREACH RESPONSE SEPARATE LIMIT ENDORSEMENT	SP 16 296 0618
REGULATORY COVERAGE ENHANCEMENT ENDORSEMENT -- CCPA AND GDPR	SP 17 147 1119
COURT ATTENDANCE COST REIMBURSEMENT ENDORSEMENT	SP 16 777 0918
CRIMINAL REWARD COVERAGE	SP 16 670 0818
DUTY TO COOPERATE ENDORSEMENT	SP 17 274 0219
YOUR OBLIGATIONS AS AN INSURED ENDORSEMENT	SP 17 275 0219
FUNDS TRANSFER LOSS ENDORSEMENT REQUIRING AUTHENTICATION	SP 17 168 0119
MULTI-FACTOR AUTHENTICATION (MFA) RETENTION REDUCTION	SP 17 814 0819
PHISHING (IMPERSONATION) AND PROOF OF LOSS PREPARATION EXPENSE ENDORSEMENT	SP 18 435 0720
WRONGFUL COLLECTION AND BIOMETRIC PRIVACY EXCLUSION	CYUSP 50EN 000009 0223 01
\$0 RETENTION FOR SERVICES FROM COALITION INCIDENT RESPONSE	CYUSP-50EN-000004-1022-01
WAIVER OF SUBROGATION PER CONTRACT ENDORSEMENT	SP 15 810 0318
MISCELLANEOUS AMENDMENTS (PREFERRED AMENDATORY) ENDORSEMENT	SP 18 326 0520
ENHANCED WAITING PERIOD FOR DENIAL OF SERVICE	SP 14 805 1117

Conditions:

This quotation expires within sixty (60) days or on the expiration date of the current coverage, whichever comes first.

This quotation for insurance coverage is issued based on the truthfulness and accuracy of the responses to the questions on the insurance application entered into our underwriting system.

If between the date of the quotation and the Effective Date of the proposed insurance contract, there is a material change in the condition of the Named Insured or if any notice of claim or circumstance giving rise to a claim is reported prior to the Effective Date of the proposed insurance contract, then the Named Insured must notify Coalition. Whether or not this quotation has already been accepted by the Named Insured, Coalition reserves the right to rescind this indication as of its Effective Date or to modify the final terms and conditions of the quotation upon review of the information. Coalition also reserves the right to modify the final terms and conditions upon review of the information received in satisfaction of the aforementioned conditions.

This quotation is also subject to our review and acceptance of responses to the following conditions:

- An authorized representative of the Named Insured signs the Coalition application within ten (10) days of the issuance of a binder or insurance coverage will not take effect.

Please note this quotation contains only a general description of coverage provided. For a detailed description of the terms, you must refer to the insurance contract itself and the endorsements listed herein.

Active protection from digital risk

Every cyber insurance policy offered by Coalition is powered by our unique Active Insurance approach – which combines the power of industry-leading cyber coverage, proactive cyber risk management, and dedicated in-house expertise to better protect organizations from digital risks. That’s why our policyholders experience **64% fewer claims** compared to the overall market.¹

The Active Cyber Insurance Advantage



Superior, Innovative Coverage²

- ▶ **Comprehensive cyber coverage** to help protect against a wide range of incidents – including ransomware and funds transfer fraud
- ▶ Coverage for up-front costs in the event of a claim (no waiting for reimbursement!)
- ▶ Includes pre-claims assistance to get help triaging cyber incidents – without fear of triggering a claim

52%

of reported events handled with **no additional cost** beyond the premium in H1 2023¹



Preventative Cyber Risk Management

- ▶ Access to **Coalition Control™**, our risk management platform, for continuous monitoring of your digital presence
- ▶ Personalized alerts to help spot vulnerabilities before they escalate
- ▶ On-demand support and guidance to address cybersecurity risks

No-cost

assistance available from our dedicated Security Support Team



Expert Claims and Incident Response Teams³

- ▶ 5 minute average claims response time
- ▶ **Experienced team** of claims experts, security engineers, and forensic specialists
- ▶ Unique capabilities to help minimize the impact of a claim, including funds recovery and ransomware negotiation

\$23M

of fraudulently transferred funds were **successfully recovered** by Coalition in H1 2023¹

¹ Coalition 2023 Cyber Claims Report Mid-year Update

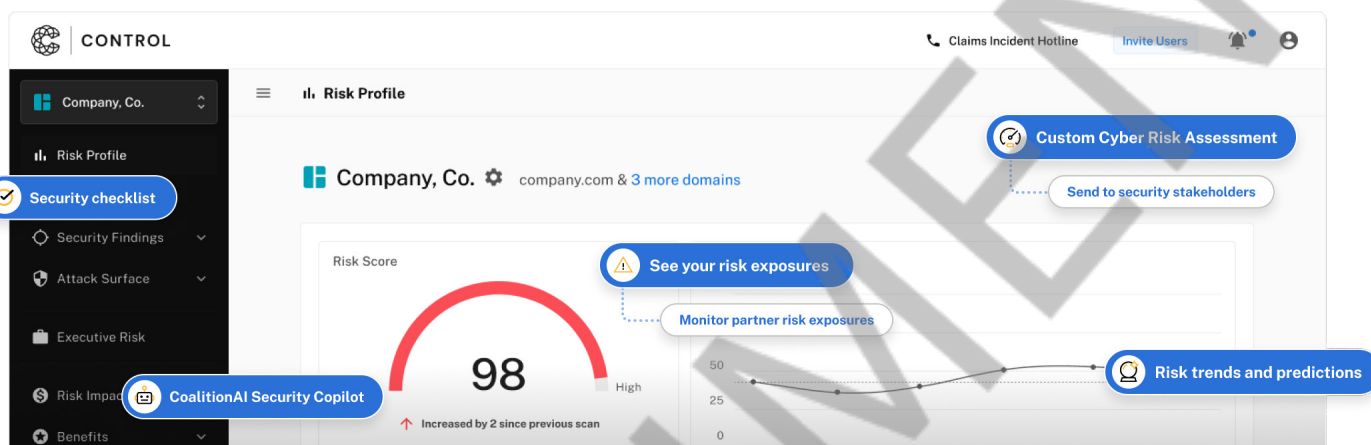
² Exclusions and limitations apply. See disclaimers and the policy as issued

³ Coalition Incident Response (CIR) services provided through Coalition’s affiliate are offered to policyholders as an option via our incident response firm panel.

Cybersecurity Tools & Services

More than an insurance provider – your partner in helping manage cyber risk

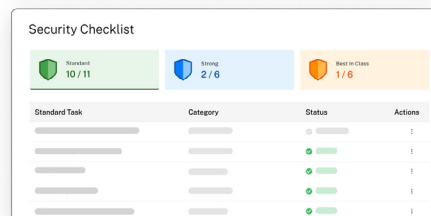
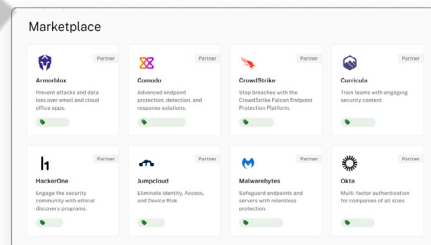
We help you detect and mitigate cyber risks **before** they turn into claims. While insured, you'll receive full access to [Coalition Control™](#) and hands-on security support.



Receive full access to Coalition Control, our cyber risk management platform

Powered by proprietary technology and data, Control helps you identify and address the security risks most likely to result in an attack.

- **Understand your specific risks** and access helpful remediation guidance
- **Stay protected** with ongoing monitoring and personalized alerts
- **Resolve security issues** with on-demand support from our in-house team
- **Explore add-on services** to strengthen your protection against the most advanced cyber threats



Get started at coalitioninc.com/control

Active insurance helps protect your business

Coalition has helped policyholders resolve more than **47,000** critical security vulnerabilities.

Why this matters:

Policyholders with one unresolved critical vulnerability were 33% more likely to experience a claim than those who resolved the vulnerability.* We're committed to helping you proactively address your digital risks and avoid cyber insurance claims.

* Coalition 2023 Cyber Claims Report



Notice

This policy is not subject to the protection of any guaranty association in the event of liquidation or receivership of the insurer.

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COALITION CYBER POLICY
POLICY DECLARATIONS

NOTICE: YOUR POLICY CONTAINS CLAIMS-MADE AND REPORTED COVERAGE. CLAIMS-MADE AND REPORTED COVERAGE APPLIES ONLY TO CLAIMS THAT ARE FIRST MADE AND REPORTED DURING THE POLICY PERIOD OR EXTENDED REPORTING PERIOD, IF PURCHASED. THE LIMIT OF LIABILITY AVAILABLE TO PAY DAMAGES WILL BE REDUCED AND MAY BE EXHAUSTED BY CLAIMS EXPENSES. FURTHERMORE, CLAIMS EXPENSES WILL BE APPLIED AGAINST THE RETENTION.

PLEASE READ YOUR POLICY CAREFULLY AND CONSULT YOUR INSURANCE ADVISOR ABOUT ANY QUESTIONS YOU MIGHT HAVE.

Filing Policy No.: C-4LPX-258554-CYBER-2024-01 Broker:

Renewal of: C-4LPX-258554-CYBER-2023 Broker License No.:
 Address: One Metroplex Drive, Suite 400
 Birmingham, AL 35209

Item 1. Named Insured
Address
 Mangum Regional Medical Center
 1 Wickersham Drive
 Mangum, OK 73554

Item 2. Policy Period
 From: April 21, 2024
 To: April 21, 2025
Both dates 12:01 A.M. at the address stated in Item 1.

Item 3. Policy Premium

Premium without TRIA	\$11,987.00
TRIA Premium	\$12.00
Total Premium	\$11,999.00

Item 4. Aggregate Policy Limit of Liability \$1,000,000

Item 5. Insuring Agreement(s) purchased, Limits of Liability, and Retentions
Coverage under this policy is provided only for those Insuring Agreements for which a limit of liability appears below. If no limit of liability is shown for an Insuring Agreement, such Insuring Agreement is not provided by this policy. The Aggregate Policy Limit of Liability shown above is the most the Insurer(s) will pay regardless of the number of Insured Agreements purchased.

THIRD PARTY LIABILITY COVERAGES

Insuring Agreement	Limit / Sub-Limit	Retention / Sub-Retention
A. NETWORK AND INFORMATION SECURITY LIABILITY	\$1,000,000	\$10,000
B. REGULATORY DEFENSE AND PENALTIES	\$1,000,000	\$10,000
C. MULTIMEDIA CONTENT LIABILITY	\$1,000,000	\$10,000
D. PCI FINES AND ASSESSMENTS	\$1,000,000	\$10,000

FIRST PARTY COVERAGES



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Insuring Agreement	Limit / Sub-Limit	Retention / Sub-Retention
E. BREACH RESPONSE	\$1,000,000	\$10,000
F. CRISIS MANAGEMENT AND PUBLIC RELATIONS	\$1,000,000	\$10,000
G. CYBER EXTORTION	\$1,000,000	\$10,000
H. BUSINESS INTERRUPTION AND EXTRA EXPENSES	\$1,000,000	i. Waiting period: 8 hours ii. Enhanced waiting period: 8 hours
I. DIGITAL ASSET RESTORATION	\$1,000,000	\$10,000
J. FUNDS TRANSFER FRAUD	\$250,000	\$25,000

Item 6. Pre-Claim Assistance \$2,990

Item 7. Insurers and Quota Share Percentage

Insurer	Policy No.	Quota Share % of Loss	Quota Share	
			Limit of Liability	Premium
Arch Specialty Insurance Company		30%	\$300,000	\$3,599.70
Allianz Underwriters Insurance Company		20%	\$200,000	\$2,399.80
Ascot Specialty Insurance Company		20%	\$200,000	\$2,399.80
Fortegra Specialty Insurance Company		30%	\$300,000	\$3,599.70

The obligations of each Insurer in this Item 7. of these Declarations are limited to the extent of its Quota Share % of Loss up to its Quota Share Limit of Liability.

Item 8. Notification of incidents, claims, or potential claims

By Email
 Attn: Coalition Claims
 claims@thecoalition.com

By Phone
 1.833.866.1337

By Mail
 Attn: Coalition Claims
 55 2nd St, Suite 2500
 San Francisco, CA 94105

Item 9. Retroactive Date Full Prior Acts Coverage

Item 10. Continuity Date April 21, 2023

Item 11. Optional Extended Reporting Period Additional premium: N/A
 Extended period: N/A

Item 12. Choice of Law OK

Item 13. Endorsements and Forms Effective at Inception

POLICY DECLARATIONS	SP 14 797 0221
SIGNATURE PAGE - USA ALLIANZ	CYUSP-00NT-000001-0622-00
SIGNATURE PAGE ARCH	CYUSP-00NT-000006-0922-00
SIGNATURE PAGE ASCOT	CYUSP-00NT-000004-0922-00
SIGNATURE PAGE FORTEGRA	CYUSP-00NT-000003-0323-01
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FUNDS TRANSFER LOSS ENDORSEMENT REQUIRING AUTHENTICATION	SP 17 168 0119
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ENHANCED WAITING PERIOD FOR DENIAL OF SERVICE	SP 18 326 0520
	SP 14 805 1117



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THE DECLARATIONS, THE APPLICATION, THE COALITION CYBER POLICY, AND ANY ENDORSEMENTS ATTACHED THERETO, CONSTITUTE THE ENTIRE POLICY BETWEEN US, THE ENTITY NAMED IN ITEM 1. OF THE DECLARATIONS, AND ANY INSURED.

IN WITNESS WHEREOF, we have caused this Policy to be signed officially below.

Authorized Representative

January 22, 2024

Date

Coalition Insurance Solutions, Inc.

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IN WITNESS WHEREOF, Allianz Underwriters Insurance Company has caused this policy to be signed by its President and Secretary.

A handwritten signature in black ink that reads "William Scudafu".

President

A handwritten signature in black ink that reads "Wm. A. Smith".

Secretary

SPECIMEN



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IN WITNESS WHEREOF, Arch Specialty Insurance Company has caused this policy to be executed and attested.

John Mentz
President

Regan Shulman
Secretary

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IN WITNESS WHEREOF, Ascot Specialty Insurance Company has caused this policy to be executed and attested.

Handwritten signature of Jeff A. Sips in black ink.

Jeff A. Sips
Corporate Secretary

Handwritten signature of Matthew C. Kramer in black ink.

Matthew C. Kramer
Chief Executive Officer

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IN WITNESS WHEREOF, Fortegra Specialty Insurance Company has caused this policy to be signed by its President and Secretary at Jacksonville, Florida, and countersigned on the declarations page by a duly authorized representative of the named insured.

A handwritten signature in black ink, appearing to read "RJ S 15", written over a horizontal line.

President

A handwritten signature in black ink, appearing to read "John", written over a horizontal line.

Secretary

SPECIMEN

COALITION CYBER POLICY

SECTION I

INTRODUCTION

This Policy is a contract of insurance between the **named insured** and **us**. This Policy includes and must be read together with the Declarations page and any Endorsements.

The insurance provided under this Policy for **claims** made against **you** is on a claims made and reported basis, and applies to **claims** only if they are first made against **you** during the **policy period** and reported to **us** during the **policy period** or any applicable Optional Extended Reporting Period. **Claim expenses** reduce the applicable Limits of Liability and are subject to retentions.

Please note that the terms in bold lower case print are defined terms and have special meaning as set forth in Section IX, DEFINITIONS.

SECTION II

WHAT WE COVER – OUR
INSURING AGREEMENTS

In consideration of the **named insured's** payment of the premium, in reliance upon the information provided to **us**, including in and with the **application**, and subject to the Limits of Liability and applicable Retention(s), exclusions, conditions, and other terms of this Policy, **we** agree to provide the following insurance coverage provided that:

1. The **claim** is made against **you** during the **policy period**, and is reported to **us** during the **policy period** or any applicable Optional Extended Reporting Period;
2. The **incident, privacy liability, or multimedia wrongful act** first took place after the **retroactive date** and before the end of the **policy period**; and
3. Notice is provided in accordance with Section IV, YOUR OBLIGATIONS AS AN INSURED.

THIRD PARTY LIABILITY COVERAGES

- A. NETWORK AND INFORMATION SECURITY LIABILITY
We will pay on your behalf claim expenses and damages that you become legally obligated to pay resulting from a claim against you for a security failure, data breach, or privacy liability.
- B. REGULATORY DEFENSE AND PENALTIES
We will pay on your behalf claim expenses and regulatory penalties that you become legally obligated to pay resulting from a claim against you in the form of a regulatory proceeding for a security failure or data breach.
- C. MULTIMEDIA CONTENT LIABILITY
We will pay on your behalf claim expenses and damages that you become legally obligated to pay resulting from a claim against you for a multimedia wrongful act.
- D. PCI FINES AND ASSESSMENTS
We will pay on your behalf PCI fines and assessments that you become legally obligated to pay resulting from a claim against you for a security failure or data breach compromising payment card data.

FIRST PARTY COVERAGES

- E. BREACH RESPONSE
We will pay on your behalf breach response costs resulting from an actual or suspected security failure or data breach first discovered by you during the policy period.
- F. CRISIS MANAGEMENT AND PUBLIC RELATIONS
We will pay on your behalf crisis management costs resulting from a public relations event first discovered by you during the policy period.
- G. CYBER EXTORTION
We will pay on your behalf cyber extortion expenses resulting from cyber extortion first discovered by you during the policy period.
- H. BUSINESS INTERRUPTION AND EXTRA EXPENSES
We will pay business interruption loss and extra expenses that you incur during the indemnity period directly resulting from the partial or complete interruption of computer systems for a period longer than the waiting period caused by a security failure or systems failure first discovered by you during the policy period.

The **waiting period** for any failure of **computer systems** caused by a **denial of service attack** will be the period of time set forth in Item 5.H.ii. of the Declarations. The **waiting period** for all other causes of failure of **computer systems** will be the period of time set forth in Item 5.H.i. of the Declarations.

- I. DIGITAL ASSET RESTORATION
We will pay on your behalf restoration costs that you incur because of the alteration, destruction, damage, theft, loss, or inability to access digital assets directly resulting from a security failure first discovered by you during the policy period.

- J. FUNDS TRANSFER FRAUD **We** will pay on **your** behalf direct **funds transfer loss** that **you** incur resulting from a **funds transfer fraud** first discovered by **you** during the **policy period**.

SECTION III

EXCLUSIONS – WHAT IS NOT COVERED

This policy does not apply to and **we** will not make any payment for any **claim expenses, damages, loss, regulatory penalties, PCI fines and assessments**, or any other amounts directly or indirectly arising out of, resulting from, based upon, or attributable to:

- A. BODILY INJURY Any physical injury, sickness, disease, mental anguish, emotional distress, or death of any person, provided, however, that this exclusion will not apply to any **claim** for mental anguish or emotional distress under Section II.A, NETWORK AND INFORMATION SECURITY LIABILITY.
- B. CONFISCATION Confiscation, nationalization, requisition, destruction of, or damage to any property, **computer system**, software, or electronic data by order of any governmental or public authority.
- C. CONTRACTUAL LIABILITY Any contractual liability or obligation or any breach of contract or agreement either oral or written, provided, however, that this exclusion will not apply:
1. with respect to the coverage provided by Section II.A, NETWORK AND INFORMATION SECURITY LIABILITY, and Section II.E, BREACH RESPONSE, to **your** obligations to maintain the confidentiality or security of **personally identifiable information** or **third party corporate information**;
 2. with respect to the coverage provided by Section II.C, MULTIMEDIA CONTENT LIABILITY, to misappropriation of ideas under implied contract;
 3. with respect to the coverage provided by Section II.D, PCI FINES AND ASSESSMENTS; and
 4. to the extent **you** would have been liable in the absence of such contract or agreement.
- D. DIRECTOR & OFFICERS LIABILITY Any act, error, omission, or breach of duty by any director or officer in the discharge of his or her duty if the **claim** is brought by or on behalf of the **named insured**, a **subsidiary**, or any principals, directors, officers, stockholders, members, or **employees** of the **named insured** or a **subsidiary**.
- E. DISCRIMINATION Any discrimination of any kind.
- F. EMPLOYMENT PRACTICES & DISCRIMINATION Any employer-employee relations, policies, practices, acts, or omissions. However, this exclusion will not apply to a **claim** by a current or former **employee** under Section II.A, NETWORK AND INFORMATION SECURITY LIABILITY or to **breach response costs** under Section II.E, BREACH RESPONSE impacting current or former **employees**.

G. FRAUD BY A SENIOR EXECUTIVE

Any dishonest, fraudulent, criminal, or malicious act or omission of any **senior executive**. However, this exclusion does not apply to **claim expenses** incurred in defending any such **claim** until and unless a final and non-appealable adjudication establishes that a **senior executive** committed such dishonest, fraudulent, criminal, or malicious act or omission, at which time the **named insured** will reimburse **us** for all **claim expenses we** incurred or paid in defending such **claim**.

This exclusion will not apply to any **insured** person who did not allegedly or actually participate in or otherwise be involved in the dishonest, fraudulent, criminal, or malicious act or omission.

H. GOVERNMENTAL ORDERS

Any court order or demand requiring **you** to provide **personally identifiable information** to any domestic or foreign law enforcement, administrative, regulatory, or judicial body or other governmental authority.

I. ILLEGAL REMUNERATION

Any profit, remuneration, or advantage to which **you** are not legally entitled. However, this exclusion does not apply to **claim expenses** incurred in defending any such **claim** until and unless a final and non-appealable adjudication establishes the gaining of any profit, remuneration, or advantage to which **you** are not legally entitled, at which time the **named insured** will reimburse **us** for all **claim expenses we** incurred or paid in defending such **claim**.

J. INSURED VERSUS INSURED

Any **claim** made by or on behalf of:

1. an **insured** under this Policy; however, this exclusion will not apply to an otherwise covered **claim** made by an **employee** arising from a **security failure** or **data breach**;
2. any business enterprise in which **you** have greater than a twenty percent (20%) ownership interest; or
3. any parent company or other entity that owns more than twenty percent (20%) of an **insured**.

K. INTELLECTUAL PROPERTY

Violation or infringement of any intellectual property right or obligation, including:

1. infringement of copyright of software, firmware, or hardware;
2. misappropriation, misuse, infringement, or violation of any patent or trade secret;
3. distribution or sale of, or offer to distribute to sell, any goods, products, or services; or
4. other use of any goods, products, or services that infringes or violates any intellectual property law or right relating to the appearance, design, or function of any goods, products, or services;

however, this exclusion will not apply to Section II.C, MULTIMEDIA CONTENT LIABILITY, for an otherwise covered **claim** for a **multimedia wrongful act**, provided that, this exception to exclusion K. INTELLECTUAL PROPERTY shall not apply to any violation or infringement of any intellectual property right or obligation described in items 1. and 2. above.

- L. MERCHANT LIABILITY Any charge back, interchange fee, discount fee, service related fee, rate, or charge; or liability or fee incurred by **you** due to a merchant service provider, payment processor, payment card company, or bank reversing or freezing payment transactions, except that this exclusion will not apply to coverage afforded under Section II.D, PCI FINES AND ASSESSMENTS.
- M. NATURAL DISASTER Any physical event or natural disaster, including fire, flood, earthquake, volcanic eruption, explosion, lightning, wind, hail, tidal wave, and landslide.
- N. NUCLEAR Any exposure or threatened exposure to any radioactive matter or any form of radiation or contamination by radioactivity of any kind or from any source. This exclusion applies regardless of whether any other causes, events, materials, or products contributed concurrently or in any sequence to the **claim** or **incident**, or the liability or legal obligation alleged or existing.
- O. POLLUTANTS Any:
1. discharge, dispersal, seepage, migration, release, or escape of **pollutants**, or any threatened discharge, seepage, migration, release, or escape of **pollutants**; or
 2. request, demand, order, or statutory or regulatory requirement that **you** or others detect, report, test for, monitor, clean up, remove, remediate, contain, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of **pollutants**; including any **claim**, suit, notice, or proceeding by or on behalf of any governmental authority or quasi-governmental authority, a potentially responsible party or any other person or entity for any amounts whatsoever because of detecting, reporting, testing for, monitoring, cleaning up, removing, remediating, containing, treating, detoxifying, or neutralizing, or in any way responding to, or assessing the effects of **pollutants**.
- This exclusion applies regardless of whether any other causes, events, materials, or products contributed concurrently or in any sequence to the **claim** or **incident**, or the liability or legal obligation alleged or existing.
- P. PRIOR KNOWLEDGE
1. any **incident**, act, error, or omission that any **senior executive** on or before the **continuity date** knew or could have reasonably foreseen might be the basis of a **claim** or **loss** under this Policy; or
 2. any **claim**, **incident**, or circumstance which has been the subject of any notice given to the insurer of any other policy in force prior to the inception date of this Policy.
- Q. RECALL Any withdrawal, recall, inspection, adjustment, removal, or disposal of any property, tangible or intangible, including **computer systems** and their component parts, mobile devices, and mechanical equipment.

- R. REPAIR Any repair, replacement, recreation, restoration, or maintenance of any property, tangible or intangible, including **computer systems** and their component parts, mobile devices, and mechanical equipment. This exclusion does not apply to **damages** that **you** are legally obligated to pay resulting from a **claim** and that are otherwise covered under this Policy, or to coverage afforded under Sections II.H, BUSINESS INTERRUPTION AND EXTRA EXPENSES, and II.I, DIGITAL ASSET RESTORATION.
- S. RETROACTIVE DATE Any **incident**, act, error, or omission that took place prior to the **retroactive date**, or any related or continuing acts, errors, omissions, or **incidents** where the first such act, error, omission, or **incident** first took place prior to the **retroactive date**.
- T. TANGIBLE PROPERTY Any injury or damage to, destruction, impairment, or loss of use of any tangible property, including any computer hardware rendered unusable by a **security failure**.
- U. THIRD PARTY MECHANICAL FAILURE Electrical, mechanical failure, or interruption (including blackouts, brownouts, power surge, or outage) or other utility failure, interruption, or power outage, of a third party, including telecommunications and other communications, internet service, website hosts, server services, satellite, cable, electricity, gas, water, or other utility or power service providers. However, this exclusion will not apply to **business interruption loss** under Section II.H, BUSINESS INTERRUPTION AND EXTRA EXPENSES, where such loss arises directly from the **service provider** directly experiencing their own **security failure**.
- V. UNFAIR TRADE PRACTICE Any false, unlawful, deceptive, or unfair trade practices; however, this exclusion does not apply to a **claim** under Section II.B, REGULATORY DEFENSE AND PENALTIES arising from a **security failure** or **data breach**.
- W. VIOLATION OF ACTS/LAWS Any violation of:
1. the Employee Retirement Income Security Act of 1974 (ERISA);
 2. the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Act of 1940, and any other federal or state securities laws;
 3. the Organized Crime Control Act of 1970 (RICO);
 4. the Controlling the Assault of Non-Solicited Pornography and Marketing Act of 2003 (CAN-SPAM);
 5. Telephone Consumer Protection Act (TCPA);
 6. the Sherman Anti-Trust Act, the Clayton Act, or any price fixing, restraint of trade, or monopolization statute; or
 7. any similar local, state, federal, common, or foreign laws or legislation to the laws described in 1. through 6. above.
- X. WAR AND TERRORISM War, invasion, acts of foreign enemies, terrorism, hostilities, civil war, rebellion, revolutions, insurrection, military, or usurped power; however, this exclusion will not apply to **cyber terrorism**.

SECTION IV

YOUR OBLIGATIONS AS AN INSURED**WHEN THERE IS A CLAIM OR INCIDENT**

You must provide **us** written notice of a **claim** or **incident** through the persons named in Item 8. of the Declarations as soon as practicable once such **claim** or **incident** is known to a **senior executive**. In no event will such notice to **us** be later than: (i) the end of the **policy period**; (ii) or 60 days after the end of the **policy period** for **claims** made against you or **incidents** discovered by **you** in the last 30 days of the **policy period**.

WHEN THERE IS A CIRCUMSTANCE

If during the **policy period**, **you** become aware of any circumstances that could reasonably be expected to give rise to a **claim**, **you** may give written notice to **us** through the persons named in Item 8. of the Declarations as soon as practicable during the **policy period**. Such notice must include:

1. a detailed description of the act, event, **security failure**, or **data breach** that could reasonably be the basis for a **claim**;
2. the details of how **you** first became aware of the act, event, **security failure**, or **data breach**; and
3. the identity of potential claimants.

Any **claim** arising out of a circumstance reported under this Section will be deemed to have been made and reported at the time written notice complying with the above requirements is provided to **us**.

DUTY TO COOPERATE

We will have the right to make any investigation **we** deem necessary, and **you** will cooperate with **us** in all investigations, respond to reasonable requests for information, and execute all papers and render all assistance as requested by **us**. In addition, **you** will make reasonable efforts to promptly address any **computer systems** vulnerabilities that a **senior executive** becomes aware of during the **policy period**. **You** will also cooperate with counsel in the defense of all **claims** and response to all **incidents** and provide all information necessary for appropriate and effective representation.

With respect to Section II.G, CYBER EXTORTION, **you** must make every reasonable effort not to divulge the existence of this coverage, without first seeking **our** prior consent.

OBLIGATION TO NOT INCUR ANY EXPENSE OR ADMIT LIABILITY

You will not admit liability, make any payment, assume any obligation, incur any expense, enter into any settlement, stipulate to any judgment, or award or dispose of any **claim** without **our** prior written consent, except as specifically provided in Section V, CLAIMS PROCESS. Compliance with **breach notice law** will not be considered as an admission of liability for purposes of this paragraph.

Expenses incurred by **you** in assisting and cooperating with **us** do not constitute **claim expenses** or **loss** under this Policy.

**OBLIGATION TO PRESERVE
OUR RIGHT OF SUBROGATION**

In the event of any payment by **us** under this Policy, **we** will be subrogated to all of **your** rights of recovery. **You** will do everything necessary to secure and preserve such subrogation rights, including the execution of any documents necessary to enable **us** to bring suit in **your** name. **You** will not do anything after an **incident** or event giving rise to a **claim** or **loss** to prejudice such subrogation rights without first obtaining **our** consent.

**AUTHORIZATION OF NAMED
INSURED TO ACT ON BEHALF
OF ALL INSUREDS**

It is agreed that the **named insured** shall act on behalf of all **insureds** with respect to the giving of notice of a **claim**, giving and receiving of notice of cancellation and non-renewal, payment of premiums and receipt of any return premiums that may become due under this Policy, receipt and acceptance of any endorsements issued to form a part of this Policy, exercising or declining of the right to tender the defense of a **claim** to **us**, and exercising or declining to exercise of any right to an Optional Extended Reporting Period.

SECTION V**CLAIMS PROCESS****DEFENSE**

We will have the right and duty to defend, subject to the Limits of Liability and applicable Retention(s), exclusions, conditions, and other terms of this Policy:

1. any **claim** against **you** seeking **damages** that are payable under the terms of this Policy; or
2. under Section II.B, REGULATORY DEFENSE AND PENALTIES, any **claim** in the form of a **regulatory proceeding**.

You have the right to select defense counsel from **our** Panel Providers. If **you** would like to retain defense counsel that is not on **our** list of Panel Providers, such counsel will be mutually agreed upon between **you** and **us**, which agreement will not be unreasonably withheld.

We will pay **claim expenses** incurred with **our** prior written consent with respect to any **claim** seeking **damages** or **regulatory penalties** payable under this Policy. **We** will have no obligation to pay **claim expenses** until **you** have satisfied the applicable Retention.

The Limits of Liability of this Policy will be reduced and may be completely exhausted by payment of **claim expenses**. **Our** duty to defend ends once the applicable Limit of Liability is exhausted, or after deposit of the amount remaining on the applicable Limit of Liability in a court of competent jurisdiction. Upon such payment, **we** will have the right to withdraw from the defense of the **claim**.

RIGHT TO ASSOCIATE

We have the right, but not the duty, to associate in the investigation and response to any **incident**, including participation in the formation of strategy and review of forensic investigations and reports.

PRE-CLAIM ASSISTANCE

If **we** are provided with notice of an **incident** or of a circumstance that is not yet a **claim** or **incident** under Section IV, YOUR OBLIGATIONS AS AN INSURED, and **you** request **our** assistance to mitigate against such a **claim** or **incident**, **we** may, in **our** discretion, agree to pay for up to the amount shown in Item 6. of the Declarations in legal, forensic, and IT fees. Any such fees must be incurred with **our** prior consent by an attorney or consultant we have mutually agreed upon. Such attorney's and consultant's fees will be considered **claim expenses** or **loss** and will be subject to the Limits of Liability that would be applicable if a covered **claim** is made, and is also subject to the Policy's Aggregate Limit of Liability.

SETTLEMENT

If **you** refuse to consent to any settlement or compromise recommended by **us** and acceptable to the claimant, **our** liability for such **claim** will not exceed:

1. the amount for which such **claim** could have been settled, less the retention, plus **claim expenses** incurred up to the time of such refusal; and
2. fifty percent (50%) of **claim expenses** incurred after such settlement was refused by **you**, plus fifty percent (50%) of **damages** and **regulatory penalties** in excess of the amount such **claim** could have settled under such settlement.

In this event, **we** will have the right to withdraw from the further defense of such **claim** or **regulatory proceeding** by tendering control of the defense thereof to **you**. The operation of this paragraph will be subject to the Limits of Liability and Retention provisions of this Policy.

SETTLEMENT WITHIN RETENTION

We agree that **you** may settle any **claim** where the total **loss, damages, regulatory penalties, PCI fines and assessments**, and **claim expenses** do not exceed the applicable Retention, provided the entire **claim** is resolved and **you** obtain a full release from all claimants.

PROOF OF LOSS

With respect to **business interruption loss** and **extra expenses, you** must complete and sign a written, detailed, and affirmed proof of loss within 90 days after **your** discovery of the **computer systems** failure (unless such period has been extended by the underwriters in writing) which will include, at a minimum, the following information:

1. a full description of the circumstances, including, without limitation, the time, place, and cause of the **loss**;
2. a detailed calculation of any **business interruption loss** and **extra expenses**; and all underlying documents and materials that reasonably relate to or form part of the basis of the proof of such **business interruption loss** and **extra expenses**.

Any costs incurred by **you** in connection with establishing or proving **business interruption loss** or **extra expenses**, including preparing a proof of loss, will be **your** obligation and is not covered under this Policy.

Solely with respect to verification of **business interruption loss, you** agree to allow **us** to examine and audit **your** books and records that relate to this Policy at any time during the **policy period** and up to 12 months following a **loss**.

SECTION VI

LIMITS OF LIABILITY
AND RETENTION

LIMITS OF LIABILITY

The Aggregate Limit of Liability set forth in Item 4. of the Declarations is the maximum amount we will be liable to pay for all **damages, loss, PCI fines and assessments, regulatory penalties, claim expenses**, and other amounts under this Policy, regardless of the number of **claims, incidents, or insureds**.

The Limits of Liability set forth in Item 5. of the Declarations is the maximum amount we will be liable to pay for all **damages, loss, PCI fines and assessments, regulatory penalties, claim expenses**, and other amounts under each Insuring Agreement, regardless of the number of **claims, incidents, or insureds**. Such Limits of Liability are part of, and not in addition to, the Aggregate Limit of Liability. The reference to applicable Limits of Liability herein refers to each participating Insurer's individual Quota Share Limit of Liability as stated in Item 7. of the Declarations.

Our Limits of Liability for an Optional Extended Reporting Period, if applicable, will be part of, and not in addition to the Aggregate Limit of Liability set forth in Item 4. of the Declarations.

RETENTION

We will only be liable for those amounts payable under this Policy which are in excess of the applicable Retention(s). Such Retention(s) must be paid by **you** and cannot be insured.

In the event that **damages, PCI fines and assessments, regulatory penalties, claim expenses, breach response costs, business interruption loss, crisis management costs, cyber extortion expenses, extra expenses, funds transfer loss, restoration costs**, or other amounts arising out of a **claim or incident** are subject to more than one Retention, the applicable Retention amount will apply to such **damages, PCI fines and assessments, regulatory penalties, claim expenses, breach response costs, business interruption loss, crisis management costs, cyber extortion expenses, extra expenses, funds transfer loss, restoration costs**, or other amounts, provided that the sum of such Retention amounts will not exceed the largest applicable Retention amount.

SECTION VII

CANCELLATION AND
OPTIONAL EXTENDED
REPORTING PERIOD

CANCELLATION AND NON-RENEWAL

We may cancel or elect not to renew this Policy by mailing to the **named insured** at the address shown in Item 1. of the Declarations, written notice stating when the cancellation or non-renewal will be effective. Where permitted by applicable law, we may provide such written notice of cancellation or non-renewal by electronic transmission. Such cancellation or non-renewal will not be less than sixty (60) days after such notice is mailed (or ten (10) days thereafter when cancellation is due to non-payment of premium or fraud or material misrepresentation). The mailing of such notice as aforesaid will be sufficient proof of notice and this Policy will terminate at the date and hour specified in such notice.

This Policy may be cancelled by **us** for non-payment of premium, or by fraud or material misrepresentation by **you** in the **application** or other information provided to induce **us** to issue this Policy; or fraud by **you** in connection with the submission of any **claim** or **incident** for coverage under this Policy.

This Policy may be cancelled by the **named insured** by surrender of this Policy to **us** or by giving written notice to **us** stating when thereafter such cancellation will be effective.

If this Policy is cancelled in accordance with the paragraphs above, the earned premium will be computed pro rata, but the premium will be deemed fully earned if any **claim, incident**, or any circumstance that could reasonably be expected to give rise to a **claim**, is reported to **us** on or before the date of cancellation.

If **we** elect not to renew this Policy, **we** shall mail to **you** written notice thereof at least sixty (60) days prior to the expiration of the **policy period**.

We have no obligation to renew this Policy.

OPTIONAL EXTENDED
REPORTING PERIOD

In the event of cancellation or non-renewal of this Policy, by either the **named insured** or **us**, for reasons other than fraud or material misrepresentation in the **application** for this Policy, or non-payment of premium or Retention, the **named insured** will have the right, upon payment in full of an additional premium, to purchase an Optional Extended Reporting Period under this Policy, subject to all terms, conditions, limitations of, and any endorsements to this Policy, for a period of either:

- a. one year for an additional premium of 100% of the total annual premium; or
- b. two years for an additional premium of 150% of the total annual premium; or
- c. three years for an additional premium of 200% of the total annual premium

following the effective date of such cancellation or non-renewal.

Such Optional Extended Reporting Period applies only to a **claim** first made against you during the Optional Extended Reporting Period arising out of any act, error, or omission committed on or after the **retroactive date** and before the end of the **policy period**, subject to the Retention, Limits of Liability, exclusions, conditions, and other terms of this Policy. The offer of renewal terms, conditions, Limits of Liability, and/or premiums different from those of this Policy will not constitute a cancellation or refusal to renew.

The Optional Extended Reporting Period will terminate on the effective date and hour of any other insurance issued to the **named insured** or the **named insured's** successor that replaces in whole or in part the coverage afforded by the Optional Extended Reporting Period.

The **named insured's** right to purchase the Optional Extended Reporting Period must be exercised in writing no later than sixty (60) days following the cancellation or non-renewal date of this Policy, and must include payment of premium for the applicable Optional Extended Reporting Period as well as payment of all premiums due to **us**. If such written notice is not given to **us**, the **named insured** will not, at a later date, be able to exercise such right.

At the commencement of any Optional Extended Reporting Period, the entire premium thereafter will be deemed earned and in the event the **named insured** terminates the Optional Extended Reporting Period before its expiring date, **we** will not be liable to return any portion of the premium for the Optional Extended Reporting Period.

The fact that the time to report **claims** under this Policy may be extended by virtue of an Optional Extended Reporting Period will not in any way increase the Limits of Liability, and any amounts incurred during the Optional Extended Reporting Period will be part of, and not in addition to

the Limits of Liability as stated in the Declarations. The Optional Extended Reporting Period will be renewable at **our** sole option.

SECTION VIII

SANCTIONS

This Policy does not apply to the extent that trade or economic sanctions or other laws or regulations prohibit **us** from providing insurance, including but not limited to payment of **claims**.

SECTION IX

DEFINITIONS

Words and phrases that appear in lowercase bold in this Policy have the meanings set forth below:

Application

means all applications, including any attachments thereto and supplemental information, submitted by or on behalf of the **named insured to us** in connection with the request for or underwriting of this Policy, or any prior policy issued by **us** of which this Policy is a renewal thereof.

Breach notice law

means any statute or regulation, including from the United States, European Union, or other country that requires: (i) notice to persons whose **personally identifiable information** was, or reasonably considered likely to have been, accessed or acquired by an unauthorized person; or (ii) notice to regulatory agencies of such incident.

Breach response costs

means the following reasonable and necessary costs **you** incur with **our** prior written consent in response to an actual or suspected **security failure** or **data breach**:

1. computer forensic professional fees and expenses to determine the cause and extent of a **security failure**;
2. costs to notify individuals affected or reasonably believed to be affected by such **security failure** or **data breach**, including printing costs, publishing costs, postage expenses, call center costs, and costs of notification via phone or e-mail;
3. costs to provide government mandated public notices related to such **security failure** or **data breach**;
4. legal fees and expenses to advise **you** in connection with **your** investigation of a **security failure** or **data breach** and to determine whether **you** are legally obligated under a **breach notice law** to notify applicable regulatory agencies or individuals affected or reasonably believed to be affected by such **security failure** or **data breach**;
5. legal fees and expenses to advise **you** in complying with Payment Card Industry ("PCI") operating regulation requirements for responding to a **security failure** or **data breach** compromising payment card data, and the related requirements under a **merchant services agreement** (this clause does not include any fees or expenses incurred in any legal proceeding, arbitration, or mediation, for any advice in complying with any PCI rules or regulations other than for assessment of **PCI fines and assessments** for a covered **security failure** or **data breach**, or to remediate the breached **computer systems**); and
6. costs to provide up to one year (or longer if required by law) of a credit or identity monitoring program to individuals affected by such **security failure** or **data breach**.

Breach response costs must be incurred within one year of **your** discovery of an actual or suspected **security failure** or **data breach**. **You** have **our** prior consent to incur **breach response costs** in the form of computer forensic fees under paragraph 1. and legal fees under paragraphs 4. and 5. with any vendor on **our** list of Panel Providers.

Business interruption loss

means:

1. the net profit that would have been earned before income taxes, or net loss that would not have been incurred, directly due to the partial or complete interruption of **computer systems**; and
2. continuing normal operating expenses, including payroll.

Provided, however, that **business interruption loss** shall not include net profit that would likely have been earned as a result of an increase in volume due to favorable business conditions caused by the impact of network security failures impacting other businesses, loss of market, or any other consequential loss.

Claim

means:

1. a written demand for money or services, including the service of a suit or institution of arbitration proceedings;
2. with respect to coverage provided under Section II.B, REGULATORY DEFENSE AND PENALTIES, a **regulatory proceeding**; and
3. a written request or agreement to toll or waive a statute of limitations relating to a potential **claim** described in paragraph 1 above.

All **claims** that have a common nexus of fact, circumstance, situation, event, transaction, or cause, or a series of related facts, circumstances, situations, events, transactions, or causes will be considered a single **claim** made against **you** on the date the first such **claim** was made.

Claim expenses

means:

1. reasonable and necessary fees charged by an attorney to which **we** have agreed to defend a **claim**;
2. all other fees, costs, and charges for the investigation, defense, and appeal of a **claim**, if incurred by **us** or by **you** with **our** prior written consent; and
3. premiums on appeal bonds, provided that **we** will not be obligated to apply for or furnish such appeal bonds.

Claim expenses do not include salary, charges, wages, or expenses of any **senior executive** or **employee**, or costs to comply with any court or regulatory orders, settlements, or judgments.

Computer systems

means:

1. computers and related peripheral components, including Internet of Things (IoT) devices;
2. systems and applications software;
3. terminal devices;
4. related communications networks;
5. mobile devices (handheld and other wireless computing devices); and
6. storage and back-up devices

by which electronic data is collected, transmitted, processed, stored, backed up, retrieved, and operated by **you** on **your** own behalf. **Computer systems** includes items 1. to 6. above that are operated by a third party vendor, but only for providing hosted computer application services to **you** pursuant to a written contract.

Continuity date

means the date specified in Item 10. of the Declarations. Provided, if a **subsidiary** is acquired during the **policy period**, the **continuity date** for such **subsidiary** will be the date the **named insured** acquired such **subsidiary**.

Crisis management costs

means the following reasonable fees or expenses agreed to in advance by **us**, in **our** discretion to mitigate covered **damages** or **loss** due to a **public relations event**:

1. a public relations or crisis management consultant;
2. media purchasing, or for printing or mailing materials intended to inform the general public about the **public relations event**;
3. providing notifications to individuals where such notifications are not required by **breach notice law**, including notices to **your** non-affected customers, employees, or clients; and
4. other costs approved in advance by **us**.

Cyber extortion

means any threat made by an individual or organization against **you** expressing the intent to:

1. transfer, pay, or deliver any funds or property belonging to **you**, or held by **you** on behalf of others, using a **computer system** without **your** permission, authorization, or consent;
2. access, acquire, sell, or disclose non-public information in **your** care, custody, or control, provided such information is stored in an electronic medium in a **computer system** and is retrievable in a perceivable form;
3. alter, damage, or destroy any computer program, software, or other electronic data that is stored within a **computer system**;
4. maliciously or fraudulently introduce **malicious code** or **ransomware** into a **computer system**; or
5. initiate a **denial of service attack** on a **computer system**;

where such threat is made for the purpose of demanding payment of money, securities, Bitcoin, or other virtual currencies from **you**.

Cyber extortion expenses

means the following reasonable and necessary costs incurred with **our** prior written consent:

1. money, securities, Bitcoin, or other virtual currencies paid at the direction and demand of any person committing **cyber extortion** and costs incurred solely in, and directly from, the process of making or attempting to make such a payment; and
2. reasonable and necessary costs, fees, and expenses to respond to a **cyber extortion**.

The value of **cyber extortion expenses** will be determined as of the date such **cyber extortion expenses** are paid.

Cyber terrorism

means the premeditated use, or threatened use, of disruptive activities against **computer systems** by any person, group, or organization, committed with the intention to harm or intimidate **you** to further social, ideological, religious, or political objectives. However, **cyber terrorism** does not include any activity which is part of or in support of any military action, war, or war-like operation.

Damages

means a monetary judgment, award that **you** are legally obligated to pay, or settlement agreed to by **you** and **us**. **Damages** does not mean the following:

1. future profits, restitution, disgorgement of profits, or unjust enrichment, or the costs of complying with orders granting injunctive or equitable relief;
2. return or offset of fees, charges, or commissions charged by or owed to **you** for goods or services already provided or contracted to be provided;
3. civil or criminal fines or penalties, civil or criminal sanctions, liquidated damages, payroll or other taxes, or loss of tax benefits, or amounts or relief uninsurable under applicable law;
4. any damages which are a multiple of compensatory damages, or punitive or exemplary damages, unless insurable by law in any applicable jurisdiction that most favors coverage for such punitive or exemplary damages;
5. discounts, coupons, prizes, awards, or other incentives offered by **you**;
6. fines, costs, assessments, or other amounts **you** are responsible to pay under a **merchant services agreement**; or
7. any amounts for which **you** are not liable, or for which there is no legal recourse against **you**.

Data breach

means the acquisition, access, theft, or disclosure of **personally identifiable information** by a person or entity, or in a manner, that is unauthorized by **you**.

Denial of service attack

means a deliberate or malicious attack that makes a **computer system** unavailable to its intended users by temporarily or indefinitely disrupting services of a host that **you** use.

Digital asset

means any of **your** electronic data or computer software. **Digital assets** do not include computer hardware of any kind.

Employee

means any past, present, or future:

1. person employed by the **named insured** or **subsidiary** as a permanent, part-time, seasonal, leased, or temporary employee, or any volunteer; and
2. **senior executive**;

but only while acting on behalf of the **named insured** or **subsidiary** and in the scope of the business operations of the **named insured** or **subsidiary**.

Extra expenses

means **your** reasonable and necessary extra expenses incurred to avoid or minimize a **business interruption loss**, including:

1. the reasonable and necessary additional costs of sourcing **your** products or services from alternative sources in order to meet contractual obligations to supply **your** customers and clients;
2. the reasonable and necessary additional costs of employing contract staff or overtime costs for **employees**, including **your** internal IT department, in order to continue **your** business operations which would otherwise have been handled in whole or in part by the **computer systems** or **service provider**; and
3. the reasonable and necessary additional costs of employing specialist consultants, including IT forensic consultants, in order to diagnose and fix the **security failure** or **systems failure**.

Provided, however, that such expenses do not exceed the amount of loss that otherwise would have been payable as **business interruption loss**.

Extra expenses does not mean and will not include costs for better computer systems or services than **you** had before the **security failure** or **systems failure**, including upgrades, enhancements, and improvements. However, this shall not apply if the cost for the most current version of a computer system is substantially equivalent to (or less than) the original cost of the **computer system you** had before the **security failure** or **systems failure** took place.

Funds transfer fraud

means a fraudulent instruction transmitted by electronic means, including through social engineering, to **you** or **your** financial institution directing **you**, or the financial institution, to debit an account of the **named insured** or **subsidiary** and to transfer, pay, or deliver money or securities from such account, which instruction purports to have been transmitted by an **insured** and impersonates **you** or **your** vendors, business partners, or clients, but was transmitted by someone other than **you**, and without **your** knowledge or consent. The financial institution does not include any such entity, institution, or organization that is an **insured**.

Funds transfer loss

means:

1. loss of money or securities directly resulting from **funds transfer fraud**; and
2. reasonable and necessary costs, fees, and expenses to respond to **funds transfer fraud**.

Funds transfer loss does not mean and will not include the loss of personal money or securities of **your employees**.

Incident	<p>means cyber extortion, data breach, funds transfer fraud, public relations event, security failure, or systems failure.</p> <p>All incidents that have a common nexus of fact, circumstance, situation, event, transaction, or cause, or series of related facts, circumstances, situations, events, transactions, or causes will be considered a single incident occurring on the date the first such incident occurred.</p>
Indemnity period	<p>means the time period that:</p> <ol style="list-style-type: none">1. begins on the date and time that the partial or complete interruption of computer systems first occurred; and2. ends on the earlier of the date and time that the interruption to your business operations resulting from such interruption of computer systems: (i) ends; or (ii) could have ended if you had acted with due diligence and dispatch. <p>However, in no event shall the indemnity period exceed 180 days.</p>
Insured, you, or your	<p>means the named insured, a subsidiary, senior executives, and employees.</p>
Loss	<p>means breach response costs, business interruption loss, crisis management costs, cyber extortion expenses, extra expenses, funds transfer loss, and restoration costs.</p>
Malicious code	<p>means any software program, code, or script specifically designed to create system vulnerabilities and destroy, alter, steal, contaminate, or degrade the integrity, quality, or performance of:</p> <ol style="list-style-type: none">1. electronic data used or stored in any computer system or network; or2. a computer network, any computer application software, or computer operating system or related network.
Media content	<p>means any data, text, sounds, numbers, images, graphics, videos, streaming content, webcasts, podcasts, or blogs but does not mean computer software or the actual goods, products, or services described, referenced, illustrated, or displayed in such media content.</p>
Merchant service agreement	<p>means any agreement between the you and a financial institution, payment card company, payment card processor, or independent service operator, that enables you to accept credit cards, debit cards, prepaid cards, or other payment cards for payments or donations.</p>

Multimedia wrongful act	means any of the following actually or allegedly committed by you in the ordinary course of your business in gathering, communicating, reproducing, publishing, disseminating, displaying, releasing, transmitting, or disclosing media content , including social media authorized by you : <ol style="list-style-type: none">1. defamation, libel, slander, trade libel, infliction of emotional distress, outrage, outrageous conduct, or other tort related to disparagement or harm to the reputation or character of any person or organization;2. violation of the rights of privacy of an individual, including false light and public disclosure of private facts;3. invasion or interference with an individual's right of publicity, including commercial appropriation of name, persona, voice, or likeness;4. plagiarism, piracy, or misappropriation of ideas under implied contract;5. infringement of copyright, domain name, trademark, trade name, trade dress, logo, title, metatag, slogan, service mark, or service name; or6. improper deep-linking or framing within electronic content.
Named insured	means the individual, partnership, entity, or corporation designated as such in Item 1. of the Declarations, or by endorsement to this Policy.
PCI fines and assessments	means the direct monetary fines and assessments for fraud recovery, operational expenses including card reissuance fees and notification of cardholders, and case management fees owed by you under the terms of a merchant services agreement , but only where such fines or assessments result from a security failure . PCI fines and assessments will not include any charge backs, interchange fees, discount fees, or other services related fees, rates, or charges.
Personally identifiable information	means any information about an individual that is required by any local, state, federal, or foreign law or regulation to be protected from unauthorized access, acquisition, or public disclosure.
Policy period	means the period of time between the inception date shown in the Declarations and the effective date of termination, expiration, or cancellation of this Policy and specifically excludes any Optional Extended Reporting Period.

Pollutants

means any solid, liquid, gaseous, or thermal irritant or contaminant exhibiting hazardous characteristics as is or may be identified on any list of hazardous substance issued by the United States Environmental Protection Agency, or any state, local, or foreign counterpart, including gas, acids, alkalis, chemicals, odors, noise, lead, petroleum or petroleum-containing products, heat, smoke, vapor, soot, fumes, radiation, asbestos or asbestos-containing products, waste (including material to be recycled, reconditioned, or reclaimed), electric, magnetic, or electromagnetic field of any frequency, as well as any air emission, wastewater, sewage, infectious medical waste, nuclear materials, nuclear waste, mold, mildew, fungus, bacterial matter, mycotoxins, spores, scents or by-products and any non-fungal micro-organism, or non-fungal colony form organism that causes infection or disease.

Privacy liability

means:

1. **your** actual or alleged failure to timely disclose a **security failure** or **data breach** resulting in a violation of any **breach notice law**;
2. **your** failure to comply with those provisions in **your privacy policy** that:
 - a. mandate procedures to prevent the loss of **personally identifiable information**;
 - b. prohibit or restrict disclosure, sharing, or selling of an individual's **personally identifiable information**; or
 - c. require **you** to give access to **personally identifiable information** or to amend or change **personally identifiable information** after a request is made by the concerning individual;provided that no **senior executive** knew of or had reason to know of any such conduct; or
3. **your** failure to administer an identity theft prevention program or an information disposal program pursuant to 15 U.S.C. 1681, as amended, or any similar state or federal law.

Privacy policy

means any public written statements that set forth **your** policies, standards, and procedures for the collection, use, disclosure, sharing, dissemination, and correction or supplementation of, and access to, **personally identifiable information**.

Public relations event

means:

1. the publication or imminent publication in a newspaper (or other general circulation print publication), on radio or television, or electronic news website (but not including social media) of a covered **claim** under this Policy; or
2. a **security failure** or **data breach** that results in covered **breach response costs** under this Policy or which reasonably may result in a covered **claim** under the Policy.

Ransomware	means any malicious code designated to block your access to computer systems or digital assets , delete or otherwise harm the computer system or digital assets , or cause a security failure , until a sum of money is paid.
Regulatory penalties	<p>means monetary fines and penalties imposed in a regulatory proceeding to the extent insurable under applicable law.</p> <p>Regulatory penalties will not mean any:</p> <ol style="list-style-type: none">1. costs to comply with injunctive relief;2. costs to establish or improve privacy or security practices; or3. audit, reporting, or compliance costs.
Regulatory proceeding	<p>means a request for information, civil investigative demand, or civil proceeding commenced by service of a complaint or similar proceeding brought by or on behalf of the Federal Trade Commission, Federal Communications Commission, or any federal, state, local, or foreign governmental entity in such entity's regulatory or official capacity in connection with such proceeding.</p> <p>Regulatory proceeding does not include the Security and Exchange Commission (SEC) and similar federal, state, local, or foreign governmental entity.</p>
Restoration costs	<p>means the reasonable and necessary costs you incur to replace, restore, or recreate digital assets to the level or condition at which they existed prior to a security failure. If such digital assets cannot be replaced, restored, or recreated, then restoration costs will be limited to the actual, reasonable, and necessary costs you incur to reach this determination. Restoration costs do not include:</p> <ol style="list-style-type: none">1. any costs or expenses incurred to update, upgrade, replace, restore, repair, recall, or otherwise improve the digital assets to a level beyond that which existed prior to the security failure;2. any costs or expenses incurred to identify, remove, or remediate computer program errors or vulnerabilities, or costs to update, upgrade, replace, restore, maintain, or otherwise improve any computer system; or3. the economic or market value of any digital assets, including trade secrets, or the costs to re-perform any work product contained within any digital assets. <p>Restoration costs does not mean and will not include costs for better computer systems or services than you had before the security failure, including upgrades, enhancements, and improvements. However, this shall not apply if the cost for the most current version of a computer system is substantially equivalent to (or less than) the original cost of the computer system you had before the security failure took place.</p>
Retroactive date	means the date specified in Item 9. of the Declarations.

Security failure

means the failure of security of **computer systems** which results in:

1. acquisition, access, theft, or disclosure of **personally identifiable information** or **third party corporate information** in **your** care, custody, or control and for which **you** are legally liable;
2. loss, alteration, corruption, or damage to software, applications, or electronic data existing in **computer systems**;
3. transmission of **malicious code** from **computer systems** to third party computer systems that are not owned, operated, or controlled by the **named insured** or **subsidiary**; or
4. a **denial of service attack** on the **named insured's** or **subsidiary's computer systems**; or
5. access to or use of **computer systems** in a manner that is not authorized by **you**, including when resulting from the theft of a password.

Security failure does not mean and will not include any failure of computers, related peripheral components, or mobile devices that are owned or leased by an **employee** and not used for the business operations of the **named insured** or **subsidiary**.

Senior executive

means any partner, principal, director, executive board member, in-house counsel, risk manager, chief information officer, chief information security officer, chief privacy officer, chief financial officer, chief executive officer, chief operating officer, or functional equivalent, but only while acting on **your** behalf in the scope of **your** business operations.

Service provider

means any third party that is responsible for the processing, maintenance, protection, or storage of **digital assets** pursuant to a written contract.

Subsidiary

means any organization in which the **named insured**:

1. owns either directly or indirectly 50% or more of the outstanding voting stock; or
2. has recognized the revenues in the **application**.

An organization ceases to be a **subsidiary** on the date, during the **policy period**, that the **named insured's** ownership, either directly or indirectly, ceases to be 50% of the outstanding voting stock.

The **named insured** will give written notice to **us** of any acquisition or creation of an organization with ownership interest greater than 50%, no later than sixty (60) days after the effective date of such acquisition or creation. Automatic coverage of such organization is granted until the end of the **policy period** or for 90 days, whichever is the earlier, subject to the following criteria:

1. the newly created or acquired **subsidiary** has substantially similar business operations;
2. the new **subsidiary's** gross revenue is equal to or less than 10% of the total gross revenue the **named insured** has listed on the **application**; and
3. prior to the effective date of such acquisition or creation, no **senior executive** of the **named insured** or of the acquired or created organization, knew or could have reasonably expected that a **claim** would be made or coverage triggered under any Insuring Agreement in Section II, WHAT WE COVER.

Upon receipt of such acquisition or creation, **we** may, at **our** sole option, agree to appropriately endorse this Policy subject to additional premium and/or change terms and conditions. If the **named insured** does not agree to the additional premium and/or changed terms and conditions, if any, coverage otherwise afforded under this provision for such acquired or created organization will terminate ninety (90) days after the effective date of such acquisition or creation, or at the end of the **policy period**, whichever is the earlier.

Systems failure

means any:

1. unintentional, unplanned, or unexpected **computer system** disruption, damage, or failure where the proximate cause is not a **security failure**, loss of or damage to any physical equipment or property, or planned or scheduled outage or maintenance of **computer systems** or a third party's computer systems (including downtime that is the result of a planned outage lasting longer than initially expected); or
2. disruption of **computer systems** by **you**, with **our** written prior consent, in order to mitigate covered **loss** under this Policy.

Systems failure does not include any:

1. failure of a third party technology or cloud service provider that results in an outage that extends beyond **your computer systems**;
2. failure or termination of any core element of internet, telecommunications, or GPS infrastructure that results in a regional, countrywide, or global outage of such infrastructure;
3. suspension, cancellation, revocation, or failure to renew any domain names or uniform resource locators;
4. failure of power supply and other utilities unless the provision of power and other utility services is under the **named insured's** direct control;
5. failure to adequately anticipate or capacity plan for normal and above operational demand for **computer systems** except where this demand is a **denial of service attack**;
6. government shutdown of systems or services;
7. ordinary wear and tear or gradual deterioration of the physical components of **computer systems**; or
8. failure or defect in the design, architecture, or configuration of **computer systems**.

Third party corporate information

means any information of a third party held by **you** which is not available to the general public and is provided to **you** subject to a mutually executed written confidentiality agreement between **you** and the third party or which you are legally required to maintain in confidence. However, **third party corporate information** does not include **personally identifiable information**.

Waiting period

means the number of hours set forth in Item 5. of the Declarations

We, us, or our

means the Company providing this Policy.

SECTION X

OTHER PROVISIONS

OTHER INSURANCE

This Policy will apply excess of any other valid and collectible insurance available to **you**, including the self-insured retention or deductible portion of that insurance, unless such is written only as specific excess insurance to this Policy, without contribution by this Policy.

CHOICE OF LAW

Any disputes involving this Policy will be resolved applying the law designated in Item 12. of the Declarations, without reference to that jurisdiction's choice of law principles.

NO ASSIGNMENT

No change in, modification of, or assignment of interest under this Policy will be effective except when made by written endorsement signed by **us**.

SPECIMEN

Notice of Available Panel Providers

Coalition policyholders may engage the following Panel Providers upon written notice of a claim or incident. Notice of a claim or incident can be provided to claims@thecoalition.com, at 1.833.866.1337, or through the report a claim button at www.thecoalition.com/claims. Panel Providers available to Coalition policyholders are subject to change. The current list is available at www.thecoalition.com/panel.

Data Breach response – U.S. (recommended attorney in brackets)	Mendes & Mount (Peggy Reetz) Lewis Brisbois (Sean Hoar) Mullen Coughlin (Jennifer Coughlin)
Data Breach response – E.U. (recommended attorney in brackets)	Pinsent Mason (Ian Birdsey)
Litigation	Lewis Brisbois Winget Spadafora & Schwartzberg Dentons BakerHostetler
Media Claims	Leopold Petrick & Smith (Louis Petrich) Lewis Brisbois (Elior Shiloh) Duane Morris (Cynthia Counts)
Notification	Epiq Experian
Forensics / Incident Response	Coalition Incident Response Kivu Consulting Crypsis Mandiant Charles River Associates
PR & Crisis Management	Infinite Global Edelman APCO Worldwide
Forensic Accounting	Baker Tilly (formerly RGL)
DDoS Mitigation providers	Cloudflare (cloudflare.com) Incapsula (incapsula.com) Google Project Shield (projectshield.withgoogle.com) Akamai (akamai.com) Fastly (fastly.com)

Coalition policyholders may engage with the following additional vendors with our prior written approval. Coalition policyholders may also engage vendors not listed with our prior written approval.

Notification	AllClear ID
Forensics/Incident Response	CrowdStrike

SPECIMEN



FILING POLICY NO.: C-4LPX-258554-CYBER-2024-01
ENDT. NO.: 01

QUOTA SHARE ENDORSEMENT

Form Number	SP 15 629 0218
Effective Date of Endorsement	April 21, 2024
Named Insured	Mangum Regional Medical Center
Filing Policy Number	C-4LPX-258554-CYBER-2024-01
Issued by (Name of Insurance Company)	Arch Specialty Insurance Company, Allianz Underwriters Insurance Company, Ascot Specialty Insurance Company, Fortegra Specialty Insurance Company

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COALITION CYBER POLICY

This Policy is issued on a quota share basis. Each insurer will be responsible for payment of a certain percentage share of the Limits of Liability as specified in the Declarations for this Policy as follows:

Quota Share Percentage of each insurer:
 Arch Specialty Insurance Company 30.0%
 Allianz Underwriters Insurance Company 20.0%
 Ascot Specialty Insurance Company 20.0%
 Fortegra Specialty Insurance Company 30.0%

Each quota share insurers' obligations to you under this Policy are several and not joint and are limited solely to the extent of their individual quota share percentage. The quota share insurers are not responsible for the obligations of any quota share insurer who for any reason does not satisfy all or part of its obligations. None of the quota share insurers has a duty to pay before any of the other quota share insurers. **Claim expenses** are part of and not in addition to the Limits of Liability.

Provided that:

1. The collective liability of the insurers shall not exceed the Aggregate Policy Limit of Liability as specified in Item 4. of the Declarations.
2. The Limit of Liability of each of the insurers individually shall be limited to the pro rata percentage of liability set opposite its name.

All other terms and conditions of this Policy remain unchanged.

This endorsement forms a part of the Policy to which attached, effective on the inception date of the Policy unless otherwise stated herein.



FILING POLICY NO.: C-4LPX-258554-CYBER-2024-01
ENDT. NO.: 02

SERVICE OF SUIT ENDORSEMENT

Form Number	SP 14 927 0219
Effective Date of Endorsement	April 21, 2024
Named Insured	Mangum Regional Medical Center
Filing Policy Number	C-4LPX-258554-CYBER-2024-01
Issued by (Name of Insurance Company)	Arch Specialty Insurance Company, Allianz Underwriters Insurance Company, Ascot Specialty Insurance Company, Fortegra Specialty Insurance Company

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COALITION CYBER POLICY

It is understood and agreed that in the event **we** fail to pay any amount claimed to be due hereunder, **we**, at the request of the **named insured**, will submit to the jurisdiction of a court of competent jurisdiction within the United States of America. The foregoing shall not constitute a waiver of the right by **us** to remove, remand, or transfer such suit to any other court of competent jurisdiction in accordance with the applicable statutes of the state of United States pertinent hereto. In any suit instituted against **us** upon this contract, **we** will abide by the final decision of such court or of any appellate court in the event of an appeal.

It is further agreed that service of process in such suit may be made upon the Superintendent, Commissioner, or Director of Insurance or other person specified for that purpose in the Statute or his successor or successors in office as their true and lawful attorney upon whom may be served any lawful process in any action, suit, or proceeding instituted by or on behalf of the **named insured** or any beneficiary hereunder arising out of this contract of insurance.

We hereby designate the President of Arch Specialty Insurance Company, One Liberty Plaza, 53rd Floor, New York, NY, USA 10006, as the person to who the said Superintendent, Commissioner, or Director of Insurance is authorized to mail such process or a true copy thereof, in compliance with the applicable statutes governing said service of process in the state or jurisdiction in which a cause of action under this contract of insurance arises.

All other terms and conditions of this Policy remain unchanged.

This endorsement forms a part of the Policy to which attached, effective on the inception date of the Policy unless otherwise stated herein.



FILING POLICY NO.: C-4LPX-258554-CYBER-2024-01
ENDT. NO.: 03

OKLAHOMA CHANGES

Form Number	SP 15 201 1117
Effective Date of Endorsement	April 21, 2024
Named Insured	Mangum Regional Medical Center
Filing Policy Number	C-4LPX-258554-CYBER-2024-01
Issued by (Name of Insurance Company)	Arch Specialty Insurance Company, Allianz Underwriters Insurance Company, Ascot Specialty Insurance Company, Fortegra Specialty Insurance Company

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COALITION CYBER POLICY

In consideration of the premium charged for this Policy, it is hereby understood and agreed that:

1. Section VII, CANCELLATION AND OPTIONAL EXTENDED REPORTING PERIOD, CANCELLATION AND NON-RENEWAL is deleted and replaced with the following:

CANCELLATION	<p>This Policy may be cancelled by the named insured by surrender of this Policy to us or by giving written notice to us stating when thereafter such cancellation will be effective. Any earned premium will be computed pro rata, but the premium will be deemed fully earned if any claim, incident, or any circumstance that could reasonably be expected to give rise to a claim, is reported to us on or before the date of cancellation.</p> <p>If this Policy is not a renewal and has been in effect for forty-five (45) days or less, we may cancel this Policy by mailing to you at the address shown in Item 1. of the Declarations, written notice stating when the cancellation will be effective. Where permitted by applicable law, we may provide such written notice of cancellation by electronic transmission. Such cancellation will not be less than sixty (60) days after such notice is mailed (or ten (10) days thereafter when cancellation is due to non-payment of premium or due to fraud or material misrepresentation). The mailing of such notice as aforesaid will be sufficient proof of notice and this Policy will terminate at the date and hour specified in such notice.</p>
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	<p>This Policy may be cancelled by us for non-payment of premium, or by fraud or material misrepresentation by you in the application or other information provided to induce us to issue this Policy; or fraud by you in connection with the submission of any claim or incident for coverage under this Policy.</p> <p>After coverage has been in effect for more than forty-five (45) business days or after the effective date of a renewal of this Policy, no notice of cancellation will be issued by us unless it is based on at least one of the following reasons:</p> <ol style="list-style-type: none"> 1. non-payment of premium; 2. discovery of fraud or material misrepresentation in the procurement of the insurance or with respect to any claims submitted under it; 3. discovery of willful or reckless acts or omissions by the you that increase any hazard insured against; 4. the occurrence of a change in the risk that substantially increases any hazard insured against after insurance coverage has been issued or renewed; 5. violation of any local fire, health, safety, building, or construction regulation or ordinance with respect to any covered property or its occupancy that substantially increases any hazard insured against; 6. determination by the Insurance Commissioner that the continuation of the Policy would place us in violation of the insurance laws of this state; or 7. your conviction of a crime having as one of its necessary elements an act increasing any hazard insured against. <p>Any earned premium will be computed pro rata, but the premium will be deemed fully earned if any claim, incident, or any circumstance that could reasonably be expected to give rise to a claim, is reported to us on or before the date of cancellation.</p>
NON-RENEWAL	<p>We have no obligation to renew this Policy. However, if we elect not to renew this Policy, we shall mail to you at the address shown in Item 1. of the Declarations, written notice thereof at least forty-five (45) days prior to the expiration of the policy period.</p> <p>We will not provide notice of non-renewal if:</p> <ol style="list-style-type: none"> 1. we, or another company within the same insurance group, has offered to issue a renewal policy; or 2. you have obtained replacement coverage or have agreed in writing to obtain replacement coverage.



	<p>Premium Or Coverage Changes At Renewal</p> <ol style="list-style-type: none"> 1. If we elect to renew this Policy, we will give you written notice of any premium increase, change in deductible, or reduction in limits or coverage to the named insured. 2. Any such notice will be mailed or delivered to you at the address shown in Item 1. of the Declarations, at least forty-five (45) days before the expiration date of this Policy. 3. If notice is mailed: <ol style="list-style-type: none"> i. It will be considered to have been given to you on the day it is mailed. ii. Proof of mailing will be sufficient proof of notice. 4. If you accept the renewal, the premium increase or coverage changes will be effective the day following the prior policy's expiration or anniversary date. 5. If notice is not mailed or delivered at least forty-five (45) days before the expiration date or anniversary date of this Policy, the premium, deductible, limits, and coverage in effect prior to the changes will remain in effect until: <ol style="list-style-type: none"> i. forty-five (45) days after notice is given; or ii. the effective date of replacement coverage obtained by you; <p>whichever occurs first.</p>
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2. Section X, OTHER PROVISIONS, CHOICE OF LAW is deleted and replaced with the following:

CHOICE OF LAW	Any disputes involving this Policy will be resolved applying Oklahoma law.
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All other terms and conditions of this Policy remain unchanged.

This endorsement forms a part of the Policy to which attached, effective on the inception date of the Policy unless otherwise stated herein.



FILING POLICY NO.: C-4LPX-258554-CYBER-2024-01
ENDT. NO.: 04

BODILY INJURY AND PROPERTY DAMAGE ENDORSEMENT – 1ST PARTY

Form Number	SP 14 799 1117
Effective Date of Endorsement	April 21, 2024
Named Insured	Mangum Regional Medical Center
Filing Policy Number	C-4LPX-258554-CYBER-2024-01
Issued by (Name of Insurance Company)	Arch Specialty Insurance Company, Allianz Underwriters Insurance Company, Ascot Specialty Insurance Company, Fortegra Specialty Insurance Company

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COALITION CYBER POLICY

In consideration of the premium charged for this Policy, it is hereby understood and agreed that:

- Item 5. of the Declarations is amended to include the following:

Insuring Agreement	Limit/Sub-Limit	Retention/Sub-Retention
BI/PD1. BODILY INJURY AND PROPERTY DAMAGE – 1ST PARTY	\$250,000	\$10,000

- Section II, FIRST PARTY COVERAGES is amended by the addition of the following Insuring Agreement:

BI/PD1. BODILY INJURY AND PROPERTY DAMAGE – 1ST PARTY	<p>We will pay on <i>your</i> behalf <i>loss</i> that <i>you</i> incur for:</p> <ol style="list-style-type: none"> bodily injury, sickness, disease, or death of a person resulting directly from a security failure; damage or injury to or destruction of tangible property resulting directly from a security failure; or impairment to or loss of use of tangible property, whether physically damaged, injured, destroyed or not, including tangible property that cannot be accessed, used, or is less useful resulting directly from a security failure; <p>provided such security failure is first discovered by you during the policy period.</p>
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- Paragraphs A. BODILY INJURY and T. TANGIBLE PROPERTY, under Section III, EXCLUSIONS – WHAT IS NOT COVERED, are deleted for purposes of the coverage provided under Insuring Agreement, BI/PD1. BODILY INJURY AND PROPERTY DAMAGE – 1ST PARTY only.



4. For purposes of the coverage provided under Insuring Agreement, BI/PD1. BODILY INJURY AND PROPERTY DAMAGE – 1ST PARTY only, the definition of "Loss" under Section IX, DEFINITIONS is deleted and replaced with the following:

Loss	means breach response costs, business interruption loss, crisis management costs, cyber extortion expenses, and extra expenses.
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All other terms and conditions of this Policy remain unchanged.

This endorsement forms a part of the Policy to which attached, effective on the inception date of the Policy unless otherwise stated herein.

SPECIMEN



FILING POLICY NO.: C-4LPX-258554-CYBER-2024-01
ENDT. NO.: 05

BODILY INJURY AND PROPERTY DAMAGE ENDORSEMENT – 3RD PARTY

Form Number	SP 14 800 0518
Effective Date of Endorsement	April 21, 2024
Named Insured	Mangum Regional Medical Center
Filing Policy Number	C-4LPX-258554-CYBER-2024-01
Issued by (Name of Insurance Company)	Arch Specialty Insurance Company, Allianz Underwriters Insurance Company, Ascot Specialty Insurance Company, Fortegra Specialty Insurance Company

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COALITION CYBER POLICY

In consideration of the premium charged for this Policy, it is hereby understood and agreed that:

- Item 5. THIRD PARTY LIABILITY COVERAGES of the Declarations is amended to include the following:

Insuring Agreement	Limit/Sub-Limit	Retention/Sub-Retention
BI/PD3. BODILY INJURY AND PROPERTY DAMAGE – 3RD PARTY	\$250,000	\$10,000

- Section II, THIRD PARTY LIABILITY COVERAGES is amended by the addition of the following Insuring Agreement:

BI/PD3. BODILY INJURY AND PROPERTY DAMAGE – 3RD PARTY	<p>We will pay on <i>your</i> behalf <i>claim expenses, damages, and regulatory penalties</i> that <i>you</i> become legally obligated to pay resulting from a <i>claim</i> against <i>you</i> for:</p> <ol style="list-style-type: none"> bodily injury, sickness, disease, or death of a person resulting directly from a security failure; damage or injury to or destruction of tangible property resulting directly from a security failure; or impairment to or loss of use of tangible property, whether physically damaged, injured, destroyed or not, including tangible property that cannot be accessed, used, or is less useful resulting directly from a security failure.
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- Paragraphs A. BODILY INJURY and T. TANGIBLE PROPERTY, under Section III, EXCLUSIONS – WHAT IS NOT COVERED, are deleted for purposes of the coverage provided under Insuring Agreement, BI/PD3. BODILY INJURY AND PROPERTY DAMAGE – 3RD PARTY only.



4. For purposes of this Endorsement only, Section III, EXCLUSIONS – WHAT IS NOT COVERED, is amended by the addition of the following:

MULTIMEDIA EXCLUSION	With respect to Section II, BI/PD3. BODILY INJURY AND PROPERTY DAMAGE – 3RD PARTY, any claim against you for a multimedia wrongful act . However, this exclusion will not apply to any claim for mental anguish or emotional distress for a multimedia wrongful act .
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All other terms and conditions of this Policy remain unchanged.

This endorsement forms a part of the Policy to which attached, effective on the inception date of the Policy unless otherwise stated herein.

SPECIMEN



FILING POLICY NO.: C-4LPX-258554-CYBER-2024-01
ENDT. NO.: 06

COMPUTER REPLACEMENT ENDORSEMENT

Form Number	SP 17 514 0419
Effective Date of Endorsement	April 21, 2024
Named Insured	Mangum Regional Medical Center
Filing Policy Number	C-4LPX-258554-CYBER-2024-01
Issued by (Name of Insurance Company)	Arch Specialty Insurance Company, Allianz Underwriters Insurance Company, Ascot Specialty Insurance Company, Fortegra Specialty Insurance Company

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COALITION CYBER POLICY

In consideration of the premium charged for this Policy, it is hereby understood and agreed that:

- Item 5. of the Declarations is amended to include the following:

Insuring Agreement	Limit/Sub-Limit	Retention/Sub-Retention
CR. COMPUTER REPLACEMENT	\$1,000,000	\$10,000

- Section II, FIRST PARTY COVERAGES is amended by the addition of the following insuring agreement:

CR. COMPUTER REPLACEMENT	We will pay on your behalf computer replacement costs that you incur as a result of the loss of integrity in the firmware of any computer systems you own or lease due to a security failure first discovered by you during the policy period .
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- Section IX, DEFINITIONS is amended by the addition of the following definition:

Computer replacement costs	means the reasonable and necessary costs you incur, with our prior written consent, to restore or replace those computer systems directly impacted by a security failure . Computer replacement costs do not include breach responses costs, business interruption loss, crisis management costs, cyber extortion expenses, extra expenses, funds transfer loss, or restoration costs .
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4. For purposes of the coverage provided under this Endorsement only, the definitions of "Computer systems" and "Loss" in Section IX, DEFINITIONS are deleted and replaced with the following:

Computer systems	<p>means:</p> <ol style="list-style-type: none"> 1. computers and related peripheral components, including Internet of Things (IoT) devices; 2. systems and applications software; 3. terminal devices; 4. related communications networks; 5. mobile devices (handheld and other wireless computing devices); and 6. storage and back-up devices <p>by which electronic data is collected, transmitted, processed, stored, backed up, retrieved, and which are owned by you.</p>
Loss	<p>means breach response costs, business interruption loss, crisis management costs, cyber extortion expenses, extra expenses, funds transfer loss, restoration costs, and computer replacement costs.</p>

5. Paragraph T. TANGIBLE PROPERTY, under Section III, EXCLUSIONS – WHAT IS NOT COVERED, is deleted for purposes of the coverage provided under Insuring Agreement, CR. COMPUTER REPLACEMENT.

All other terms and conditions of this Policy remain unchanged.

This endorsement forms a part of the Policy to which attached, effective on the inception date of the Policy unless otherwise stated herein.



FILING POLICY NO.: C-4LPX-258554-CYBER-2024-01
ENDT. NO.: 07

POLLUTION ENDORSEMENT

Form Number	SP 14 801 0318
Effective Date of Endorsement	April 21, 2024
Named Insured	Mangum Regional Medical Center
Filing Policy Number	C-4LPX-258554-CYBER-2024-01
Issued by (Name of Insurance Company)	Arch Specialty Insurance Company, Allianz Underwriters Insurance Company, Ascot Specialty Insurance Company, Fortegra Specialty Insurance Company

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COALITION CYBER POLICY

In consideration of the premium charged for this Policy, it is hereby understood and agreed that:

Paragraph O. POLLUTANTS, under Section III. WHAT IS NOT COVERED, is deleted for purposes of:

1. an otherwise covered **claim** under Section II.A, NETWORK AND INFORMATION SECURITY LIABILITY only; and
2. **claim expenses** resulting from an otherwise covered **claim** under Section II.B, REGULATORY DEFENSE AND PENALTIES only.

Provided, however, that the amount of **claim expenses** and **damages** paid by **us** under this Endorsement that would otherwise be excluded from coverage by Paragraph O. will not exceed the sub-limit amount of \$250,000, regardless of the number of **claims** or **insureds**. This sub-limit will be part of, and not in addition to, the Limits of Liability for Section II.A, NETWORK AND INFORMATION SECURITY LIABILITY and Section II.B. REGULATORY DEFENSE AND PENALTIES, and the Aggregate Limit of Liability.

All other terms and conditions of this Policy remain unchanged.

This endorsement forms a part of the Policy to which attached, effective on the inception date of the Policy unless otherwise stated herein.



FILING POLICY NO.: C-4LPX-258554-CYBER-2024-01
ENDT. NO.: 08

REPUTATIONAL HARM LOSS

Form Number	SP 16 383 0718
Effective Date of Endorsement	April 21, 2024
Named Insured	Mangum Regional Medical Center
Filing Policy Number	C-4LPX-258554-CYBER-2024-01
Issued by (Name of Insurance Company)	Arch Specialty Insurance Company, Allianz Underwriters Insurance Company, Ascot Specialty Insurance Company, Fortegra Specialty Insurance Company

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COALITION CYBER POLICY

In consideration of the premium charged for this Policy, it is hereby understood and agreed that:

- Item 5. of the Declarations is amended to include the following:

Insuring Agreement	Limit/Sublimit	Retention
RHL. REPUTATIONAL HARM LOSS	\$1,000,000	Waiting period: 14 days

- Section II, FIRST PARTY COVERAGES is amended by the addition of the following Insuring Agreement:

REPUTATIONAL HARM LOSS	<p>We will pay reputational harm loss that you incur during the indemnity period solely and directly resulting from an adverse publication first published during the policy period specifically concerning a security failure, data breach, or cyber extortion first discovered by you and reported to us during the policy period.</p> <p>The waiting period for any reputational harm loss will be the period of time set forth in Item 5. above.</p>
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- For purposes of the coverage provided under Insuring Agreement, RHL. REPUTATIONAL HARM LOSS only, Section IV, YOUR OBLIGATIONS AS AN INSURED, WHEN THERE IS A **CLAIM OR INCIDENT** is amended to include the following:

Notice of any **adverse publication** will include complete details of the **adverse publication** and the date **you** first became aware of such **adverse publication**, **you** must immediately record the specifics of any



reputational harm loss resulting therefrom.

4. For purposes of the coverage provided under Insuring Agreement, RHL. REPUTATIONAL HARM LOSS only, SECTION V, CLAIMS PROCESS, PROOF OF LOSS is deleted and replaced with the following:

<p>PROOF OF LOSS</p>	<p>With respect to reputational harm loss, you must complete and sign written, detailed, and affirmed proof of loss within 90 days after the adverse publication (unless such period has been extended by the underwriters in writing) which will include, at a minimum, the following information:</p> <ul style="list-style-type: none"> (a) a full description of the circumstances, including, without limitation, the time and place of the adverse publication; (b) a full description of the circumstances, including, without limitation, the time, place, and cause of the underlying security failure, data breach, or cyber extortion as well as the date of first notice to us; and (c) a detailed calculation of any reputational harm loss; and all underlying documents and materials that reasonably relate to or form part of the basis of the proof of such reputational harm loss. <p>Any costs incurred by you in connection with establishing or proving reputational harm loss, including preparing a proof of loss, will be your obligation and is not covered under this Policy.</p> <p>Solely with respect to verification of reputational harm loss, you agree to allow us to examine and audit your books and records that relate to this Policy at any time during the policy period and up to 12 months following a loss.</p>
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5. For purposes of the coverage provided under Insuring Agreement, RHL. REPUTATIONAL HARM LOSS only, Section IX, DEFINITIONS is amended by the addition of the following:

<p>Adverse publication</p>	<p>means any report or communication to the public through any media channel including, but not limited to television, print media, radio, the internet, or electronic mail, of information that was previously unavailable to the public, specifically concerning a security failure, data breach, or cyber extortion that affects any of your customers or clients. All adverse publications relating to the same security failure, data breach or cyber extortion will be deemed to have occurred on the date of the first adverse publication for the purposes of determining the applicable waiting period and indemnity period.</p>
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Reputational harm loss	<p>means the net profit that would have been earned before income taxes, or net loss that would not have been incurred solely and directly as the result of any adverse publication.</p> <p>Reputational harm loss does not include any:</p> <ul style="list-style-type: none"> (a) costs to rehabilitate your reputation, including legal costs or expenses; (b) breach response costs; (c) crisis management costs; (d) costs directly caused by an adverse publication of any occurrence other than a covered security failure, data breach, or cyber extortion. (e) loss arising out of, based upon, or attributable to any publicity that refers or relates to the security or privacy of other entities in the same or similar business or industry as you, including any of your competitors; or (f) any loss resulting from partial or complete interruption of computer systems caused by a security failure. <p>Reputational harm loss will not include net profit that would likely have been earned before income taxes as a result of an increase in volume due to favorable business conditions caused by the impact of security failures, data breaches, or cyber extortion impacting other businesses, loss of market, or any other consequential loss. Further, due consideration shall be given to the following when calculating reputational harm loss:</p> <ul style="list-style-type: none"> (a) the experience of your business before the adverse publication and probable experience thereafter during the indemnity period had there been no adverse publication and to the continuation of normal charges and expenses that would have existed has no adverse publication occurred; and (b) any reputational harm loss made up during, or within a reasonable time after the end of, the indemnity period.
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6. For purposes of the coverage provided under Insuring Agreement, RHL. REPUTATIONAL HARM LOSS only, the definitions of "**Indemnity period**", "**Incident**" "**Loss**", and "**Waiting period**" under Section IX, DEFINITIONS are deleted and replaced with the following:

Indemnity period	means the one hundred and eighty (180) day period that begins at the conclusion of the waiting period .
Incident	means cyber extortion, data breach, funds transfer fraud, public relations event, security failure, systems failure or adverse publication .



Loss	means breach response costs, business interruption loss, crisis management costs, cyber extortion expenses, extra expenses, funds transfer loss, restoration costs, and reputational harm loss.
Waiting period	means the amount of time set forth in Item 5. above that must elapse after the date upon which the adverse publication was first disseminated.

All other terms and conditions of this Policy remain unchanged.

This endorsement forms a part of the Policy to which attached, effective on the inception date of the Policy unless otherwise stated herein.



FILING POLICY NO.: C-4LPX-258554-CYBER-2024-01
ENDT. NO.: 09

REPUTATION REPAIR ENDORSEMENT

Form Number	SP 14 802 1117
Effective Date of Endorsement	April 21, 2024
Named Insured	Mangum Regional Medical Center
Filing Policy Number	C-4LPX-258554-CYBER-2024-01
Issued by (Name of Insurance Company)	Arch Specialty Insurance Company, Allianz Underwriters Insurance Company, Ascot Specialty Insurance Company, Fortegra Specialty Insurance Company

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COALITION CYBER POLICY

In consideration of the premium charged for this Policy, it is hereby understood and agreed that:

The definition of "**Crisis management costs**" under Section IX, DEFINITIONS is deleted and replaced with the following:

Crisis management costs	<p>means the following reasonable fees or expenses agreed to in advance by us, in our discretion (such agreement not to be unreasonably withheld) to mitigate harm to your reputation or to a covered loss due to a public relations event:</p> <ol style="list-style-type: none"> 1. a public relations or crisis management consultant; 2. media purchasing or for printing or mailing materials intended to inform the general public about the public relations event; 3. providing notifications to individuals where such notifications are not required by breach notice law, including notices to your non-affected customers, employees, or clients; 4. other costs approved in advance by us; <p>Provided that any crisis management costs to mitigate harm to your reputation must be incurred within twelve months after the first publication of such public relations event.</p>
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All other terms and conditions of this Policy remain unchanged.

This endorsement forms a part of the Policy to which attached, effective on the inception date of the Policy unless otherwise stated herein.



FILING POLICY NO.: C-4LPX-258554-CYBER-2024-01
ENDT. NO.: 10

SERVICE FRAUD ENDORSEMENT

Form Number	SP 16 183 0518
Effective Date of Endorsement	April 21, 2024
Named Insured	Mangum Regional Medical Center
Filing Policy Number	C-4LPX-258554-CYBER-2024-01
Issued by (Name of Insurance Company)	Arch Specialty Insurance Company, Allianz Underwriters Insurance Company, Ascot Specialty Insurance Company, Fortegra Specialty Insurance Company

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COALITION CYBER POLICY

In consideration of the premium charged for this Policy, it is hereby understood and agreed that:

- Item 5. FIRST PARTY COVERAGES of the Declarations is amended to include the following:

Insuring Agreement	Limit/Sub-Limit	Retention/Sub-Retention
SF. SERVICE FRAUD	\$100,000	\$10,000

- Section II, FIRST PARTY COVERAGES is amended by the addition of the following insuring agreement:

SF. SERVICE FRAUD	We we will reimburse you for direct financial loss that you incur as the result of you being charged for the fraudulent use of business services resulting from a security failure , provided that such direct financial loss is first discovered by you and incurred by you during the policy period .
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- For purposes of the coverage provided under Insuring Agreement, SF. Service Fraud only, the following definition under Section IX, DEFINITIONS is added:



Business services	<p>means the information technology and telephony business services shown in the Schedule below provided that:</p> <ul style="list-style-type: none"> (a) you use such service regularly in the normal course of your business; (b) you are charged a fee on a regular periodic basis, no less frequently than on a semi-annual basis; and (c) such services are provided in accordance with the terms and conditions of a written contract between you and the business service provider. <p style="text-align: center;">Schedule</p> <p>Software as a Service; Platform as a Service; Network as a Service; Infrastructure as a Service; Voice over Internet Protocol; and Telephony Services.</p>
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All other terms and conditions of this Policy remain unchanged.

This endorsement forms a part of the Policy to which attached, effective on the inception date of the Policy unless otherwise stated herein.



FILING POLICY NO.: C-4LPX-258554-CYBER-2024-01
ENDT. NO.: 11

CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

Form Number	SP 17 252 0219
Effective Date of Endorsement	April 21, 2024
Named Insured	Mangum Regional Medical Center
Filing Policy Number	C-4LPX-258554-CYBER-2024-01
Issued by (Name of Insurance Company)	Arch Specialty Insurance Company, Allianz Underwriters Insurance Company, Ascot Specialty Insurance Company, Fortegra Specialty Insurance Company

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COALITION CYBER POLICY

In consideration of the premium charged for this Policy, it is hereby understood and agreed that the following is added:



<p>CERTIFIED ACTS OF TERRORISM</p>	<p>If aggregate insured losses attributable to terrorist acts certified under the federal Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we will not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.</p> <p>Certified act of terrorism means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a certified act of terrorism include the following:</p> <ol style="list-style-type: none"> 1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and 2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion. <p>The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for damages or loss that is otherwise excluded under this Policy.</p>
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All other terms and conditions of this Policy remain unchanged.

This endorsement forms a part of the Policy to which attached, effective on the inception date of the Policy unless otherwise stated herein.



FILING POLICY NO.: C-4LPX-258554-CYBER-2024-01
ENDT. NO.: 12

DISCLOSURE PURSUANT TO TERRORISM RISK INSURANCE ACT

Form Number	SP 17 255 0220
Effective Date of Endorsement	April 21, 2024
Named Insured	Mangum Regional Medical Center
Filing Policy Number	C-4LPX-258554-CYBER-2024-01
Issued by (Name of Insurance Company)	Arch Specialty Insurance Company, Allianz Underwriters Insurance Company, Ascot Specialty Insurance Company, Fortegra Specialty Insurance Company

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COALITION CYBER POLICY

In consideration of the premium charged for this Policy, it is hereby understood and agreed that the following is added:

DISCLOSURE OF TERRORISM RISK INSURANCE ACT PREMIUM	<p>In accordance with the federal Terrorism Risk Insurance Act, we are required to provide you with a notice disclosing the portion of your premium, if any, attributable to coverage for terrorist acts certified under the Terrorism Risk Insurance Act. The portion of your premium attributable to such coverage is shown in the Policy Declarations.</p> <p>The United States Government, Department of the Treasury, will pay a share of terrorism losses insured under the federal program. The federal share equals a percentage as follows of that portion 80% of the amount of such insured losses that exceeds the applicable insurer retention</p> <p>However, if aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year, the Treasury will not make any payment for any portion of the amount of such losses that exceeds \$100 billion.</p> <p>If aggregate insured losses attributable to terrorist acts certified under the federal Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we will not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.</p>
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All other terms and conditions of this Policy remain unchanged.

This endorsement forms a part of the Policy to which attached, effective on the inception date of the Policy unless otherwise stated herein.



FILING POLICY NO.: C-4LPX-258554-CYBER-2024-01
ENDT. NO.: 13

MISCELLANEOUS AMENDMENTS (CRC INSURANCE SERVICES) ENDORSEMENT

Form Number	SP 16 857 0119
Effective Date of Endorsement	April 21, 2024
Named Insured	Mangum Regional Medical Center
Filing Policy Number	C-4LPX-258554-CYBER-2024-01
Issued by (Name of Insurance Company)	Arch Specialty Insurance Company, Allianz Underwriters Insurance Company, Ascot Specialty Insurance Company, Fortegra Specialty Insurance Company

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COALITION CYBER POLICY

In consideration of the premium charged for this Policy, it is hereby understood and agreed that:

- Item 5. of the Declarations is amended to include the following:

Insuring Agreement	Limit/Sub-Limit	Retention
CR. CRIMINAL REWARD COVERAGE	\$25,000	\$0

- SECTION II, FIRST PARTY COVERAGES is amended by the addition of the following Insuring Agreement:

CR. CRIMINAL REWARD COVERAGE	We will indemnify the named insured, in our discretion, criminal reward costs. No Retention will apply to this insuring agreement.
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- Section II, FIRST PARTY COVERAGES, I. DIGITAL ASSET RESTORATION is deleted and replaced with the following:

I. DIGITAL ASSET RESTORATION	We will pay on your behalf restoration costs that you incur because of the alteration, destruction, damage, theft, loss, or inability to access digital assets directly resulting from a security failure or systems failure first discovered by you during the policy period.
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- SECTION III, EXCLUSIONS – WHAT IS NOT COVERED, Paragraph J. INSURED VERSUS INSURED is deleted and replaced with the following:



J. INSURED VERSUS INSURED	<p>Any claim made by or on behalf of:</p> <ol style="list-style-type: none"> 1. an insured under this Policy; however, this exclusion will not apply to an otherwise covered claim made by an employee arising from a security failure or data breach or a claim made by an additional insured; 2. any business enterprise in which you have greater than a twenty percent (20%) ownership interest; or 3. any parent company or other entity that owns more than twenty percent (20%) of an insured.
K. INTELLECTUAL PROPERTY	<p>Violation or infringement of any intellectual property right or obligation, including:</p> <ol style="list-style-type: none"> 1. infringement of copyright of software, firmware, or hardware; 2. misappropriation, misuse, infringement, or violation of any patent or trade secret; 3. distribution or sale of, or offer to distribute to sell, any goods, products, or services; or 4. other use of any goods, products, or services that infringes or violates any intellectual property law or right relating to the appearance, design, or function of any goods, products, or services; <p>however, this exclusion will not apply to:</p> <ol style="list-style-type: none"> 1. an otherwise covered claim arising from the acquisition, access, theft, or disclosure of a trade secret that qualifies as third party corporate information resulting from a security failure; or 2. Section II.C, MULTIMEDIA CONTENT LIABILITY, for an otherwise covered claim for a multimedia wrongful act, provided that, this exception to exclusion K. INTELLECTUAL PROPERTY shall not apply to any violation or infringement of any intellectual property right or obligation described in items 1. and 2. above.

5. SECTION IV, YOUR OBLIGATIONS AS AN INSURED, OBLIGATION TO PRESERVE OUR RIGHT OF SUBROGATION is deleted and replaced with the following:

OBLIGATION TO PRESERVE OUR RIGHT OF SUBROGATION	<p>In the event of any payment by us under this Policy, we will be subrogated to all of your rights of recovery. You will do everything necessary to secure and preserve such subrogation rights, including the execution of any documents necessary to enable us to bring suit in your name. You will not do anything after an incident or event giving rise to a claim or loss to prejudice such subrogation rights without first obtaining our consent.</p> <p>This obligation does not apply to the extent that the right to subrogate is waived by you under a written contract with that person or organization, prior to the incident or event giving rise to the claim or loss.</p>
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6. SECTION IV, YOUR OBLIGATIONS AS AN INSURED, WHEN THERE IS A **CLAIM** OR **INCIDENT** is deleted and replaced with the following:

WHEN THERE IS A CLAIM OR INCIDENT	You must provide us written notice of a claim or incident through the persons named in Item 8. of the Declarations as soon as practicable once such claim or incident is known to a senior executive . In no event will such notice to us be later than: (i) the end of the policy period ; (ii) or 90 days after the end of the policy period for claims made against you or incidents discovered by you in the last 60 days of the policy period .
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7. SECTION V, CLAIMS PROCESS, SETTLEMENT is deleted and replaced with the following:

SETTLEMENT	<p>If you refuse to consent to any settlement or compromise recommended by us and acceptable to the claimant, our liability for such claim will not exceed:</p> <ol style="list-style-type: none"> 1. the amount for which such claim could have been settled, less the retention, plus claim expenses incurred up to the time of such refusal; and 2. eighty percent (80%) of claim expenses incurred after such settlement was refused by you, plus eighty percent (80%) of damages and regulatory penalties in excess of the amount such claim could have settled under such settlement. <p>In this event, we will have the right to withdraw from the further defense of such claim or regulatory proceeding by tendering control of the defense thereof to you. The operation of this paragraph will be subject to the Limits of Liability and Retention provisions of this Policy.</p>
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8. SECTION V, CLAIMS PROCESS, DEFENSE is amended to include the following:

DEFENSE	If we request your presence at a trial, hearing, deposition, mediation, or arbitration relating to the defense of any claim, we will pay reasonable costs and expenses of attendance up to a maximum amount of \$500.00 a day per person, subject to a maximum amount of \$25,000 per policy period . Such amounts are part of and not in addition to the Limits of Liability of this Policy.
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9. SECTION VII, CANCELLATION AND OPTIONAL EXTENDED REPORTING PERIOD, OPTIONAL EXTENDED REPORTING PERIOD is deleted and replaced with the following:



<p>OPTIONAL EXTENDED REPORTING PERIOD</p>	<p>In the event of cancellation or non-renewal of this Policy, by either the named insured or us, for reasons other than fraud or material misrepresentation in the application for this Policy, or non-payment of premium or Retention, the named insured will have the right, upon payment in full of an additional premium, to purchase an Optional Extended Reporting Period under this Policy, subject to all terms, conditions, limitations of, and any endorsements to this Policy, for a period of either:</p> <ul style="list-style-type: none"> a. one year for an additional premium of 100% of the total annual premium; or b. two years for an additional premium of 150% of the total annual premium; or c. three years for an additional premium of 200% of the total annual premium <p>following the effective date of such cancellation or non-renewal.</p> <p>Such Optional Extended Reporting Period applies only to:</p> <ul style="list-style-type: none"> 1. claims first made against you during the Optional Extended Reporting Period arising out of any act, error, or omission committed on or after the retroactive date and before the end of the policy period; and 2. incidents, privacy liability, or multimedia wrongful acts first discovered by you after the retroactive date and took place before the end of the policy period <p>subject to the Retention, Limits of Liability, exclusions, conditions, and other terms of this Policy. The offer of renewal terms, conditions, Limits of Liability, and/or premiums different from those of this Policy will not constitute a cancellation or refusal to renew.</p> <p>The Optional Extended Reporting Period will terminate on the effective date and hour of any other insurance issued to the named insured or the named insured's successor that replaces in whole or in part the coverage afforded by the Optional Extended Reporting Period.</p> <p>The named insured's right to purchase the Optional Extended Reporting Period must be exercised in writing no later than ninety (90) days following the cancellation or non-renewal date of this Policy, and must include payment of premium for the applicable Optional Extended Reporting Period as well as payment of all premiums due to us. If such written notice is not given to us, the named insured will not, at a later date, be able to exercise such right.</p>
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	<p>At the commencement of any Optional Extended Reporting Period, the entire premium thereafter will be deemed earned and in the event the named insured terminates the Optional Extended Reporting Period before its expiring date, we will not be liable to return any portion of the premium for the Optional Extended Reporting Period.</p> <p>The fact that the time to report claims under this Policy may be extended by virtue of an Optional Extended Reporting Period will not in any way increase the Limits of Liability, and any amounts incurred during the Optional Extended Reporting Period will be part of, and not in addition to the Limits of Liability as stated in the Declarations. The Optional Extended Reporting Period will be renewable at our sole option.</p>
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10. The following definitions under Section IX, DEFINITIONS is deleted and replaced with the following:



<p>Breach response costs</p>	<p>means the following reasonable and necessary costs you incur with our prior written consent in response to an actual or suspected security failure or data breach:</p> <ol style="list-style-type: none"> 1. computer forensic professional fees and expenses to determine the cause and extent of a security failure; 2. costs to notify individuals affected or reasonably believed to be affected by such security failure or data breach, including printing costs, publishing costs, postage expenses, call center costs, and costs of notification via phone or e-mail; 3. costs to provide government mandated public notices related to such security failure or data breach; 4. legal fees and expenses to advise you in connection with your investigation of a security failure or data breach and to determine whether you are legally obligated under a breach notice law to notify applicable regulatory agencies or individuals affected or reasonably believed to be affected by such security failure or data breach; 5. legal fees and expenses to advise you in complying with Payment Card Industry ("PCI") operating regulation requirements for responding to a security failure or data breach compromising payment card data, and the related requirements under a merchant services agreement, including a PCI forensic investigator when required under such agreement (this clause does not include any fees or expenses incurred in any legal proceeding, arbitration, or mediation, for any advice in complying with any PCI rules or regulations other than for assessment of PCI fines and assessments for a covered security failure or data breach, or to remediate the breached computer systems); and 6. costs to provide up to one year (or longer if required by law) of a credit or identity monitoring program, including credit freezing and credit thawing, to individuals affected by such security failure or data breach. <p>Breach response costs must be incurred within one year of your discovery of an actual or suspected security failure or data breach. You have our prior consent to incur breach response costs in the form of computer forensic fees under paragraph 1. and legal fees under paragraphs 4. and 5. with any vendor on our list of Panel Providers.</p>
<p>Employee</p>	<p>means any past, present, or future:</p> <ol style="list-style-type: none"> 1. person employed by the named insured or subsidiary as a permanent, part-time, seasonal, leased, or temporary employee, intern, or any volunteer; 2. independent contractor; and 3. senior executive; <p>but only while acting on behalf of the named insured or subsidiary and in the scope of the business operations of the named insured or subsidiary.</p>



Insured, you, or your	<p>Means:</p> <ol style="list-style-type: none"> 1. the named insured; 2. a subsidiary; 3. senior executives and employees; and 4. with respect to Section II.A, NETWORK AND INFORMATION SECURITY LIABILITY and Section II.B, REGULATORY DEFENSE AND PENALTIES, any person or entity you have agreed in a written contract or agreement to add as an additional insured to a policy providing the type of coverage afforded by this Policy, provided such contract or agreement is in effect or becomes effective during the policy period, and solely for such person or entity's liability arising out of the named insured's or subsidiary's acts; 5. the estates, heirs, legal representatives, or assignees of any employee or senior executive in the event of their death, incapacity, insolvency, or bankruptcy but solely for the estates', heirs', legal representatives', or assignee's liability arising out of the acts committed by the employee or senior executive; and 6. the spouse, domestic partner, or civil partner of any employee or senior executive solely for such spouse's, domestic partner's, or civil partner's liability resulting from a claim against the employee or senior executive; or their ownership or interest in property which the claimant seeks as recovery for a claim against the employee or senior executive.
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Restoration costs	<p>means the reasonable and necessary costs you incur to replace, restore, or recreate digital assets to the level or condition at which they existed prior to a security failure or systems failure. If such digital assets cannot be replaced, restored, or recreated, then restoration costs will be limited to the actual, reasonable, and necessary costs you incur to reach this determination. Restoration costs do not include:</p> <ol style="list-style-type: none"> 1. any costs or expenses incurred to update, upgrade, replace, restore, repair, recall, or otherwise improve the digital assets to a level beyond that which existed prior to the security failure or systems failure; 2. any costs or expenses incurred to identify, remove, or remediate computer program errors or vulnerabilities, or costs to update, upgrade, replace, restore, maintain, or otherwise improve any computer system; or 3. the economic or market value of any digital assets, including trade secrets, or the costs to re-perform any work product contained within any digital assets. <p>Restoration costs does not mean and will not include costs for better computer systems or services than you had before the security failure or systems failure, including upgrades, enhancements, and improvements. However, this shall not apply if the cost for the most current version of a computer system is substantially equivalent to (or less than) the original cost of the computer system you had before the security failure or systems failure took place.</p>
Senior executive	<p>means any in-house counsel, risk manager, chief information officer, chief information security officer, chief privacy officer, chief financial officer, chief executive officer, chief operating officer, or functional equivalent, but only while acting on your behalf in the scope of your business operations.</p>



<p>Subsidiary</p>	<p>means any organization in which the named insured:</p> <ol style="list-style-type: none"> 1. owns either directly or indirectly 50% or more of the outstanding voting stock; or 2. has recognized the revenues in the application. <p>An organization ceases to be a subsidiary on the date, during the policy period, that the named insured's ownership, either directly or indirectly, ceases to be 50% of the outstanding voting stock.</p> <p>The named insured will give written notice to us of any acquisition or creation of an organization with ownership interest greater than 50%, no later than ninety (90) days after the effective date of such acquisition or creation. Automatic coverage of such organization is granted until the end of the policy period or for 90 days, whichever is the earlier, subject to the following criteria</p> <ol style="list-style-type: none"> 1. the newly created or acquired subsidiary has substantially similar business operations; 2. the new subsidiary's gross revenue is equal to or less than 23% of the total gross revenue the named insured has listed on the application, such amount not to exceed \$45 million; and 3. prior to the effective date of such acquisition or creation, no senior executive of the named insured or of the acquired or created organization, knew or could have reasonably expected that a claim would be made or coverage triggered under any Insuring Agreement in Section II, WHAT WE COVER. <p>Upon receipt of notice of such acquisition or creation, we may, at our sole option, agree to appropriately endorse this Policy subject to additional premium and/or change terms and conditions. If the named insured does not agree to the additional premium and/or changed terms and conditions, if any, coverage otherwise afforded under this provision for such acquired or created organization will terminate ninety (90) days after the effective date of such acquisition or creation, or at the end of the policy period, whichever is the earlier.</p>
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11. Section IX, DEFINITIONS is amended by the addition of the following definition:

<p>Criminal reward costs</p>	<p>means any amount offered and paid by us for information that leads to the arrest and conviction of any individual(s) committing or trying to commit any illegal act related to any coverage under this Policy. Criminal reward costs does not include and this Policy will not cover any amount offered and paid for information provided by you, your auditors, whether internal or external, any individual hired or retained to investigate the aforementioned illegal acts, or any other individuals with responsibilities for the supervision or management of the aforementioned individuals.</p>
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12. SECTION X, OTHER PROVISIONS is amended with the following:

TERRITORY	This Policy will apply to claims made and losses incurred anywhere in the world.
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All other terms and conditions of this Policy remain unchanged.

This endorsement forms a part of the Policy to which attached, effective on the inception date of the Policy unless otherwise stated herein.

SPECIMEN

OKLAHOMA CHANGES

Form Number	SP 15 201SL 1117
Effective Date of Endorsement	April 21, 2024
Named Insured	Mangum Regional Medical Center
Filing Number	C-4LPX-258554-CYBER-2024-01
Issued by (Name of Insurance Company)	Arch Specialty Insurance Company, Allianz Underwriters Insurance Company, Ascot Specialty Insurance Company, Fortegra Specialty Insurance Company

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

This endorsement modifies insurance provided under the following:

COALITION CYBER POLICY

In consideration of the premium charged for this Policy, it is hereby understood and agreed that:

- Section VII, CANCELLATION AND OPTIONAL EXTENDED REPORTING PERIOD, CANCELLATION AND NON-RENEWAL is deleted and replaced with the following:

CANCELLATION	<p>This Policy may be cancelled by the named insured by surrender of this Policy to us or by giving written notice to us stating when thereafter such cancellation will be effective. Any earned premium will be computed pro rata, but the premium will be deemed fully earned if any claim, incident, or any circumstance that could reasonably be expected to give rise to a claim, is reported to us on or before the date of cancellation.</p> <p>If this Policy is not a renewal and has been in effect for forty-five (45) days or less, we may cancel this Policy by mailing to you at the address shown in Item 1. of the Declarations, written notice stating when the cancellation will be effective. Where permitted by applicable law, we may provide such written notice of cancellation by electronic transmission. Such cancellation will not be less than sixty (60) days after such notice is mailed (or ten (10) days thereafter when cancellation is due to non-payment of premium or due to fraud or material misrepresentation). The mailing of such notice as aforesaid will be sufficient proof of notice and this Policy will terminate at the date and hour specified in such notice. This Policy may be cancelled by us for non-payment of premium, or by fraud or material misrepresentation by</p>
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	<p>you in the application or other information provided to induce us to issue this Policy; or fraud by you in connection with the submission of any claim or incident for coverage under this Policy.</p> <p>After coverage has been in effect for more than forty-five (45) business days or after the effective date of a renewal of this Policy, no notice of cancellation will be issued by us unless it is based on at least one of the following reasons:</p> <ol style="list-style-type: none"> 1. non-payment of premium; 2. discovery of fraud or material misrepresentation in the procurement of the insurance or with respect to any claims submitted under it; 3. discovery of willful or reckless acts or omissions by you that increase any hazard insured against; 4. occurrence of a change in the risk that substantially increases any hazard insured against after insurance coverage has been issued or renewed; 5. violation of any local fire, health, safety, building, or construction regulation or ordinance with respect to any covered property or its occupancy that substantially increases any hazard insured against; 6. determination by the Insurance Commissioner that the continuation of the Policy would place us in violation of the insurance laws of this state; or 7. your conviction of a crime having as one of its necessary elements an act increasing any hazard insured against. <p>Any earned premium will be computed pro rata, but the premium will be deemed fully earned if any claim, incident, or any circumstance that could reasonably be expected to give rise to a claim, is reported to us on or before the date of cancellation.</p>
NON-RENEWAL	<p>We have no obligation to renew this Policy. If we elect not to renew this Policy, we shall mail to you at the address shown in Item 1. of the Declarations, written notice thereof at least forty-five (45) days prior to the expiration of the policy period.</p> <p>We will not provide notice of non-renewal if:</p> <ol style="list-style-type: none"> 1. we, or another company within the same insurance group, has offered to issue a renewal policy; or 2. you have obtained replacement coverage or have agreed in writing to obtain replacement coverage. <p>Premium Or Coverage Changes At Renewal</p> <ol style="list-style-type: none"> 1. If we elect to renew this Policy, we will give you written notice of any premium increase, change in deductible, or reduction in limits or coverage. 2. Any such notice will be mailed or delivered to you at the address

	<p>shown in Item 1. of the Declarations, at least forty-five (45) days before the expiration date of this Policy.</p> <ol style="list-style-type: none"> 3. If notice is mailed: <ol style="list-style-type: none"> a. It will be considered to have been given to you on the day it is mailed. b. Proof of mailing will be sufficient proof of notice. 4. If you accept the renewal, the premium increase or coverage changes will be effective the day following the prior policy's expiration or anniversary date. 5. If notice is not mailed or delivered at least forty-five (45) days before the expiration date or anniversary date of this Policy, the premium, deductible, limits, and coverage in effect prior to the changes will remain in effect until: <ol style="list-style-type: none"> a. forty-five (45) days after notice is given; or b. the effective date of replacement coverage obtained by you; <p>whichever occurs first.</p>
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2. Section X, OTHER PROVISIONS, CHOICE OF LAW is deleted and replaced with the following:

CHOICE OF LAW	Any disputes involving this Policy will be resolved applying Oklahoma law.
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All other terms and conditions of this Policy remain unchanged.

This endorsement forms a part of the Policy to which attached, effective on the inception date of the Policy unless otherwise stated herein.

FILING POLICY NO.: C-4LPX-258554-CYBER-2024-01

ENDT NO.: 15

BREACH RESPONSE SEPARATE LIMIT ENDORSEMENT

Form Number	SP 16 296 0618
Effective Date of Endorsement	April 21, 2024
Named Insured	Mangum Regional Medical Center
Filing Number	C-4LPX-258554-CYBER-2024-01
Issued by (Name of Insurance Company)	Arch Specialty Insurance Company, Allianz Underwriters Insurance Company, Ascot Specialty Insurance Company, Fortegra Specialty Insurance Company

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

This endorsement modifies insurance provided under the following:

COALITION CYBER POLICY

In consideration of the premium charged for this Policy, it is hereby understood and agreed that:

1. Item 4. of the Declarations is amended to include the following:

BREACH RESPONSE LIMIT OF LIABILITY \$1,000,000

2. Section VI, LIMITS OF LIABILITY AND RETENTION, LIMITS OF LIABILITY is deleted and replaced by the following:

LIMITS OF LIABILITY

Aggregate Limit of Liability & Limits of Liability for All Amounts Other than Breach Response Costs

The Aggregate Limit of Liability set forth in Item 4. of the Declarations is the maximum amount **we** will be liable to pay for all **damages, business interruption loss, crisis management costs, cyber extortion expenses, extra expenses, funds transfer loss, restoration costs, PCI fines and assessments, regulatory penalties** and **claim expenses**, regardless of the number of **claims, incidents, or insureds**.

The Limits of Liability set forth in Item 5. of the Declarations is the maximum amount **we** will be liable to pay for all **damages, business interruption**

loss, crisis management costs, cyber extortion expenses, extra expenses, funds transfer loss, restoration costs, PCI fines and assessments, regulatory penalties and claim expenses under each Insuring Agreement, regardless of the number of **claims, incidents, or insureds**. Such Limits of Liability are part of, and not in addition to, the Aggregate Limit of Liability. The reference to applicable Limits of Liability herein refers to each participating Insurer's individual Quota Share Limit of Liability as stated in Item 7. of the Declarations.

Our Limits of Liability for an Optional Extended Reporting Period, if applicable, will be part of, and not in addition to the Aggregate Limit of Liability set forth in Item 4. of the Declarations.

Limit of Liability for Breach Response Costs

The Breach Response Limit of Liability set forth in Item 4. of the Declarations is the maximum amount **we** will be liable to pay for all **breach response costs**, regardless of the number of **security failures, data breaches, or insureds**. The Breach Response Limit of Liability is in addition to the Aggregate Limit of Liability. Upon exhaustion of the Breach Response Limit of Liability, there will be no further coverage under this Policy for any **breach response costs**.

All other terms and conditions of this Policy remain unchanged.

This endorsement forms a part of the Policy to which attached, effective on the inception date of the Policy unless otherwise stated herein.



FILING POLICY NO.: C-4LPX-258554-CYBER-2024-01

ENDT. NO.: 16

REGULATORY COVERAGE ENHANCEMENT ENDORSEMENT – CCPA AND GDPR

Form Number	SP 17 147 1119
Effective Date of Endorsement	April 21, 2024
Named Insured	Mangum Regional Medical Center
Filing Policy Number	C-4LPX-258554-CYBER-2024-01
Issued by (Name of Insurance Company)	Arch Specialty Insurance Company, Allianz Underwriters Insurance Company, Ascot Specialty Insurance Company, Fortegra Specialty Insurance Company

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COALITION CYBER POLICY

In consideration of the premium charged for this Policy, it is hereby understood and agreed that:

1. SECTION II, WHAT WE COVER – OUR INSURING AGREEMENTS, THIRD PARTY LIABILITY COVERAGES, paragraph B is deleted and replaced with the following:

B. REGULATORY DEFENSE AND PENALTIES

We will pay on **your** behalf **claim expenses** and **regulatory penalties** that **you** become legally obligated to pay resulting from a **claim** against **you** in the form of a **regulatory proceeding**.

2. The definition of “**Regulatory proceeding**” under SECTION IX, DEFINITIONS is deleted and replaced with the following:



Regulatory proceeding	<p>means a request for information, civil investigative demand, or civil proceeding commenced by service of a complaint or similar proceeding:</p> <ol style="list-style-type: none"> 1. brought by or on behalf of the Federal Trade Commission, Federal Communications Commission, Securities and Exchange Commission (SEC) arising only from S-P (17 C.F.R. § 248), or any federal, state, local, or foreign governmental entity in such entity's regulatory or official capacity, in connection with such proceeding arising from a security failure or a data breach; or 2. brought for a violation of the General Data Protection Regulation (GDPR), California Consumer Privacy Act (CCPA), or any similar federal, state, local, or foreign regulation arising from a privacy liability. <p>Other than the foregoing, regulatory proceeding does not include a request for information, civil investigative demand, or civil proceeding commenced by service of a complaint or similar proceeding brought by the Securities and Exchange Commission (SEC) and similar federal, state, local, or foreign governmental entities.</p>
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All other terms and conditions of this Policy remain unchanged.

This endorsement forms a part of the Policy to which attached, effective on the inception date of the Policy unless otherwise stated herein.



FILING POLICY NO.: C-4LPX-258554-CYBER-2024-01
ENDT. NO.: 17

COURT ATTENDANCE COST REIMBURSEMENT ENDORSEMENT

Form Number	SP 16 777 0918
Effective Date of Endorsement	April 21, 2024
Named Insured	Mangum Regional Medical Center
Filing Policy Number	C-4LPX-258554-CYBER-2024-01
Issued by (Name of Insurance Company)	Arch Specialty Insurance Company, Allianz Underwriters Insurance Company, Ascot Specialty Insurance Company, Fortegra Specialty Insurance Company

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COALITION CYBER POLICY

In consideration of the premium charged for this Policy, it is hereby understood and agreed that:

SECTION V, CLAIMS PROCESS, DEFENSE is amended to include the following:

DEFENSE	If we request your presence at a trial, hearing, deposition, mediation, or arbitration relating to the defense of any claim, we will pay reasonable costs and expenses of attendance up to a maximum amount of \$250.00 a day per person, subject to a maximum amount of \$25,000 per policy period . Such amounts are part of and not in addition to the Limits of Liability of this Policy.
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All other terms and conditions of this Policy remain unchanged.

This endorsement forms a part of the Policy to which attached, effective on the inception date of the Policy unless otherwise stated herein.



FILING POLICY NO.: C-4LPX-258554-CYBER-2024-01
ENDT. NO.: 18

CRIMINAL REWARD COVERAGE

Form Number	SP 16 670 0818
Effective Date of Endorsement	April 21, 2024
Named Insured	Mangum Regional Medical Center
Filing Policy Number	C-4LPX-258554-CYBER-2024-01
Issued by (Name of Insurance Company)	Arch Specialty Insurance Company, Allianz Underwriters Insurance Company, Ascot Specialty Insurance Company, Fortegra Specialty Insurance Company

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COALITION CYBER POLICY

In consideration of the premium charged for this Policy, it is hereby understood and agreed that:

- Item 5. FIRST PARTY COVERAGES of the Declarations is amended to include the following:

Insuring Agreement	Limit/Sublimit	Retention
CR. CRIMINAL REWARD COVERAGE	\$25,000	\$0

- Section II, FIRST PARTY COVERAGES is amended by the addition of the following Insuring Agreement:

CR. CRIMINAL REWARD COVERAGE	We will indemnify the named insured criminal reward costs. No Retention will apply to this insuring agreement.
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- Section IX, DEFINITIONS is amended by the addition of the following definition:

Criminal reward costs	means any amount offered and paid by us for information that leads to the arrest and conviction of any individual(s) committing or trying to commit any illegal act related to any coverage under this Policy. Criminal reward costs does not include and this Policy will not cover any amount offered and paid for information provided by you, your auditors, whether internal or external, any individual hired or retained to investigate the aforementioned illegal acts, or any other individuals with responsibilities for the supervision or management of the aforementioned individuals.
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All other terms and conditions of this Policy remain unchanged.

This endorsement forms a part of the Policy to which attached, effective on the inception date of the Policy unless otherwise stated herein.



FILING POLICY NO.: C-4LPX-258554-CYBER-2024-01
ENDT. NO.: 19

DUTY TO COOPERATE ENDORSEMENT

Form Number	SP 17 274 0219
Effective Date of Endorsement	April 21, 2024
Named Insured	Mangum Regional Medical Center
Filing Policy Number	C-4LPX-258554-CYBER-2024-01
Issued by (Name of Insurance Company)	Arch Specialty Insurance Company, Allianz Underwriters Insurance Company, Ascot Specialty Insurance Company, Fortegra Specialty Insurance Company

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COALITION CYBER POLICY

In consideration of the premium charged for this Policy, it is hereby understood and agreed that:

SECTION IV, YOUR OBLIGATIONS AS AN INSURED, DUTY TO COOPERATE is deleted and replaced with the following:

DUTY TO COOPERATE	We will have the right to make any investigation we deem necessary to adjust any claim, and you will cooperate with us in all investigations, respond to reasonable requests for information, and execute all papers and render all assistance as requested by us . You will also cooperate with counsel in the defense of all claims and response to all incidents and provide all information necessary for appropriate and effective representation.
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All other terms and conditions of this Policy remain unchanged.

This endorsement forms a part of the Policy to which attached, effective on the inception date of the Policy unless otherwise stated herein.



FILING POLICY NO.: C-4LPX-258554-CYBER-2024-01

ENDT. NO.: 20

YOUR OBLIGATIONS AS AN INSURED ENDORSEMENT

Form Number	SP 17 275 0219
Effective Date of Endorsement	April 21, 2024
Named Insured	Mangum Regional Medical Center
Filing Policy Number	C-4LPX-258554-CYBER-2024-01
Issued by (Name of Insurance Company)	Arch Specialty Insurance Company, Allianz Underwriters Insurance Company, Ascot Specialty Insurance Company, Fortegra Specialty Insurance Company

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COALITION CYBER POLICY

In consideration of the premium charged for this Policy, it is hereby understood and agreed that:

SECTION IV, YOUR OBLIGATIONS AS AN INSURED, WHEN THERE IS A CLAIM OR INCIDENT is deleted and replaced with the following:

WHEN THERE IS A CLAIM OR INCIDENT	You must provide us written notice of a claim or incident through the persons named in Item 8. of the Declarations as soon as practicable once such claim or incident is known to a senior executive . In no event will such notice to us be later than: (i) the end of the policy period ; (ii) or 90 days after the end of the policy period for claims made against you or incidents discovered by you in the last 60 days of the policy period .
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All other terms and conditions of this Policy remain unchanged.

This endorsement forms a part of the Policy to which attached, effective on the inception date of the Policy unless otherwise stated herein.

FILING POLICY: C-4LPX-258554-CYBER-2024-01

ENDT NO.: 21

FUNDS TRANSFER LOSS ENDORSEMENT REQUIRING AUTHENTICATION

Form Number	SP 17 168 0119
Effective Date of Endorsement	April 21, 2024
Named Insured	Mangum Regional Medical Center
Filing Number	C-4LPX-258554-CYBER-2024-01
Issued by (Name of Insurance Company)	Arch Specialty Insurance Company, Allianz Underwriters Insurance Company, Ascot Specialty Insurance Company, Fortegra Specialty Insurance Company

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

This endorsement modifies insurance provided under the following:

COALITION CYBER POLICY

In consideration of the premium charged for this Policy, it is hereby understood and agreed that:

The definition of “**Funds Transfer Fraud**” under SECTION IX, DEFINITIONS is deleted and replaced with the following:

Funds transfer fraud	<p>means a fraudulent instruction transmitted by electronic means, including through social engineering, to you or your financial institution directing you, or the financial institution, to debit an account of the named insured or subsidiary and to transfer, pay, or deliver money or securities from such account, which instruction purports to have been transmitted by an insured and impersonates you or your vendors, business partners, or clients, but was transmitted by someone other than you, and without your knowledge or consent. The financial institution does not include any such entity, institution, or organization that is an insured.</p> <p>Funds transfer fraud will not include loss arising out of any fraudulent request to change instruction or create a new instruction received by you or your financial institution that is not authenticated by you or your financial institution by means of a secondary method of authentication to verify the authenticity or validity of such instruction in addition to the original method of authentication undertaken.</p>
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All other terms and conditions of this Policy remain unchanged.

This endorsement forms a part of the Policy to which attached, effective on the inception date of the Policy unless otherwise stated herein.

SPECIMEN

FILING POLICY: C-4LPX-258554-CYBER-2024-01

ENDT NO.: 22

MULTI-FACTOR AUTHENTICATION (MFA) RETENTION REDUCTION

Form Number	SP 17 814 0819
Effective Date of Endorsement	April 21, 2024
Named Insured	Mangum Regional Medical Center
Filing Number	C-4LPX-258554-CYBER-2024-01
Issued by (Name of Insurance Company)	Arch Specialty Insurance Company, Allianz Underwriters Insurance Company, Ascot Specialty Insurance Company, Fortegra Specialty Insurance Company

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

This endorsement modifies insurance provided under the following:

COALITION CYBER POLICY

1. Section VI, LIMITS AND RETENTION, RETENTION is deleted and replaced with the following:

Retention	<p>We will only be liable for those amounts payable under this Policy which are in excess of the applicable Retention(s). Such Retention(s) must be paid by you and cannot be insured.</p> <p>In the event that damages, PCI fines and assessments, regulatory penalties, claim expenses, breach response costs, business interruption loss, crisis management costs, cyber extortion expenses, extra expenses, funds transfer loss, restoration costs, or other amounts arising out of a claim or incident are subject to more than one Retention, the applicable Retention amount will apply to such damages, PCI fines and assessments, regulatory penalties, claim expenses, breach response costs, business interruption loss, crisis management costs, cyber extortion expenses, extra expenses, funds transfer loss, restoration costs, or other amounts, provided that the sum of such Retention amounts will not exceed the largest applicable Retention amount.</p> <p>In the event that damages, PCI fines and assessments, regulatory penalties, claim expenses, breach response costs, business interruption loss, crisis management costs, cyber extortion expenses, extra expenses, funds transfer loss, restoration costs, or other amounts arise out of a claim or incident that is the direct of a business email compromise, the largest applicable Retention amount</p>
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	will be reduced by 50% subject to a maximum reduction of \$10,000, provided that multi-factor authentication was enabled and required at the time of the applicable incident .
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2. Section IX, DEFINITIONS is amended by the addition of the following definitions:

Business email compromise	means any access to or use of your email system in a manner that is not authorized by you .
Multi-factor authentication	means, in addition to the use of a user ID and password to validate access to your email system, the use of at least one of the following methods of authentication: <ul style="list-style-type: none"> a. a hardware or software token or access card; b. third party authentication applications providing time bound, one-time codes, by a method other than text messaging; or c. text messaging authentication.
Text messaging authentication	The use or receipt of a unique one-time passcode received by text message to a pre-established mobile number linked to the email account on your email system that is being accessed in order to validate access to your email system.

All other terms and conditions of this Policy remain unchanged.

This endorsement forms a part of the Policy to which attached, effective on the inception date of the Policy unless otherwise stated herein.

FILING POLICY: C-4LPX-258554-CYBER-2024-01

ENDT NO.: 23

PHISHING (IMPERSONATION) AND PROOF OF LOSS PREPARATION EXPENSE ENDORSEMENT

Form Number	SP 18 435 0720
Effective Date of Endorsement	April 21, 2024
Named Insured	Mangum Regional Medical Center
Filing Number	C-4LPX-258554-CYBER-2024-01
Issued by (Name of Insurance Company)	Arch Specialty Insurance Company, Allianz Underwriters Insurance Company, Ascot Specialty Insurance Company, Fortegra Specialty Insurance Company

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

This endorsement modifies insurance provided under the following:

COALITION CYBER POLICY

In consideration of the premium charged for this Policy, it is hereby understood and agreed that:

- Item 5 of the Declarations is amended to include the following

Insuring Agreement	Limit / Sub-Limit	Retention / Sub-Retention
PH – Phishing (Impersonation)	\$250,000	\$10,000
PL – Proof of Loss Preparation Expenses	\$250,000	\$10,000

- Section II, WHAT WE COVER – OUR INSURING AGREEMENTS, is amend by the addition of the following:

PH – PHISHING (IMPERSONATION)	We will pay on your behalf phishing response services that you incur resulting from a phishing attack first discovered by you during the policy period.
PL - PROOF OF LOSS PREPARATION EXPENSES	We will pay on your behalf proof of loss preparation expenses.

- SECTION VI, LIMITS OF LIABILITY AND RETENTION, RETENTION,** is deleted and replaced with the following:

Retention	<p>We will only be liable for those amounts payable under this Policy which are in excess of the applicable Retention(s). Such Retention(s) must be paid by you and cannot be insured.</p> <p>In the event that damages, PCI fines and assessments, regulatory penalties, claim expenses, breach response costs, business interruption loss, crisis management costs, cyber extortion expenses, extra expenses, funds transfer loss, phishing, response services, proof of loss preparation expenses, restoration costs, or other amounts arising out of a claim or incident are subject to more than one Retention, the applicable Retention amount will apply to such damages, PCI fines and assessments, regulatory penalties, claim expenses, breach response costs, business interruption loss, crisis management costs, cyber extortion expenses, extra expenses, funds transfer loss, phishing, response services, proof of loss preparation expenses, restoration costs, or other amounts, provided that the sum of such Retention amounts will not exceed the largest applicable Retention amount.</p>
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4. SECTION IX, DEFINITIONS LOSS is deleted and replaced with the following:

Loss	<p>means breach response costs, business interruption loss, crisis management costs, cyber extortion expenses, extra expenses, funds transfer loss, phishing response services, proof of loss preparation expenses, and restoration costs</p>
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5. The following definition is added to Section IX, definitions:

Phishing response services	<p>means:</p> <ol style="list-style-type: none"> 1. the cost of retaining a law firm and public relations firm incurred by you to create and publish a press release or establish a website to advise your customers and prospective customers of a phishing attack; and 2. the cost of reimbursing your existing customers for their loss of money or tangible property directly resulting from a phishing attack; and 3. the cost of retaining a third party for the removal of websites designed to impersonate you.
Phishing attack	<p>means fraudulent electronic communications or websites designed to impersonate you or any of your products provided that such fraudulent communications or websites do not arise out of or result from any security failure.</p>
Proof of loss preparation expenses	<p>means the reasonable and necessary costs you incur with our prior written consent for a third-party forensic accounting firm to</p>

	assist you with preparing a proof of loss as required by Section V. CLAIMS PROCESSES, PROOF OF LOSS with respect to business interruption loss or extra expenses covered under this Policy.
Tangible property	means items or objects that can be felt or touched. Tangible property does not include: <ol style="list-style-type: none"> 1. digital assets; 2. any form of intellectual property, including trade secrets; or 3. money, securities or digital currencies.

All other terms and conditions of this Policy remain unchanged.

This endorsement forms a part of the Policy to which attached, effective on the inception date of the Policy unless otherwise stated herein.

FILING POLICY NO.: C-4LPX-258554-CYBER-2024-01

ENDT NO.: 24

WRONGFUL COLLECTION AND BIOMETRIC PRIVACY EXCLUSION

Form Number	CYUSP-50EN-000009-0223-01
Effective Date of Endorsement	April 21, 2024
Named Insured	Mangum Regional Medical Center
Filing Policy Number	C-4LPX-258554-CYBER-2024-01
Issued by (Name of Insurance Company)	Arch Specialty Insurance Company, Allianz Underwriters Insurance Company, Ascot Specialty Insurance Company, Fortegra Specialty Insurance Company

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

This endorsement modifies insurance provided under the following:

COALITION CYBER POLICY

In consideration of the premium charged for this Policy, it is hereby understood and agreed that:

SECTION III, EXCLUSIONS - WHAT IS NOT COVERED is amended by the addition of the following:

WRONGFUL COLLECTION AND BIOMETRIC PRIVACY	<ol style="list-style-type: none"> 1. Any actual or alleged violation of the Illinois Biometric Information Privacy Act or any similar federal, state, common, or foreign law; or 2. Any actual or alleged: (a) wiretapping or eavesdropping; (b) use of web beacons, tracking pixels or other software tools by you or on your behalf that wrongfully acquires, collects, tracks or shares an individual's activity, information or data; or (c) wrongful collection or use of personally identifiable information by you or on your behalf, except this subpart (2)(c) shall not apply to SECTION II.A NETWORK AND INFORMATION SECURITY and SECTION II.B REGULATORY DEFENSE AND PENALTIES for an otherwise covered claim under item 2 in the definition of privacy liability.
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All other terms and conditions of this Policy remain unchanged.

This endorsement forms a part of the Policy to which attached, effective on the inception date of the Policy unless otherwise stated herein.

FILING POLICY: C-4LPX-258554-CYBER-2024-01

ENDT NO.: 25

\$0 RETENTION FOR SERVICES FROM COALITION INCIDENT RESPONSE

Form Number	CYUSP-50EN-000004-1022-01
Effective Date of Endorsement	April 21, 2024
Named Insured	Mangum Regional Medical Center
Filing Number	C-4LPX-258554-CYBER-2024-01
Issued by (Name of Insurance Company)	Arch Specialty Insurance Company, Allianz Underwriters Insurance Company, Ascot Specialty Insurance Company, Fortegra Specialty Insurance Company

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

This endorsement modifies insurance provided under the following:

COALITION CYBER POLICY

In consideration of the premium charged for this Policy, it is hereby understood and agreed that:

Section VI, LIMITS OF LIABILITY AND RETENTION, RETENTION is amended to include the following paragraph:

In the event that **you** choose to use Coalition Incident Response to provide computer forensic professional services, and Coalition Incident Response is available to provide such services, then any fees, costs and expenses of Coalition Incident Response that result in covered **breach response costs, claim expenses, cyber extortion expenses, or restoration costs** under the terms and conditions of this Policy will not be subject to any Retention.

All other terms and conditions of this Policy remain unchanged.

This endorsement forms a part of the Policy to which attached, effective on the inception date of the Policy unless otherwise stated herein.



FILING POLICY NO.: C-4LPX-258554-CYBER-2024-01
ENDT. NO.: 26

WAIVER OF SUBROGATION PER CONTRACT ENDORSEMENT

Form Number	SP 15 810 0318
Effective Date of Endorsement	April 21, 2024
Named Insured	Mangum Regional Medical Center
Filing Policy Number	C-4LPX-258554-CYBER-2024-01
Issued by (Name of Insurance Company)	Arch Specialty Insurance Company, Allianz Underwriters Insurance Company, Ascot Specialty Insurance Company, Fortegra Specialty Insurance Company

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COALITION CYBER POLICY

In consideration of the premium charged for this Policy, it is hereby understood and agreed that:

SECTION IV, YOUR OBLIGATIONS AS AN INSURED, OBLIGATION TO PRESERVE OUR RIGHT OF SUBROGATION is deleted and replaced with the following:

<p>OBLIGATION TO PRESERVE OUR RIGHT OF SUBROGATION</p>	<p>In the event of any payment by us under this Policy, we will be subrogated to all of your rights of recovery. You will do everything necessary to secure and preserve such subrogation rights, including the execution of any documents necessary to enable us to bring suit in your name. You will not do anything after an incident or event giving rise to a claim or loss to prejudice such subrogation rights without first obtaining our consent.</p> <p>This obligation does not apply to the extent that the right to subrogate is waived by you under a written contract with that person or organization, prior to the incident or event giving rise to the claim or loss.</p>
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All other terms and conditions of this Policy remain unchanged.

This endorsement forms a part of the Policy to which attached, effective on the inception date of the Policy unless otherwise stated herein.

FILING POLICY: C-4LPX-258554-CYBER-2024-01
 ENDT NO.: 27

MISCELLANEOUS AMENDMENTS (PREFERRED AMENDATORY) ENDORSEMENT

Form Number	SP 18 326 0520
Effective Date of Endorsement	April 21, 2024
Named Insured	Mangum Regional Medical Center
Filing Number	C-4LPX-258554-CYBER-2024-01
Issued by (Name of Insurance Company)	Arch Specialty Insurance Company, Allianz Underwriters Insurance Company, Ascot Specialty Insurance Company, Fortegra Specialty Insurance Company

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

This endorsement modifies insurance provided under the following:

COALITION CYBER POLICY

In consideration of the premium charged for this Policy, it is hereby understood and agreed that:

- Item 5 of the Declarations is amended to include the following

Insuring Agreement	Limit / Sub-Limit	Retention / Sub-Retention
CR – CRIMINAL REWARD COVERAGE	\$50,000	\$0

- Item 5.I. of the Declarations is deleted and replaced with following:

Insuring Agreement	Limit / Sub-Limit	Retention / Sub-Retention
		[no change]
I. BUSINESS INTERRUPTION AND EXTRA EXPENSES	[no change]	i. Waiting period: 8 hours
		ii. Enhanced waiting period: 1 hour

- The second paragraph of Section II.I, BUSINESS INTERRUPTION AND EXTRA EXPENSES, is deleted and replaced with the following:

The **waiting period** for any failure of **computer systems** caused by a **denial of service attack** and where **you** are utilizing a DDoS mitigation provider from our list of Panel Providers at the time of such **denial of service attack**, will be the period of time set forth in Item 5.I.ii. of the Declarations. The **waiting period** for all other causes of failure of **computer systems** or where the failure of **computer systems** is caused by a **denial of service attack** and **you** are not utilizing a DDoS mitigation provider from our list of Panel providers at the time of such **denial of service attack**, will be the period of time set forth in Item 5.I.i. of the Declarations.

4. SECTION III, EXCLUSIONS – WHAT IS NOT COVERED, Paragraph W. VIOLATIONS OF ACTS/LAWS

<p>W. VIOLATION OF ACTS/LAWS</p>	<p>Any violation of:</p> <ol style="list-style-type: none"> 1. the Employee Retirement Income Security Act of 1974 (ERISA); 2. the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Act of 1940, and any other federal or state securities laws; 3. the Organized Crime Control Act of 1970 (RICO); 4. the Controlling the Assault of Non-Solicited Pornography and Marketing Act of 2003 (CAN-SPAM); 5. Telephone Consumer Protection Act (TCPA); 6. the Sherman Anti-Trust Act, the Clayton Act, or any price fixing, restraint of trade, or monopolization statute; or any similar local, state, federal, common, or foreign laws or legislation to the laws described in 1. through 6. above. <p>However, this exclusion shall not apply to a claim against you alleging a data breach or privacy liability in violation of regulation S-P (17 C.F.R. § 248).</p>
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5. The following definitions under SECTION IX, DEFINITIONS are deleted and replaced with the following:

<p>Breach response costs</p>	<p>means the following reasonable and necessary costs you incur with our prior written consent in response to an actual or suspected security failure or data breach:</p>
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1. computer forensic professional fees and expenses to determine the cause and extent of a **security failure**;

2. costs to notify individuals affected or reasonably believed to be affected by such **security failure** or **data breach**, including printing costs, publishing costs, postage expenses, call center costs, and costs of notification via phone or e-mail;

3. costs to provide government mandated public notices related to such **security failure** or **data breach**;

4. legal fees and expenses to advise **you** in connection with **your** investigation of a **security failure** or **data breach** and to determine whether you are legally obligated under a **breach notice law** to notify applicable regulatory agencies or individuals affected or reasonably believed to be affected by such **security failure** or **data breach**;

5. costs of a PCI Forensic Investigator to conduct an independent (shadow) forensic investigation into the cause and extent of a **security failure** involving payment card data to comply with requirements under a **merchant service agreement**;

6. legal fees and expenses to advise **you** in complying with Payment Card Industry ("PCI") operating regulation requirements for responding to a **security failure** or **data breach** compromising payment card data, and the related requirements under a **merchant services agreement** (this clause does not include any fees or expenses incurred in any legal proceeding, arbitration, or mediation, for any advice in complying with any PCI rules or regulations other than for assessment of **PCI fines and assessments** for a covered **security failure** or **data breach**, or to remediate the breached **computer systems**); and

7. costs to provide up to one year (or longer if required by law) of a credit or identity monitoring program to individuals affected by such **security failure** or **data breach**.

Breach response costs must be incurred within one year of your discovery of an actual or suspected **security failure** or **data breach**. You have our prior consent to incur **breach response costs** in the form of computer forensic fees under paragraph 1. and legal fees under paragraphs 4. and 5. with any vendor on **our** list of Panel Providers.

<p>Extra expenses</p>	<p>means your reasonable and necessary extra expenses incurred to avoid or minimize a business interruption loss, including:</p> <ol style="list-style-type: none"> 1. the reasonable and necessary additional costs of sourcing your products or services from alternative sources in order to meet contractual obligations to supply your customers and clients; 2. the reasonable and necessary additional costs of employing contract staff or overtime costs for employees, including your internal IT department, in order to continue your business operations which would otherwise have been handled in whole or
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	<p>in part by the computer systems or service provider; and</p> <ol style="list-style-type: none"> 3. the reasonable and necessary additional costs of employing specialist consultants, including IT forensic consultants, in order to diagnose and fix a security failure or systems failure. <p>Provided, however, that such expenses do not exceed the amount of loss that otherwise would have been payable as business interruption loss.</p> <p>Extra expenses does not mean and will not include costs for better computer systems or services than you had before a security failure or system failure, including upgrades, enhancements and improvements. However, this will not apply if the cost for a more current or secure version of computer systems is:</p> <ol style="list-style-type: none"> 1. no more than 25% greater than the cost that would have been incurred to repair or replace the computer system you had before a security failure; or 2. substantially equivalent to (or less than) the cost to repair or replace the computer system you had before a system failure took place. <p>Under no circumstances will we pay costs of acquiring or installing computer systems which did not form a part of your computer systems immediately prior to the security failure.</p>
Regulatory proceeding	<p>means a request for information, civil investigative demand, or civil proceeding commenced by service of a complaint or similar proceeding brought by or on behalf of the Federal Trade Commission, Federal Communications Commission, Security and Exchange Commission (SEC) arising only from S-P (17 C.F.R. § 248), or any federal, state, local, or foreign governmental entity in such entity's regulatory or official capacity in connection with such proceeding.</p> <p>Other than the foregoing, regulatory proceeding does not include the Security and Exchange Commission (SEC) and similar federal, state, local, or foreign governmental entity.</p>

6. Section IX, DEFINITIONS, is amended by the addition of the following:

Criminal reward costs

means any amount offered and paid by **us** for information that leads to the arrest and conviction of any individual(s) committing or trying to commit any illegal act related to any coverage under this Policy. **Criminal reward costs** does not include and this Policy will not cover any amount offered and paid for information provided by **you, your** auditors, whether internal or external, any individual hired or retained to investigate the aforementioned illegal acts, or any other individuals with responsibilities for the supervision or management of the aforementioned individuals.

7. SECTION X, OTHER PROVISIONS, OTHER INSURANCE, is amended to include the following:

OTHER INSURANCE

Notwithstanding the foregoing, only with regards to Section II.E, Breach Response, this Policy shall be primary and will not seek contribution.

All other terms and conditions of this Policy remain unchanged.

This endorsement forms a part of the Policy to which attached, effective on the inception date of the Policy unless otherwise stated herein.

SPECIMEN



FILING POLICY NO.: C-4LPX-258554-CYBER-2024-01
ENDT. NO.: 28

ENHANCED WAITING PERIOD FOR DENIAL OF SERVICE

Form Number	SP 14 805 1117
Effective Date of Endorsement	April 21, 2024
Named Insured	Mangum Regional Medical Center
Filing Policy Number	C-4LPX-258554-CYBER-2024-01
Issued by (Name of Insurance Company)	Arch Specialty Insurance Company, Allianz Underwriters Insurance Company, Ascot Specialty Insurance Company, Fortegra Specialty Insurance Company

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COALITION CYBER POLICY

In consideration of the premium charged for this Policy, it is hereby understood and agreed that:

1. Item 5.H. of the Declarations is amended to include the following:

Insuring Agreement	Limit/Sub-Limit	Retention/Sub-Retention
H. BUSINESS INTERRUPTION AND EXTRA EXPENSES	\$1,000,000	\$10,000
		i. Waiting period: 8 hours
		ii. Enhanced waiting period: 1 hour

2. The second paragraph of Section II.H, BUSINESS INTERRUPTION AND EXTRA EXPENSES, is deleted and replaced with the following:

The **waiting period** for any failure of **computer systems** caused by a **denial of service attack** and where **you** are utilizing a DDoS mitigation provider from our list of Panel Providers at the time of such **denial of service attack**, will be the period of time set forth in Item 5.H.ii. of the Declarations. The **waiting period** for all other causes of failure of **computer systems** or where the failure of **computer systems** is caused by a **denial of service attack** and **you** are not utilizing a DDoS mitigation provider from our list of Panel providers at the time of such **denial of service attack**, will be the period of time set forth in Item 5.H.i. of the Declarations.

All other terms and conditions of this Policy remain unchanged.

This endorsement forms a part of the Policy to which attached, effective on the inception date of the Policy unless otherwise stated herein.

Hospital Vendor Contract Summary Sheet

1. Existing Vendor New Vendor

2. **Name of Contract:** Coalition
3. **Contract Parties:** MRMC/CFC

4. **Contract Type Services:** Service Contract

5. **Impacted Hospital Departments:** Hospital Records

6. **Contract Summary:** To provide cyber coverage and help protect against a wide range of cyber incidents. Coverage for up-front cost in the event of a claim. Help mitigate cyber risk. Will pay expenses related to network, regulatory agencies, PCI fines, and will help with breach response cost.

7. **Cost:** \$8653.26

8. **Prior Cost:** \$11,427

9. **Term:** yearly

10. **Termination Clause:** None

11. **Other:**

INSURANCE PROPOSAL

MANGUM CITY HOSPITAL AUTHORITY

Presented on: March 26, 2024

Presented by:
Phillip Smith, MHA, CPHRM, CIC, RPLU
Healthcare Practice Leader

SERVICE TEAM

Email: Phillip.Smith@INSURICA.com

Email: Shelli.Barrios@INSURICA.com

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Norman, OK 73069

INSURICA.com

INSURICA

This presentation is designed to provide an overview and summary of the insurance coverages prepared for your review. This proposal is meant to facilitate a general understanding of your insurance needs and should not be construed as a legal interpretation of the insurance policies in place or presented within. This proposal does not alter or amend the insurance contracts. Please refer to the actual policies for details on coverages, conditions and exclusions that will govern in the event of a loss.

NOTIFY US IF

It is important we be informed when a significant change in your operation takes place, such as any:

- ◆ Additional locations, new construction
- ◆ Changes in property values
- ◆ Change in ownership
- ◆ Sudden change in sales
- ◆ Increased or decreased hazards (i.e. type of work to be insured or new activities undertaken)
- ◆ Change in security or protection (i.e. burglar, sprinkler, fire alarm, watchguard, lighting, etc)
- ◆ Change in product lines
- ◆ New contractual obligations
- ◆ Changes in vehicles and/or drivers
- ◆ Expansion or moving of operations to a new state
- ◆ Employees hired in a new state
- ◆ Higher limits and/or additional coverages required or desired (i.e. Flood, Earthquake, Pollution, Professional Liability)
- ◆ Vacancy of building you own, operate, or occupy

CLAIMS NOTIFICATION REQUIREMENTS

Many policies include CLAIMS REPORTING OBLIGATIONS that require immediate notification, as soon as you are aware of an incident which could result in a claim. Failure to report or late reporting could result in denial of defense and/or claim payment or settlements. To avoid denial of coverage, be sure to notify us and/or the insurance carrier as soon as practicable of any occurrence or offense which may result in a claim. Additionally, the incident should be confirmed in writing. Please review policies for claim reporting provisions.

The above are examples of situations of which we should be made aware; there are many others as well.

If any questions arise, please contact us.

** Disclaimer: While this list is not inclusive, failure to notify us can affect your coverage.*

PROPERTY

COMPANY
Philadelphia Indemnity Insurance
Company

POLICY NUMBER
TBD

POLICY TERM
5/1/2024 to 5/1/2025

COVERAGES

BLANKET LIMITS

BLDG	SUBJECT	AMOUNT	VALUATION	COINS	CAUSE OF LOSS	DEDUCTIBLE
	Blanket Building (Lab) Conditions: Very Good	\$64,400	R	90%	Special (Including theft)	\$10,000
	Blanket Building (Lab) Conditions: Very Good	\$64,400	R	90%	Windstorm	5%
	Blanket BPP	\$5,625,000	R	90%	Special (Including theft)	\$10,000
	Blanket BPP	\$5,625,000	R	90%	Windstorm	5%
	Blanket BI/EE	\$9,171,771		90%	Special (Including theft)	72 Hours

LOCATION #1: 1 WICKERSHAM ST, MANGUM, OK 73554-0280

BLDG	SUBJECT	AMOUNT	VALUATION	COINS	CAUSE OF LOSS	DEDUCTIBLE
1	Business Personal Property Conditions: Windstorm or Hail deductible: 5%	\$5,000,000	R	90%	Special (Including theft)	\$10,000
1	Business Income with Extra Expense	\$7,818,272		90%	Special (Including theft)	72 Hours
2	Building Conditions: Windstorm or Hail deductible: 5%	\$64,400	R	90%	Special (Including theft)	\$10,000
2	Business Personal Property Conditions: Windstorm or Hail deductible: 5%	\$550,000	R	90%	Special (Including theft)	\$10,000

PROPERTY CONTINUOUS

2	Business Income with Extra Expense	\$402,797		90%	Special (Including theft)	72 Hours
LOCATION #2: 118 S LOUIS TITTLE AVE, MANGUM, OK 73554						
BLDG	SUBJECT	AMOUNT	VALUATION	COINS	CAUSE OF LOSS	DEDUCTIBLE
1	Business Personal Property Conditions: Windstorm or Hail deductible: 5%	\$75,000	R	90%	Special (Including theft)	\$10,000
1	Business Income with Extra Expense	\$950,702		90%	Special (Including theft)	72 Hours
LOCATION #3: 2 WICKERSHAM DRIVE, MANGUM, OK 73554						
BLDG	SUBJECT	AMOUNT	VALUATION	COINS	CAUSE OF LOSS	DEDUCTIBLE
1	Business Personal Property (Leased Bldg) Conditions: Windstorm or Hail deductible: 5%	\$79,090	R	90%	Special (Including theft)	\$10,000
1	Business Income with Extra Expense	\$950,702		90%	Special (Including theft)	72 Hours

Marketing Efforts:

- **Affiliated FM – too small for monoline property**
- **C N A – too small for monoline property**
- **Chubb – Too small for monoline property**
- **Hartford – will not write hospitals**
- **Socius – Declined/Cannot compete**
- **Travelers – will not write hospitals**
- **Union Standard – will not write hospitals**
- **Zurich – Too small/minimum premium is \$50,000.**

VALUATION DEFINITIONS

(A) Actual Cash Value	(G) Guaranteed Replacement Cost	(R) Replacement Cost
(B) Business Income Changes	(I) Invoice Cost	(S) Stated Amount
(C) Agreed Amount (Waived Coinsurance) and Replacement Cost	(L) Actual Loss Sustained	(T) Total Insured Value
(D) Reproduction	(M) Market Value	(U) Full Value Replacement Cost
(E) Agreed Amount (Waived Coinsurance)	(O) Other	(V) Agreed Value
(F) Functional Replacement Cost	(P) Selling Price	(X) Extended Value Replacement Cost

REMARKS

- Earthquake/Flood - Earthquake:
 - Any One Covered Premises \$2,000,000
 - All Covered Premises in Any Single Policy Year \$2,000,000
 - Deductible: \$50,000

- Flood:
 - Any One Covered Premises \$1,000,000
 - All Covered Premises in Any Single Policy Year \$1,000,000
 - Deductible: \$50,000

- Transit Deductible: \$10,000 -

DIRECTORS & OFFICERS AND EMPLOYMENT PRACTICES

COMPANY Continental Casualty Company	POLICY NUMBER TBD	POLICY TERM 5/1/2024 to 5/1/2025
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COVERAGES

COVERAGE FORM: Claims Made

LIMITS		
Directors and Officers and Entity Liability	\$1,000,000 Limit	\$25,000 Retention
Side A Additional Limit	\$1,000,000 Limit	
Demand Response Costs Sublimit	\$250,000 Limit	
Crisis Event Expense Sublimit	\$25,000 Limit	
Annual Policy Aggregate	\$1,000,000	

DEFENSE

The cost of defending claims is the limit of liability

EMPLOYMENT PRACTICES LIABILITYCOVERAGES

COVERAGE FORM: Claims Made

LIMITS		
Employment Practices Liability Limit per Occurrence	\$1,000,000	\$35,000 Retention
Employment Practices Liability Aggregate per Claim	\$1,000,000 Annual Aggregate	
Duty to Defend		

DEFENSE

The cost of defending claims is the limit of liability

If there is any event, that may occur or has occurred and which may ultimately result in a claim, and that would have been covered by this policy, it is necessary that you advise us immediately of it so that it may be reported to the insurance company prior to the policy expiration date or within any Extended Reporting Period

Marketing Efforts:

- Chubb – decline due to poor financials
- Allied World – cannot compete – Premium upwards of \$26,000
- Travelers – declined due to poor financials
- Zurich – cannot compete with C N A

Mangum City Hospital Authority		
Arch Specialty Insurance Company - Option 1 Cyber Quote		
Non-Admitted in state of Oklahoma		
Policy Period Premium: \$13,164.64 (Includes Taxes and Fees)		
Maximum Single Limit of Insurance /Maximum Policy Aggregate Limit of Insurance	\$1,000,000 Per Occurrence/\$1,000,000 Annual Aggregate	
Cyber Policy-Insuring Agreements include, but are not limited to;	4/21/2024 to 4/21/2025	Full Prior Acts Coverage
Third Party Coverages (Claims made & reported):	Limit of Insurance Each Incident	Retention
Network and Information Security Liability	\$1MIL Per Occurrence/\$1 MIL Aggregate	\$10,000
Regulatory Defense and Penalties	\$1MIL Per Occurrence/\$1 MIL Aggregate	\$10,000
Multimedia Content Liability	\$1MIL Per Occurrence/\$1 MIL Aggregate	\$10,000
PCI Fines and Assessments	\$1MIL Per Occurrence/\$1 MIL Aggregate	\$10,000
First Party Insuring Agreements (Claims made & reported):	Limit of Insurance Each Incident	Retention
Breach Response Separate Limit and in Addition to Policy Limit Endorsement	\$1MIL Per Occurrence/\$1 MIL Aggregate	\$10,000
Crisis Management and Public Relations	\$1MIL Per Occurrence/\$1 MIL Aggregate	\$10,000
Cyber Extortion Coverage	\$1MIL Per Occurrence/\$1 MIL Aggregate	\$10,000
Business Interruption Coverage and Extra Expense	\$1MIL Per Occurrence/\$1 MIL Aggregate	\$10,000/ 8 Hour
Digital Asset Restoration	\$1MIL Per Occurrence/\$1 MIL Aggregate	\$10,000
Endorsements: This is not an all-inclusive list - please review your policy and its forms for full coverage review.		
Breach Response Separate Limit and in Addition to Policy Limit Endorsement		
Bodily Injury and Property Damage 3rd Party - \$250,000 Limit/\$10,000 Retention		
Bodily Injury and Property Damage 1st Party - \$250,000 Limit/\$10,000 Retention		
Computer Replacement Endorsement - \$1,000,000 Limit/\$10,000 Retention		
Service Fraud - \$100,000 Limit/\$10,000 Retention		
Reputational Harm Loss - \$1,000,000 Limit/Waiting Period is 14 days		
Pollution - \$250,000 Limit/\$10,000 Retention		
Reputation Repair (Crisis Management and Public Relations) - \$1,000,000 Limit/\$10,000 Retention		
Subjectivities:		
The quotation is subject to truthfulness and accuracy of the responses to questions on the application.		
An authorized representative of the Named Insured signs the Coalition application within 10 days of issuance of a binder or coverage will not take effect.		
Payment Options: Pay in Full or Premium Finance		
<i>*Pre-Claim Assistance is included in the policy .</i>		
Marketing Efforts:		
Magmutual - Decline/insufficient controls		
Chubb - Lack of Controls		
C N A - Lack of Controls		

Mangum City Hospital Authority		
CFC - Option 2 Cyber Quote		
Non-Admitted in state of Oklahoma		
Policy Period Premium: \$8,653.26 (Includes Taxes and Fees)		
Maximum Single Limit of Insurance /Maximum Policy Aggregate Limit of Insurance*	\$1,000,000 Per Occurrence/\$1,000,000 Annual Aggregate	Defense Costs are inside the Limit and subject to Agg
Cyber Policy-Insuring Agreements include, but are not limited to;	4/21/2024 to 4/21/2025	Full Prior Acts Coverage
INSURING CLAUSE 1 - Cyber Incident Response (Claims made & reported):	Limit of Insurance Each Claim*	Retention
Incident Response Costs	\$1MIL Per Occurrence	\$0
Legal & Regulatory Costs	\$1MIL Per Occurrence	\$5,000
IT Security & Forensic Costs	\$1MIL Per Occurrence	\$5,000
Crisis Communication Costs	\$1MIL Per Occurrence	\$5,000
Privacy Breach Management Costs	\$1MIL Per Occurrence	\$5,000
Third Party Privacy Breach Mngt Costs	\$1MIL Per Occurrence	\$5,000
Post Breach Remediation Costs	\$50,000 Per Occurrence	\$0
INSURING CLAUSE 2 - Cyber Crime	Limit of Insurance Each Claim*	Retention
Funds Transfer Fraud	\$250K Per Occurrence	\$5,000
Theft of Funds Held in Escrow	\$250K Per Occurrence	\$5,000
Theft of Personal Funds	\$250K Per Occurrence	\$5,000
Extortion	\$1MIL Per Occurrence	\$5,000
Corporate Identity Theft	\$250K Per Occurrence	\$5,000
Telephone Hacking	\$250K Per Occurrence	\$5,000
Push Payment Fraud	\$50,000 Per Occurrence	\$5,000
Unauthorized Use of Computer Resources	\$250K Per Occurrence	\$5,000
INSURING CLAUSE 3 - System Damage & Bus. Inc.	Limit of Insurance Each Claim*	Retention
System Damage & Rectification Costs	\$100K Per Occurrence	\$5,000
Income Loss & Extra Expense	\$1MIL Per Occurrence	\$5,000
Additional Extra Expense	\$100K Per Occurrence	\$5,000
Dependent Business Interruption	\$1MIL Per Occurrence	\$5,000
Consequential Reputational Harm	\$1MIL Per Occurrence	\$5,000
Claim Preparation Costs	\$25K Per Occurrence	\$0
Hardware Replacement Costs	\$1MIL Per Occurrence	\$5,000
INSURING CLAUSE 4 -Network Security & Privacy Liability	Limit of Insurance Each Claim*	Retention
Network Security Liability	\$1MIL Per Occurrence	\$5,000
Privacy Liability	\$1MIL Per Occurrence	\$5,000
Management Liability	\$1MIL Per Occurrence	\$5,000
Regulatory Fines	\$1MIL Per Occurrence	\$5,000
PCI Fines, Penalties, and Assessments	\$1MIL Per Occurrence	\$5,000
INSURING CLAUSE 5 - Media Liability	Limit of Insurance Each Claim*	Retention
Defamation	\$1MIL Per Occurrence	\$5,000
Intellectual Property Rights Infringement	\$1MIL Per Occurrence	\$5,000
Note: This is not an all inclusive list of coverage, please refer to actual insurance policies for details.		
*Note: Annual Aggregate Limit of Policy of \$1,000,000 is the Maximum Policy Limit amount Paid.		

Our Mission and Core Values

To manage risk for our Clients. To build a rewarding environment for our Colleagues. To produce an acceptable return for our Shareholders.



Integrity.

Trust forms the foundation of relationships and strengthens our

INSURICA Community.



Innovation.

Ingenuity is the competitive Advantage securing the future of our

INSURICA Community.



Purpose.

Passion transforms ordinary into extraordinary and delights our

INSURICA Community.

INSURICA colleagues consistently strive to uphold the agency's Mission and Core Values statements. By creating a corporate culture based on ethical behavior in the marketplace and fun in the workplace, INSURICA has been recognized many times as both a Best Practices Agency and a Best Places to Work employer. In 2019, leading insurance industry publication, Rough Notes, named INSURICA Agency of the Year.



Hospital Vendor Contract Summary Sheet

1. Existing Vendor New Vendor
2. **Name of Contract:** Philadelphia Indemnity Insurance Company
3. **Contract Parties:** MRMC/Philadelphia Insurance Company
4. **Contract Type Services:** Service Agreement
5. **Impacted Hospital Departments:** Hospital Building
6. **Contract Summary:** Under this agreement Philadelphia Indemnity Insurance Company will provide coverage for the property of the hospital and for the annex. This will provide blanket coverage for all the locations of Mangum Regional Medical center.
7. **Cost:** \$30,822
8. **Prior Cost:** \$21,110
9. **Term:** 1-year
10. **Termination Clause:** None
11. **Other:**



PHILADELPHIA INSURANCE COMPANIES

A Member of the Tokio Marine Group

One Bala Plaza, Suite 100, Bala Cynwyd, Pennsylvania 19004
610.617.7900 • Fax 610.617.7940 • PHL.Y.com

04/24/2023

Mangum City Hospital Authority
dba Mangum Regional Medical Center
PO Box 280
Mangum, OK 73554-0280

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Dear Valued Customer:

Thank you very much for choosing Philadelphia Insurance Companies (PHLY) for your insurance needs. Our A++ (Superior) AM Best financial strength rating is one reason why over 700,000 policyholders have put their trust in us. We invite you to experience The PHL.Y Difference, which includes:

- Exceptional Customer Service
- Complimentary & Tailored Risk Management
- Best in Class Claims Experience
- Industry Leading Coverage
- Team PHL.Y Working for You!

We realize you have a choice in insurance companies, and we truly appreciate your business. Welcome to TeamPHLY, and please visit us at PHL.Y.com to learn more about The PHL.Y Difference!

Sincerely,

John W. Glomb, Jr.
President & CEO
Philadelphia Insurance Companies

JWG/sm

U.S. TREASURY DEPARTMENT'S OFFICE OF FOREIGN ASSETS CONTROL ("OFAC") ADVISORY NOTICE TO POLICYHOLDERS

No coverage is provided by this Policyholder Notice nor can it be construed to replace any provisions of your policy. You should read your policy and review your Declarations page for complete information on the coverages you are provided.

This Notice provides information concerning possible impact on your insurance coverage due to directives issued by OFAC. **Please read this Notice carefully.**

The Office of Foreign Assets Control (OFAC) administers and enforces sanctions policy, based on Presidential declarations of "national emergency". OFAC has identified and listed numerous:

- Foreign agents;
- Front organizations;
- Terrorists;
- Terrorist organizations; and
- Narcotics traffickers;

as "Specially Designated Nationals and Blocked Persons". This list can be located on the United States Treasury's web site – <http://www.treas.gov/ofac>.

In accordance with OFAC regulations, if it is determined that you or any other insured, or any person or entity claiming the benefits of this insurance has violated U.S. sanctions law or is a Specially Designated National and Blocked Person, as identified by OFAC, this insurance will be considered a blocked or frozen contract and all provisions of this insurance are immediately subject to OFAC. When an insurance policy is considered to be such a blocked or frozen contract, no payments nor premium refunds may be made without authorization from OFAC. Other limitations on the premiums and payments also apply.

PROPERTY – NOTICE OF LOSS

SECTION I – REPORT OF LOSS	
Was the loss previously reported to us? If Yes, provide the claim or reference number if available:	<input type="checkbox"/> Yes <input type="checkbox"/> No
Was it previously reported to another insurer? If Yes, provide the name of that insurer and the claim or reference number if available:	<input type="checkbox"/> Yes <input type="checkbox"/> No

SECTION II – AGENT OR BROKER INFORMATION	
Name of Agent or Broker: Address:	
Daytime Phone No.: E-Mail Address: Agency Code:	Evening Phone No.: Fax No.: Agency Subcode:

SECTION III – NAMED INSURED AND PERSON TO CONTACT INFORMATION	
Named Insured: Address:	
Daytime Phone No.: E-Mail Address: Agency Customer ID:	Evening Phone No.: Fax No.: Site or Location Code:
Name of Contact (if different from Named Insured): Address:	
Daytime Phone No.: E-Mail Address:	Evening Phone No.: Fax No.:

SECTION IV – POLICY INFORMATION	
Insurance Company: Policy No.: Policy Effective Date:	
Policy Expiration Date:	
Type of Policy: <input type="checkbox"/> Property <input type="checkbox"/> Businessowners <input type="checkbox"/> Flood <input type="checkbox"/> Wind <input type="checkbox"/> Other (Describe):	

SECTION V – LOSS INFORMATION
Date and Time of Loss:
Location of Loss (Include City and State):
Specify the Cause of Loss (Fire, Lightning, Hail, Theft, Wind, etc.):
Description of Loss:
Authorities Contacted (if applicable):

SECTION VI – WITNESSES (if applicable)
Name: Address:
Daytime Phone No.: Evening Phone No.:
Name: Address:
Daytime Phone No.: Evening Phone No.:
Attach additional sheet(s) if necessary.

SECTION VII – INFORMATION ON OTHER INSURANCE (whose policy may also apply to the loss)
Insurance Company: Named Insured: Policy No.: Policy Effective Date: Policy Expiration Date:
Type of Policy: <input type="checkbox"/> Property <input type="checkbox"/> Businessowners <input type="checkbox"/> Flood <input type="checkbox"/> Wind <input type="checkbox"/> Other (Describe):
Are you an additional insured on this policy? <input type="checkbox"/> Yes <input type="checkbox"/> No
Attach additional sheet(s) if more than two policies apply to the claim.

SECTION VIII – ADDITIONAL COMMENTS

SECTION IX – NAMES AND SIGNATURE
Name of Person Reporting the Loss:
Name of Company or Agency Person the Loss Is Reported To:
Signature of Insured/Agent or Broker:
Date:

FRAUD STATEMENT

Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

FRAUD STATEMENT TO ALABAMA APPLICANTS

Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or who knowingly presents false information in an application for insurance is guilty of a crime and may be subject to restitution, fines or confinement in prison, or any combination thereof.

FRAUD STATEMENT TO ARIZONA APPLICANTS

For your protection Arizona law requires the following statement to appear on this form. Any person who knowingly presents a false or fraudulent claim for payment of a loss is subject to criminal and civil penalties.

FRAUD STATEMENT TO ARKANSAS APPLICANTS

Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

FRAUD STATEMENT TO COLORADO APPLICANTS

It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance, and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to settlement or award payable from insurance proceeds shall be reported to the Colorado division of insurance within the department of regulatory agencies.

FRAUD STATEMENT TO DISTRICT OF COLUMBIA APPLICANTS

WARNING: It is a crime to provide false, or misleading information to an insurer for the purpose of defrauding the insurer or any other person. Penalties include imprisonment and/or fines. In addition, an insurer may deny insurance benefits if false information materially related to a claim was provided by the applicant.

FRAUD STATEMENT TO FLORIDA APPLICANTS

Any person who knowingly, and with intent to injure, defraud, or deceive any insurer files a statement of claim or an application containing any false, incomplete or misleading information is guilty of a felony of the third degree.

FRAUD STATEMENT TO HAWAII APPLICANTS

For your protection, Hawaii law requires you to be informed that any person who presents a fraudulent claim for payment of a loss or benefit is guilty of a crime punishable by fines or imprisonment, or both.

FRAUD STATEMENT TO IDAHO APPLICANTS

Any person who knowingly, and with intent to defraud or deceive any insurance company, files a statement of claim containing any false, incomplete or misleading information is guilty of a felony.

FRAUD STATEMENT TO KANSAS APPLICANTS

Any person who commits a fraudulent insurance act is guilty of a crime and may be subject to restitution, fines and confinement in prison. A fraudulent insurance act means an act committed by any person who, knowingly and with intent to defraud, presents, causes to be presented or prepares with knowledge or belief that it will be presented to or by an insurer, purported insurer or insurance agent or broker, any written statement as part of, or in support of, an application for insurance, or the rating of an insurance policy, or a claim for payment or other benefit under an insurance policy, which such person knows to contain materially false information concerning any material fact thereto; or conceals, for the purpose of misleading, information concerning any fact material thereto.

FRAUD STATEMENT TO KENTUCKY APPLICANTS

Any person who knowingly and with intent to defraud any insurance company or other person files a statement of claim containing any materially false information, or conceals, for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime.

FRAUD STATEMENT TO LOUISIANA APPLICANTS

Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

FRAUD STATEMENT TO MAINE APPLICANTS

It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties may include imprisonment, fines, or a denial of insurance benefits.

FRAUD STATEMENT TO MARYLAND APPLICANTS

Any person who knowingly or willfully presents a false or fraudulent claim for payment of a loss or benefit or who knowingly or willfully presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

FRAUD STATEMENT TO MINNESOTA APPLICANTS

Any person who files a claim with intent to defraud or helps commit a fraud against an insurer is guilty of a crime.

FRAUD STATEMENT TO NEW HAMPSHIRE APPLICANTS

Any person who, with purpose to injure, defraud or deceive any insurance company, files a statement of claim containing any false, incomplete or misleading information is subject to prosecution and punishment for insurance fraud, as provided in RSA 638:20.

FRAUD STATEMENT TO NEW JERSEY APPLICANTS

Any person who knowingly files a statement of claim containing any false or misleading information is subject to criminal and civil penalties.

FRAUD STATEMENT TO NEW MEXICO APPLICANTS

Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to civil fines and criminal penalties.

FRAUD STATEMENT TO OHIO APPLICANTS

Any person who, with intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud.

FRAUD STATEMENT TO OKLAHOMA APPLICANTS

WARNING: Any person who knowingly, and with intent to injure, defraud or deceive any insurer, makes any claim for the proceeds of an insurance policy containing any false, incomplete or misleading information is guilty of a felony.

FRAUD STATEMENT TO OREGON APPLICANTS

Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents materially false information in an application for insurance may be guilty of a crime and may be subject to fines and confinement in prison.

In order for us to deny a claim on the basis of misstatements, misrepresentations, omissions or concealments on your part, we must show that:

- A.** The misinformation is material to the content of the policy;
- B.** We relied upon the misinformation; and
- C.** The information was either:
 1. Material to the risk assumed by us; or
 2. Provided fraudulently.

For remedies other than the denial of a claim, misstatements, misrepresentations, omissions or concealments on your part must either be fraudulent or material to our interests.

With regard to fire insurance, in order to trigger the right to remedy, material misrepresentations must be willful or intentional.

Misstatements, misrepresentations, omissions or concealments on your part are not fraudulent unless they are made with the intent to knowingly defraud.

FRAUD STATEMENT TO PENNSYLVANIA APPLICANTS

Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

FRAUD STATEMENT TO TENNESSEE APPLICANTS

It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines and denial of insurance benefits.

FRAUD STATEMENT TO VIRGINIA APPLICANTS

It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines and denial of insurance benefits.

FRAUD STATEMENT TO WASHINGTON APPLICANTS

It is a crime to knowingly provide false, incomplete, or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines, and denial of insurance benefits.

OKLAHOMA FRAUD STATEMENT

WARNING – Any person who knowingly, and with intent to injure, defraud or deceive any insurer, makes any claim for the proceeds of an insurance policy containing any false, incomplete or misleading information is guilty of a felony.

PHLY Customer Service

VISIT [MyPHLY.COM](https://www.phly.com) TO GET STARTED



MyPHLY ONLINE PORTAL

- Enhanced Self Service Options and Mobile Browsing
- View Payment History, Invoices, and Policy Documents
- Report and Search Claims
- Direct Deposit Commission Payments
- Edit User Profile and Contact Information



DIRECT CUSTOMER BILLING BENEFITS

- Receive invoice direct from PHLY
- Go Paperless with e-billing
- Never forget a payment with PHLY Recurring Payments
- Flexible Payment Plans
- Automated Payment Application for faster processing



PAYMENT OPTIONS

- Online – [PHLY.com/MyPHLY](https://www.phly.com/MyPHLY)
- Phone – 877.438.7459, option 1
- Mail – P.O. Box 70251, Philadelphia, PA 19176-0251



ON DEMAND CUSTOMER SERVICE ACCESS

- Live Chat - [PHLY.com](https://www.phly.com)
- Phone - 877.438.7459
- Email - service@phly.com
- Hours: Monday - Friday 8:30 a.m. - 8:00 p.m. ET



The PHLY *Difference*

800.873.4552
PHLY.com



The PHLY Difference



PHLY Customer Service

Exceptional Customer Service

- Net Promoter Score among the industry's best
- Voice of the Customer empowers customer feedback
- Self Service at MyPHLY.com
- Direct Bill with payment plans
- Dedicated billing representative

PHLY RISK MANAGEMENT SERVICES

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- PHLYSense Temperature/Water Monitoring Program



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- In-house Recovery and Subrogation
- Claim-specific reserving practices

TEAMPHLY

TEAMPHLY - working for you!

- Marketing/Underwriting/Account Management team advocating on your behalf
- Account Stewardship
- Giving back to local communities



Industry Leading coverages

- Full Suite of coverages - package, automobile, umbrella, D&O, Cyber, A&H, Environmental, Surety
- Industry specific coverage enhancements
- Admitted & Non-admitted



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800.873.4552 | **PHLY.com**

Philadelphia Insurance Companies is the marketing name for the insurance company subsidiaries of the Philadelphia Consolidated Holding Corp., a Member of the Tokio Marine Group. Coverage(s) described may not be available in all states and are subject to underwriting and certain coverage(s) may be provided by a surplus lines insurer. Surplus lines insurers do not generally participate in state guaranty funds and insureds are therefore not protected by such funds. | © 2021 Philadelphia Consolidating Holding Corp., All Rights Reserved.



TOKIO MARINE
 To Be a Good Company



Risk Management Services

PHLY RMS RESOURCES

Welcome to Philadelphia Insurance Companies (PHLY)! As a PHLY customer, your organization now has access to tools and services that can assist in your risk management efforts. Our Risk Management Services (RMS) Consultants can provide in-person assistance, from leading employee safety meetings to providing valuable guidance regarding safety best practices.

PHLY also provides various risk management tools and resources at little or no additional cost to your organization.

To access these resources, please take a moment to [register on our website](#). If you already have an account on PHLY.com, please [log in](#) to access Risk Management Services resources.

Risk Management Resources

We encourage you to explore the following risk management resources:

PHLYTRAC

PHLYTrac: PHLY's telematics tool providing an online dashboard that tracks location, speeding, hard breaking, and other fleet statistics - PROVIDED AT NO COST TO ELIGIBLE PHLY CUSTOMERS!

[PHLYTRAC](#)

PHLYSENSE

The **PHLYSense** System is a property monitoring tool that uses a sensor to provide immediate alerts to hazardous property conditions, such as low temperature or the presence of moisture. Provided at no cost to our customers with property coverage.

[PHLYSENSE](#)

ABUSEPREVENTIONSYSTEMS

Abuse Prevention Resources: Online training and policy support to help improve the safety of child-serving operations (at no cost to our customers with Abuse coverage)

[Abuse Prevention System](#)

IntelliCorp

IntelliCorp: Provides a discounted background check package as well as discounted pricing for add-on services, such as Motor Vehicle Reports (MVRs).

[IntelliCorp](#)

SMARTERNOW! RMS WEB-BASED TRAINING

SmarterNow: PHLY's no-cost Learning Management System that provides online training, assignment, and reporting capabilities. Trainings include defensive driver, discrimination in the workplace, security awareness, and many more

[SMARTERNOW!](#)

WILSON ELSER

Wilson Elser Hotline: Provides two hours of legal consultation per occurrence. Provided at no cost for our Management and Professional and EPLI policyholders.

[Wilson Elser](#)

CONTACT

For questions about your organization's risk management needs and information on PHLY's Risk Management Services please contact PHLY RMS:
Phone: 1.800.873.4552 #4 (Mon-Fri 8:30 a.m. - 5:00 p.m. ET)

E-mail: phlyrms@phly.com

800.873.4552 | **PHLY.com**

The PHLY *Difference*

Philadelphia Insurance Companies is the marketing name for the insurance company subsidiaries of the Philadelphia Consolidated Holding Corp., a Member of the Tokio Marine Group. Coverage(s) described may not be available in all states and are subject to underwriting and certain coverage(s) may be provided by a surplus lines insurer. Surplus lines insurers do not generally participate in state guaranty funds and insureds are therefore not protected by such funds. | © 2021 Philadelphia Consolidating Holding Corp., All Rights Reserved.



TOKIO MAR UP
To Be a Good Company

Philadelphia Indemnity Insurance Company

Commercial Lines Policy

THIS POLICY CONSISTS OF:

- DECLARATIONS
- COMMON POLICY CONDITIONS
- ONE OR MORE COVERAGE PARTS. A COVERAGE PART CONSISTS OF:
 - ONE OR MORE COVERAGE FORMS
 - APPLICABLE FORMS AND ENDORSEMENTS

IN WITNESS WHEREOF, we have caused this policy to be executed and attested, and, if required by state law, this policy shall not be valid unless signed by our authorized representative.



John W. Glomb, Jr.
President & CEO



Secretary



Mangum City Hospital Authority
dba Mangum Regional Medical Center
PO Box 280
Mangum, OK 73554-0280

OKLAHOMA NOTICE REGARDING: EARTHQUAKES RESULTING FROM OIL AND GAS ACTIVITIES

The Oklahoma Department of Insurance is requiring all companies to send this notice.

The following applies if your policy contains Earthquake coverage:

Subject to all policy provisions, the coverage provided by this policy IS NOT intended to cover earthquake damage resulting from:

- a. extracting oil or gas from below the earth's surface by any process, including but not limited to hydraulic fracturing or drilling; or
- b. injecting or inserting any substance, including but not limited to, water and wastewater, below the earth's surface for any purpose; or
- c. storage of any substance, including but not limited to, water and wastewater below the earth's surface for any purpose; or

ANY COMBINATION OF A. - C. ABOVE.

Please note that your producer is also receiving this notice.

**NOTICE
LATE FEE
NON-SUFFICIENT FUNDS FEE
REINSTATEMENT FEE**

Late Fee

Please be advised that if your payment is late (payment is not received within five days of the payment due date indicated on the invoice), you will be charged a late fee of \$25* (where permitted).

Non-Sufficient Funds Fee

Please be advised that if your payment is returned for non-sufficient funds, you will be charged a fee of \$25** (where permitted).

Reinstatement Fee

Please be advised that if your policy is cancelled due to non-payment of the premium and we agree to reinstate your policy, you will be charged a reinstatement fee of \$50*** (where permitted).

These fees are in addition to any premium owed on the policy and each fee can apply more than once during the policy term.

*\$10 in Florida, Maryland, South Carolina

**\$15 in Florida and \$20 in New York

***\$25 in Delaware, Georgia, New Hampshire and New Mexico; and \$15 in Kansas and Nebraska

ALL COMMERCIAL LINES

PRIVACY NOTICE FOR COMMERCIAL LINES

This notice is provided on behalf of Philadelphia Indemnity Insurance Company

PURPOSE OF THIS NOTICE

When you apply for or become an insured under, the insurance policies we issue, we gather certain non-public information or “NPI” about your business and its employees. We are committed to safeguarding the NPI you entrust to us. The purpose of this notice is, therefore, to let you know how we collect, use, share and protect the NPI you provide to us in those contexts.

That means this notice applies only to your business interactions with us involving your application for a quote or as a policy holder. NPI we may collect from you in connection with other interactions, such as when you or your employees visit one of our general interest, publicly accessible websites, is governed by the separate notices and policies we publish on those relevant sites or otherwise provide to you.

When we refer in this notice to your “NPI”, we mean non-public information as that term is generally defined and applied under the New York Department of Financial Services’ Cybersecurity Regulation, the Gramm-Leach-Bliley Act and the National Association of Insurance Commissioners’ Data Security Model Law which includes non-public information about your business, such as financial information, account numbers, loss history, personal non-public information of your employees including social security number, address or medical information and any proprietary information we obtain about your business or your customers.

Due to a variety of factors, including certain explicit exemptions they contain, this notice and the NPI we collect from you in connection with the above-described business interactions ***is not*** governed by the EU General Data Protection Regulation, its related EU and Swiss Privacy Shield or the California Consumer Privacy Act.

COLLECTING YOUR NPI

In the course of, or as part of a business interaction, we collect your NPI both directly from you, or from the agents, brokers or other intermediaries acting on your or our behalf, as well as from a variety of additional sources including:

- the applications or other forms you provide to us (these forms may contain your name, address, social security number, marital status, date of birth, gender, length of employment, prior insurance information, home ownership, residency history, vehicle type, vehicle use, or driving history)
- your transactions with us, our other affiliates of the Tokio Marine Group as well as third parties (this information would include, for example, premium payment and claims history)
- consumer or independent reporting agencies (for example your motor vehicle report, property inspection report, accident report or claim report)

USING YOUR NPI

We use your NPI in a variety of ways such as creating and issuing a quote, underwriting or otherwise processing and servicing your insurance policy, handling claims you may have and offering you additional products and services that we think may be of interest to you as well as for related research and analytics purposes.

PP 20 20 (02/20)

SHARING YOUR NPI

We do not disclose or share any NPI about our customers or former customers outside of the Tokio Marine Group, except as permitted by law. We do not sell or disclose or share your NPI for third party marketing purposes. We do, however, share your NPI with third parties that we use to service your account or process your insurance policy or your claim, or administer related transactions. These third parties may include:

- your agent, broker or producer
- independent claims adjusters, investigators, data processors or attorneys
- persons or organizations that conduct scientific research, including actuarial or underwriting studies
- an insurance support organization or another insurer, to prevent or prosecute fraud or to properly underwrite the risk
- another insurer, if you are involved in an accident with their insured
- State insurance departments or other governmental or law enforcement authorities, if required by law, to protect our legal interests or in cases of suspected fraud or illegal activities
- a court of law

We also are required to disclose your NPI if we receive a subpoena, search warrant or other court order.

RETAINING YOUR NPI

The NPI we collect is kept in your policy and/or claim files for as long as needed in connection with your business interactions with you and, if longer, as required by law.

HOW WE PROTECT YOUR NPI

We have adopted and implemented a security and privacy program that includes technical, organizational, administrative, and other measures designed to protect, as required by applicable law and in accordance with industry standards, against reasonably anticipated or actual threats to the security of your NPI. Our security program was created by reference to widely recognized standards such as those published by the International Standards Organization and National Institute of Standards and Technology. It includes, among many other things, procedures for assessing the need for, and as appropriate, either employing encryption and multi-factor authentication or using equivalent compensating controls. As part of our security program, we have specific incident response and management procedures that are activated whenever we become aware that your NPI was likely to have been compromised.

CHANGES TO THIS NOTICE

We may amend this notice from time to time and will inform you of these changes as required by law.

QUESTIONS AND CONTACT INFORMATION

If you have any questions about this notice or how we collect, use, share and protect your NPI, please contact the Chief Privacy Officer of TMNA Services, LLC, who acts as the privacy and data security administrator for most of the Tokio Marine Group in North America. The Chief Privacy Officer's contact information is:

Attn: Privacy Office
TMNA Services, LLC
3 Bala Plaza East, Suite 400
Bala Cynwyd, Pennsylvania 19004
610-227-1300



A Member of the Tokio Marine Group

One Bala Plaza, Suite 100
Bala Cynwyd, Pennsylvania 19004
610.617.7900 Fax 610.617.7940
PHLY.com

Item 16.

Philadelphia Indemnity Insurance Company
A Stock Company (Nonparticipating)
COMMON POLICY DECLARATIONS

Policy Number: PHPK2544394

Named Insured and Mailing Address:

Mangum City Hospital Authority
dba Mangum Regional Medical Center
PO Box 280
Mangum, OK 73554-0280

Producer: 2852

INSURICA, Inc.
5100 N Classen Blvd Ste 300
Oklahoma City, OK 73118

Policy Period From: 05/01/2023 **To:** 05/01/2024

(405)523-2100

at 12:01 A.M. Standard Time at your mailing
address shown above.

Business Description: Medical Facilities/Hospitals

IN RETURN FOR THE PAYMENT OF THE PREMIUM, AND SUBJECT TO ALL THE TERMS OF THIS
POLICY, WE AGREE WITH YOU TO PROVIDE THE INSURANCE AS STATED IN THIS POLICY.

THIS POLICY CONSISTS OF THE FOLLOWING COVERAGE PARTS FOR WHICH A PREMIUM IS
INDICATED. THIS PREMIUM MAY BE SUBJECT TO ADJUSTMENT.

	PREMIUM
Commercial Property Coverage Part	
Commercial General Liability Coverage Part	
Commercial Crime Coverage Part	
Commercial Inland Marine Coverage Part	
Commercial Auto Coverage Part	
Businessowners	
Workers Compensation	
UltimateCover Property Coverage Part	25,332.00

Total **\$ 25,332.00**

Total Includes Federal Terrorism Risk Insurance Act Coverage **613.00**

CPD-PIIC-CW (02/21)

Includes copyrighted material of Insurance Services Office, Inc., with its permission.

*Omits applicable Forms and Endorsements if shown in specific Coverage Part/Coverage Form Declarations



Secretary



President and CEO

Philadelphia Indemnity Insurance Company
Form Schedule – Policy

Policy Number: PHPK2544394

Forms and Endorsements applying to this Coverage Part and made a part of this policy at time of issue:

Form	Edition	Description
BJP-190-1	1298	Commercial Lines Policy Jacket
OK Fracking Notice	1215	OK Notice: Earthquakes From Oil And Gas Activities
PI-FEES-NOTICE 1	1119	Notice Late/Non-Sufficient Funds/Reinstatement Fee
PP2020	0220	Privacy Notice For Commercial Lines
CPD-PIIC-CW	0221	Common Policy Declarations
PI-LOC-SCH	0820	Location Schedule
PI-NI-SCH	0820	Named Insured Schedule
PI-BELL-1	1109	Bell Endorsement
PI-CME-1	1009	Crisis Management Enhancement Endorsement
IL0017	1198	Common Policy Conditions
IL0174	0702	Oklahoma Changes - Appraisal
IL0179	1002	Oklahoma Notice
IL0236	0907	Oklahoma Changes - Cancellation and Nonrenewal
PI-ACL-001 OK	1218	Absolute Cyber Liability And Electronic Exclusion
PI-TER-DN1	0121	Disclosure Notice Of Terrorism Ins Coverage Rejection

Philadelphia Indemnity Insurance Company
Locations Schedule

Policy Number: PHPK2544394

Prem. Bldg.

No. No. Address

0001 0001 1 Wickersham St
Mangum, OK 73554-9117

0001 0002 1 Wickersham St
Mangum, OK 73554-9117

0002 0001 118 S Louis Tittle Ave
Mangum, OK 73554-4441

Philadelphia Indemnity Insurance Company
Named Insured Schedule

Policy Number: PHPK2544394

Cohesive Healthcare Management
& Consulting LLC

EXCLUSION OF LOSS DUE TO VIRUS OR BACTERIA ADVISORY NOTICE TO POLICYHOLDERS

This Notice does not form a part of your insurance contract. No coverage is provided by this Notice, nor can it be construed to replace any provisions of your policy (including its endorsements). If there is any conflict between this Notice and the policy (including its endorsements), the provisions of the policy (including its endorsements) shall prevail.

Carefully read your policy, including the endorsements attached to your policy.

This Notice provides information concerning the following new endorsement, which applies to your new or renewal policy being issued by us:

Exclusion Of Loss Due To Virus Or Bacteria Endorsement CP 01 40 07 06

This endorsement makes an explicit statement regarding a risk that is not covered under your Commercial Property insurance. It points out that there is no coverage under such insurance for loss or damage caused by or resulting from any virus, bacterium or other microorganism that induces or is capable of inducing physical distress, illness or disease. The exclusion in this endorsement applies to all coverages provided by your Commercial Property insurance, including (if any) property damage and business income coverages.

ULTIMATECOVER PROPERTY COVERAGE PART DECLARATIONS

Policy Number PHPK2544394

Effective Date: 05/01/2023

Expiration Date: 05/01/2024
12:01 a.m., Standard Time

Extension of Declarations is attached

Business Description

Medical Facilities/Hospitals

Description of Premises

Prem. No.	Bldg. No.	Location, Construction and Occupancy	
0001	0001	1 Wickersham St Mangum, OK 73554-9117 HOSPICE FACILITIES	MASONRY NON-COMBUSTIBLE
0001	0002	1 Wickersham St Mangum, OK 73554-9117 HOSPICE FACILITIES	MASONRY NON-COMBUSTIBLE
0002	0001	118 S Louis Tittle Ave Mangum, OK 73554-4441 HOSPICE FACILITIES	MASONRY NON-COMBUSTIBLE

Limits of Insurance

Insurance applies only for coverage for which a Limit of Insurance is shown.

Property at Specified Premises

Prem. No.	Bldg. No.	Your Business Personal Property	Personal Property of Others	Buildings
0001	0001	BKT #2		
0001	0002	BKT #2		BKT #1
0002	0001	BKT #2		

Personal Property at Location not Specifically Identified: \$100,000, unless a higher limit is shown on the Additional Coverage Summary Declarations.

Personal Property in Transit: \$50,000, unless a higher limit is shown on the Additional Coverage Summary Declarations.

These declarations are part of the policy declarations containing the Name of the Insured and the policy period.

Applications of Limits

- Specific Blanket - See Form PI-ULTD-006
 Exceptions:

Deductibles

Building \$ Business Personal Property \$ Transit \$ 10,000

SEE MULTIPLE DEDUCTIBLE FORM(S)

Coinsurance

- 80% 90% 100% Agreed Value

Mortgage Holders

Prem. No. Bldg. No. Mortgage Holder Name and Address

SEE SCHEDULE ATTACHED

Forms and Endorsement

Forms and endorsements applying to this Coverage Part and made part of this policy at time of issue:

See Schedule of Forms and Endorsements attached.

Premium

Premium for this Coverage Part \$ 25,332.00

ADDITIONAL COVERAGE SUMMARY DECLARATIONS

Policy Number PHPK2544394

As per the Property Coverage Part Declarations this Coverage Part provides the following Additional Coverages and Coverage Extensions, subject to the Limits of Insurance shown below.

	Limits of Insurance
Brands and Labels	Included in Policy Limits
Claim Expenses	\$ 10,000
Contract Penalty Clause	\$ 25,000
Computer Property	Included in Personal Property Limits
Excavation and Landscaping	\$ 25,000
Fine Arts	\$ 25,000
Fines for False Alarms	\$ 5,000
Fire Department Service Charge	\$ 50,000
Fire, Sprinkler or Burglar Alarm Upgrade	\$ 50,000
Fish in Aquariums	\$ 1,000
Glass	Included in Policy Limits, except when PI-ULT-030 applies
Guard Dogs	\$ 1,000
Lost Key Replacement	\$ 2,500
Newly Acquired Property	\$1,000,000 Blanket Limit Real and Personal
Property	
New Construction	\$ 500,000
Ordinance or Law – Undamaged Portion	Included in Building Limit
Ordinance or Law – Demolition	\$ 250,000
Ordinance or Law – Increased Cost of Construction	\$ 250,000
Personal Effects – Portable Electronic Equipment – Away from Premises	\$ 1,000
Personal Effects - Premises	\$ 25,000
Personal Effects – Spouses	\$ 500
Personal Effects – Worldwide	\$ 1,000
Pollutant Cleanup and Removal	\$ 25,000
Precious Metals	\$ 2,500
Signs	Included in Personal Property Limits
Theft Damage to Building	Included in Personal Property Limits
Utility Service	\$ 10,000
Voluntary Parting	\$ 10,000

For the Additional Coverages and Coverage Extensions shown below, if a Superceding Limit of Insurance is shown, that Superceding Limit is the applicable Limit of Insurance.

	Limits of Insurance	Superseding Limits
Accounts Receivable	\$ 250,000	\$ _____
Arson Reward	\$ 25,000	\$ _____
Computer Virus Extraction Expense	\$ 2,500	\$ _____
Consequential Damage	\$ 25,000	\$ _____
Debris Removal	\$ 250,000	\$ _____
Personal Property in Transit	\$ 50,000	\$ _____
Personal Property at Locations not Specifically Identified	\$ 100,000	\$ _____
Valuable Papers and Records – Cost of Research	\$ 250,000	\$ _____

Philadelphia Indemnity Insurance Company

Form Schedule – UltimateCover

Policy Number: PHPK2544394

Forms and Endorsements applying to this Coverage Part and made a part of this policy at time of issue:

Form	Edition	Description
CP P 003	0706	Excl of Loss Due to Virus or Bacteria Advisory Notice
PI-ULTD-002	1198	Property Coverage Part Declarations
PI-ULTD-005	0513	Additional Coverage Summary Declarations
PI-ULTD-006	1198	UltimateCover Program Blanket Limits
CP0090	0788	Commercial Property Conditions
CP0140	0706	Exclusion of Loss Due to Virus or Bacteria
PI-SP-M-B	1005	Exclusion of Certain Earthquake Coverage
PI-SP-M-C	1005	Exclusion of Certain Flood Coverage
PI-ULT-007	1198	Property Coverage Form
PI-ULT-008	1198	Causes of Loss Form
PI-ULT-009	1198	Crime Coverage Form
PI-ULT-010	1198	Business Income with Extra Expense Coverage Form
ULT10COV	1198	Business Income with Extra Expense Coinsurance Sched
ULT10OPT	1198	Business Income with Extra Expense Optional Cov Sched
PI-ULT-018	0216	Windstorm Or Hail Percentage Deductible
PI-ULT-019	0906	Earthquake Endorsement
PI-ULT-021	1198	Flood Endorsement
PI-ULT-021A	0110	Flood Endorsement Location Schedule
PI-ULT-023	0701	Boiler and Machinery Endorsement
PI-ULT-056	0599	Oklahoma Changes - Replacement Cost Endorsement
PI-ULT-072	0321	Limitations On Fungus,Wet Rot, Dry Rot And Bacteria
PI-ULT-83	0401	Loss of Income due to Workplace Violence
PI-ULT-085	0516	Cap On Losses From Certified Acts Of Terrorism
PI-ULT-088	0419	Changes - Electronic Data
PI-ULT-089	0605	Multiple Deductible Form
PI-ULT-104	0908	Elite Property Enhancement: Nursing Homes/Medical Fac
PI-ULT-142	0814	Collapse - Exclusion And Additional Coverage Re-Stated
PI-ULT-148	1016	Boiler And Machinery - Separate Deductible Endorsement
PI-ULT-238	0119	Continuous Or Repeated Water Damage Exclusion

UltimateCover Program Blanket Limits

Policy Number: PHPK2544394

Agent # 2852

ULTIMATECOVER PROPERTY – BLANKET STATEMENT OF VALUES

Blanket No.	Coverage	Limit of Insurance	Co-Insurance
1	Building	\$ 64,400	90%
2	Bus Per Prop	\$ 5,625,000	90%
3	Bus Income-Ext	\$ 9,171,771	90%

These declarations are part of the policy declarations containing the name of the insured and the policy period.

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

One Bala Plaza, Suite 100
 Bala Cynwyd, Pennsylvania 19004
 610.617.7900 Fax 610.617.7940
 PHLI.com

Unless otherwise stated herein, the terms, conditions, exclusions and other limitations set forth in this endorsement are solely applicable to coverage afforded by this endorsement, and the policy is amended as follows:

I. SCHEDULE OF ADDITIONAL COVERAGES AND LIMITS

The following is a summary of Limits of Liability or Limits of Insurance and/or additional coverages provided by this endorsement. This endorsement is subject to the provisions of the policy to which it is attached.

COVERAGE	LIMITS OF INSURANCE
Business Travel Accident Benefit	\$50,000
Conference Cancellation	\$25,000
Donation Assurance	\$50,000
Emergency Real Estate Consulting Fee	\$50,000
Fundraising Event Blackout	\$25,000
Identity Theft Expense	\$50,000
Image Restoration and Counseling	\$50,000
Key Individual Replacement Expenses	\$50,000
Kidnap Expense	\$50,000
Political Unrest	\$5,000 per employee: \$25,000 policy limit
Temporary Meeting Space Reimbursement	\$25,000
Terrorism Travel Reimbursement	\$50,000
Travel Delay Reimbursement	\$1,500
Workplace Violence Counseling	\$50,000

II. CONDITIONS

A. Applicability of Coverage

Coverage provided by your policy and any endorsements attached thereto is amended by this endorsement where applicable.

B. Limits of Liability or Limits of Insurance

1. When coverage is provided by this endorsement and another coverage form or endorsement attached to this policy, the greater limits of liability or limits of insurance will apply. In no instance will multiple limits apply to coverages which may be duplicated within this policy. Additionally, if this policy and any other coverage part or policy issued to you by us, or any company affiliated with us, apply to the same occurrence, offense, wrongful act, accident or loss, the maximum limits of liability or limits of insurance under all such coverage parts or policies combined shall not exceed the highest applicable limits of liability or limits of insurance under any one coverage part or policy.
2. Limits of liability or limits of insurance identified in Section I. **SCHEDULE OF ADDITIONAL COVERAGES AND LIMITS** above are not excess of, but are in addition to the applicable Limits of Liability or Limits of Insurance stated in the Declarations.

C. Claim Expenses

Coverages provided herein are not applicable to the generation of claim adjustment costs by you; such as fees you may incur by retaining a public adjuster or appraiser.

III. ADDITIONAL COVERAGES

A. Business Travel Accident Benefit

We will pay a Business Travel Accident Benefit to the insured if a director or officer suffers injury or death while traveling on a common carrier for your business during the policy period.

For the purpose of Business Travel Accident Benefit coverage, injury means:

1. Physical damage to the body caused by violence, fracture, or an accident that results in loss of life not later than one hundred eighty (180) days after the policy expiration, the date of cancellation or the date of non-renewal;
2. Accidental loss of limbs or multiple fingers;
3. Total loss of sight, speech or hearing.

The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined. No deductible applies to this coverage.

The Business Travel Accident Benefit shall not be payable if the cause of the injury was:

1. An intentional act by the insured;
2. An act of suicide or attempted suicide;
3. An act of war; or
4. A disease process.

B. Conference Cancellation

We will reimburse the insured for any business-related conference expenses, paid by the insured and not otherwise reimbursed, for a canceled conference that an employee was scheduled to attend. The cancellation must be due directly to a "natural catastrophe" or a "communicable disease" outbreak that forces the cancellation of the conference.

With respect to a conference cancellation claim, it is further agreed as follows:

1. The insured employee must have registered for the conference at least thirty (30) days prior to the cancellation; and
2. The cancellation must be ordered by a local, state or federal Board of Health or other governmental authority having jurisdiction over the location of the conference.

The limit of insurance for this coverage is \$25,000 per policy period for all insureds combined. No deductible applies to this coverage.

C. Donation Assurance

If the insured is a 501(c)(3) status non-profit organization as defined in the United States Internal Revenue Code, we will reimburse the insured for "failed donation claim(s)."

With respect to any "failed donation claim," it is further agreed as follows:

1. The donor must not have been in bankruptcy, nor have filed for bankruptcy or reorganization in the past seven (7) years prior to the time said pledge was made to the insured;
2. For non-cash donations, our payment of a "failed donation claim" shall be based on the fair market value of said non-cash donation at the time of the "failed donation claim";
3. In the case of unemployment or incapacitation of a natural person donor and as a condition of payment of the "failed donation claim":
 - a. Neither the natural person donor nor the insured shall have had reason to believe the donor would become unemployed or incapacitated subsequent to the donation date; and
 - b. The donor shall be unemployed for at least sixty (60) days prior to a claim being submitted by the insured;
4. No coverage shall be afforded for a written pledge of funds or other measurable, tangible property to the insured dated prior to the policy period; and
5. A donation amount which is to be collected by the insured over more than a twelve (12) month period shall be deemed a single donation.

The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined. No deductible applies to this coverage.

D. Emergency Real Estate Consulting Fee

We will reimburse the insured any realtor's fee or real estate consultant's fee necessitated by the insured's need to relocate due to the "unforeseeable destruction" of the insured's "principal location" listed in the Declarations during the policy period. The limit of insurance for this

coverage is \$50,000 per policy period for all insureds combined. No deductible applies to this coverage.

E. Fundraising Event Blackout

We will reimburse the insured for “fundraising expenses” that are incurred due to the cancellation of a fundraising event caused by the lack of electric supply resulting in a power outage, provided the fundraising event is not re-scheduled. The fundraising event must have been planned at least thirty (30) days prior to the power outage. The limit of insurance for this coverage is \$25,000 per policy period for all insureds combined. No deductible applies to this coverage.

F. Identity Theft Expense

We will reimburse any present director or officer of the named insured for “identity theft expenses” incurred as the direct result of any “identity theft” first discovered and reported during the policy period; provided that it began to occur subsequent to the effective date of the insured’s first policy with us. The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined. No deductible applies to this coverage.

G. Image Restoration and Counseling

We will reimburse the insured for expenses incurred for image restoration and counseling arising out of “improper acts” by any natural person.

Covered expenses are limited to:

1. The costs of rehabilitation and counseling for the accused natural person insured, provided the natural person insured is not ultimately found guilty of criminal conduct; this reimbursement to occur after acquittal of the natural person insured;
2. The costs charged by a recruiter or expended on advertising, for replacing an officer as a result of “improper acts”; and
3. The costs of restoring the named insured’s reputation and consumer confidence through image consulting.

The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined. No deductible applies to this coverage.

H. Key Individual Replacement Expenses

We will pay “key individual replacement expenses” if the Chief Executive Officer or Executive Director suffers an “injury” during the policy period which results in the loss of life during the policy period. The limit of insurance for this coverage is the lesser of \$50,000 or ten (10) times the annual premium paid for this policy. No deductible applies to this coverage.

I. Kidnap Expense

We will pay on behalf of any director or officer of the insured, reasonable fees incurred as a result of the kidnapping of them or their spouse, “domestic partner,” parent or child during the policy period. Coverage will not apply to any kidnapping by or at the direction of any present or former family member of the victim.

Reasonable fees will include:

1. Fees and costs of independent negotiators;
2. Interest costs for any loan from a financial institution taken by you to pay a ransom demand or extortion threat;
3. Travel costs and accommodations incurred by the named insured;
4. Reward money paid to an informant which leads to the arrest and conviction of parties responsible for loss covered under this insurance; and
5. Salary, commissions and other financial benefits paid by you to a director or officer. Such compensation applies at the level in effect on the date of the kidnap and ends upon the earliest of:
 - a. Up to thirty (30) days after their release, if the director or officer has not yet returned to work;
 - b. Discovery of their death;
 - c. One hundred twenty (120) days after the last credible evidence following abduction that they are still alive; or
 - d. Twelve (12) months after the date of the kidnapping.

The limit of insurance for this coverage is \$50,000 each policy period for all insureds combined. No deductible applies to this coverage.

J. Political Unrest Coverage

We will reimburse any present director, officer, employee or volunteer of the named insured while traveling outside the United States of America for "emergency evacuation expenses" that are incurred as a result of an incident of "political unrest." This "political unrest" must occur during the policy period. No coverage is granted for travel to countries in a state of "political unrest" at the time of departure of the travel. The limit of insurance for this coverage is \$5,000 per covered person, subject to a maximum of \$25,000 per policy period for all insureds combined. No deductible applies to this coverage.

K. Temporary Meeting Space Reimbursement

We will reimburse the insured for rental of meeting space which is necessitated by the temporary unavailability of the insured's primary office space due to the failure of a climate control system, or leakage of a hot water heater during the policy period. Coverage will exist only for the renting of temporary meeting space required for meeting with parties who are not insured under this policy. The limit of insurance for this coverage is \$25,000 per policy period for all insureds combined. No deductible applies to this coverage.

L. Terrorism Travel Reimbursement

We will reimburse any present director or officer of the named insured in the event of a "certified act of terrorism" during the policy period which necessitates that he/she incurs "emergency travel expenses." The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined. No deductible applies to this coverage.

M. Travel Delay Reimbursement

We will reimburse any present director or officer of the named insured for any “non-reimbursable expenses” they incur as a result of the cancellation of any regularly scheduled business travel on a common carrier. The limit of insurance for this coverage is \$1,500 per policy period for all insureds combined. A seventy-two (72) hour waiting period deductible applies to this coverage.

N. Workplace Violence Counseling

We will reimburse the insured for emotional counseling expenses incurred directly as a result of a “workplace violence” incident at any of the insured’s premises during the policy period. The emotional counseling expenses incurred must have been for:

1. Your employees who were victims of, or witnesses to the “workplace violence”;
2. The spouse, “domestic partner,” parents or children of your employees who were victims of, or witnesses to the “workplace violence”; and
3. Any other person or persons who directly witnessed the “workplace violence” incident.

The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined. No deductible applies to this coverage.

IV. DEFINITIONS

For the purpose of this endorsement, the following definitions apply:

- A. “Certified act of terrorism” means any act so defined under the Terrorism Risk Insurance Act, and its amendments or extensions.
- B. “Communicable disease” means an illness, sickness, condition or an interruption or disorder of body functions, systems or organs that is transmissible by an infection or a contagion directly or indirectly through human contact, or contact with human fluids, waste, or similar agent, such as, but not limited to Meningitis, Measles or Legionnaire’s Disease.
- C. “Domestic partner” means any person who qualifies as a domestic partner under the provisions of any federal, state or local statute or regulation, or under the terms and provisions of any employee benefit or other program established by the named insured.
- D. “Emergency evacuation expenses” mean:
 1. Additional lodging expenses;
 2. Additional transportation costs;
 3. The cost of obtaining replacements of lost or stolen travel documents necessary for evacuation from the area of “political unrest”; and
 4. Translation services, message transmittals and other communication expenses.

provided that these expenses are not otherwise reimbursable.

- E. “Emergency travel expenses” mean:

1. Hotel expenses incurred which directly result from the cancellation of a scheduled transport by a commercial transportation carrier, resulting directly from and within forty-eight (48) hours of a “certified act of terrorism”; and
2. The increased amount incurred which may result from re-scheduling comparable transport, to replace a similarly scheduled transport canceled by a commercial transportation carrier in direct response to a “certified act of terrorism”;

provided that these expenses are not otherwise reimbursable.

- F. “Failed donation claim” means written notice to the insured during the policy period of:
1. The bankruptcy or reorganization of any donor whereby such bankruptcy or reorganization prevents the donor from honoring a prior written pledge of funds or other measurable, tangible property to the insured; or
 2. The unemployment or incapacitation of a natural person donor preventing him/her from honoring a prior written pledge of funds or other measurable, tangible property to the insured.
- G. “Fundraising expenses” mean deposits forfeited and other charges paid by you for catering services, property and equipment rentals and related transport, venue rentals, accommodations (including travel), and entertainment expenses less any deposits or other fees refunded or refundable to you.
- H. “Identity theft” means the act of knowingly transferring or using, without lawful authority, a means of identification of any director or officer (or spouse or “domestic partner” thereof) of the named insured with the intent to commit, or to aid or abet another to commit, any unlawful activity that constitutes a violation of federal law or a felony under any applicable state or local law.
- I. “Identity theft expenses” mean:
1. Costs for notarizing affidavits or similar documents attesting to fraud required by financial institutions or similar credit grantors or credit agencies;
 2. Costs for certified mail to law enforcement agencies, credit agencies, financial institutions or similar credit grantors; and
 3. Loan application fees for re-applying for a loan or loans when the original application is rejected solely because the lender received incorrect credit information.
- J. “Improper acts” means any actual or alleged act of:
1. Sexual abuse;
 2. Sexual intimacy;
 3. Sexual molestation; or
 4. Sexual assault;
- committed by an insured against any natural person who is not an insured. Such “improper acts” must have been committed by the insured while in his or her capacity as an insured.
- K. “Injury” whenever used in this endorsement, other than in Section III. A. **Business Travel**,

means any physical damage to the body caused by violence, fracture or an accident.

- L.** “Key individual replacement expenses” mean the following necessary expenses:
1. Costs of advertising the employment position opening;
 2. Travel, lodging, meal and entertainment expenses incurred in interviewing job applicants for the employment position opening; and
 3. Miscellaneous extra expenses incurred in finding, interviewing and negotiating with the job applicants, including, but not limited to, overtime pay, costs to verify the background and references of the applicants and legal expenses incurred to draw up an employment contract.
- M.** “Natural catastrophe” means hurricane, tornado, earthquake or flood.
- N.** “Non-reimbursable expenses” means the following travel-related expenses incurred after a seventy-two (72) hour waiting period, beginning from the time documented on the proof of cancellation, and for which your director or officer produces a receipt:
1. Meals and lodging;
 2. Alternative transportation;
 3. Clothing and necessary toiletries; and
 4. Emergency prescription and non-prescription drug expenses.
- O.** “Political unrest” means:
1. A short-term condition of disturbance, turmoil or agitation within a foreign country that poses imminent risks to the security of citizens of the United States;
 2. A long-term condition of disturbance, turmoil or agitation that makes a foreign country dangerous or unstable for citizens of the United States; or
 3. A condition of disturbance, turmoil or agitation in a foreign country that constrains the United States Government’s ability to assist citizens of the United States, due to the closure or inaccessibility of an embassy or consulate or because of a reduction of its staff
- for which either an alert or travel warning has been issued by the United States Department of State.
- P.** “Principal location” means the headquarters, home office or main location where most business is substantially conducted.
- Q.** “Unforeseeable destruction” means damage resulting from a “certified act of terrorism,” fire, collision or collapse which renders all of the insured’s “principal locations” completely unusable.
- R.** “Workplace violence” means any intentional use of or threat to use deadly force by any person with intent to cause harm and that results in bodily “injury” or death of any person while on the insured’s premises.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**CRISIS MANAGEMENT ENHANCEMENT ENDORSEMENT**

Unless otherwise stated herein, the terms, conditions, exclusions and other limitations set forth in this endorsement are solely applicable to coverage afforded by this endorsement, and the policy is amended as follows:

Solely for the purpose of this endorsement: 1) The words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. 2) The words "we," "us" and "our" refer to the company providing this insurance.

I. SCHEDULE OF ADDITIONAL COVERAGE AND LIMITS

The following is the Limit of Liability provided by this endorsement. This endorsement is subject to the provisions of the policy to which it is attached.

Crisis Management Expense	\$25,000
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II. CONDITIONS**A. Applicability of Coverage**

Coverage provided by your policy and any endorsements attached thereto is amended by this endorsement where applicable. All other terms and conditions of the policy or coverage part to which this endorsement is attached remain unchanged.

B. Limits of Liability or Limits of Insurance

When coverage is provided by this endorsement and any other coverage form or endorsement attached to this policy, we will pay only for the amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect on it or not. But we will not pay more than the applicable Limit of Liability or Limit of Insurance.

C. Claim Expenses

Coverages provided herein are not applicable to the generation of claim adjustment costs by you; such as fees you may incur by retaining a public adjuster or appraiser.

III. ADDITIONAL COVERAGES

A. We will reimburse you for "crisis management emergency response expenses" incurred because of an "incident" giving rise to a "crisis" to which this insurance applies. The amount of such reimbursement is limited as described in Section **II. CONDITIONS, B. Limits of Liability or Limits of Insurance**. No other obligation or liability to pay sums or perform acts or services is covered.

B. We will reimburse only those "crisis management emergency response expenses" which are incurred during the policy period as shown in the Declarations of the policy to which this coverage is attached and reported to us within six (6) months of the date the "crisis" was initiated.

IV. DEFINITIONS

- A.** "Crisis" means the public announcement that an "incident" occurred on your premises or at an event sponsored by you.
- B.** "Crisis management emergency response expenses" mean those expenses incurred for services provided by a "crisis management firm." However, "crisis management emergency response expenses" shall not include compensation, fees, benefits, overhead, charges or expenses of any insured or any of your employees, nor shall "crisis management emergency response expenses" include any expenses that are payable on your behalf or reimbursable to you under any other valid and collectible insurance.
- C.** "Crisis management firm" means any service provider you hire that is acceptable to us. Our consent will not be unreasonably withheld.
- D.** "Incident" means an accident or other event, including the accidental discharge of pollutants, resulting in death or serious bodily injury to three or more persons.
- E.** "Serious bodily injury" means any injury to a person that creates a substantial risk of death, serious permanent disfigurement, or protracted loss or impairment of the function of any bodily member or organ.

COMMON POLICY CONDITIONS

All Coverage Parts included in this policy are subject to the following conditions.

A. Cancellation

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
 - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

B. Changes

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

C. Examination Of Your Books And Records

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

D. Inspections And Surveys

1. We have the right to:
 - a. Make inspections and surveys at any time;
 - b. Give you reports on the conditions we find; and
 - c. Recommend changes.
2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
 - a. Are safe or healthful; or
 - b. Comply with laws, regulations, codes or standards.
3. Paragraphs 1. and 2. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.
4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

E. Premiums

The first Named Insured shown in the Declarations:

1. Is responsible for the payment of all premiums; and
2. Will be the payee for any return premiums we pay.

F. Transfer Of Your Rights And Duties Under This Policy

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

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

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

OKLAHOMA CHANGES – APPRAISAL

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
FARM COVERAGE PART

- A.** Except as provided in **B.** below, the APPRAISAL Condition is replaced by the following:

APPRAISAL

If we and you disagree on the value of the property or the amount of loss ("loss"), either party may make written demand for an appraisal of the loss. In this event, only the party which demanded the appraisal will be bound by the results of that appraisal.

Each party will select a competent and impartial appraiser and notify the other of the appraiser selected within 20 days after the written demand for an appraisal has been made. The two appraisers will select an umpire. If they cannot agree upon an umpire within 15 days, then, at the request of either you or us, and after notice of hearing to the nonrequesting party by certified mail, selection of the umpire will be made by a judge of a district court in the county where the loss ("loss") occurred. The appraisers will state separately the value of the property and amount of loss ("loss"). If the appraisers submit a written report of agreement to us, the amounts agreed upon will be the value of the property and the amount of loss ("loss") and will be binding on the party which demanded the appraisal. If the appraisers fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding on the party which demanded the appraisal. Each party will:

- a.** Pay its chosen appraiser; and
- b.** Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

- B.** The APPRAISAL Condition in the:

- 1.** Business Income Coverage Form (And Extra Expense) **CP 00 30**;

- 2.** Business Income Coverage Form (Without Extra Expense) **CP 00 32**; and

- 3.** Capital Assets Program Coverage Form (Output Policy), **OP 00 01**, Paragraph **A.7.** Business Income And Extra Expense

is replaced by the following:

APPRAISAL

If we and you disagree on the amount of Net Income and operating expense or the amount of loss, either party may make written demand for an appraisal of the loss. In this event, only the party which demanded the appraisal will be bound by the results of that appraisal.

Each party will select a competent and impartial appraiser and notify the other of the appraiser selected within 20 days after the written demand for an appraisal has been made. The two appraisers will select an umpire. If they cannot agree upon an umpire within 15 days, then, at the request of either you or us, and after notice of hearing to the nonrequesting party by certified mail, selection of the umpire will be made by a judge of a district court in the county where the loss occurred. The appraisers will state separately the amount of Net Income and operating expense or amount of loss. If the appraisers submit a written report of agreement to us, the amounts agreed upon will be the value of the property and the amount of loss and will be binding on the party which demanded the appraisal. If the appraisers fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding on the party which demanded the appraisal. Each party will:

- (1)** Pay its chosen appraiser; and
- (2)** Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

OKLAHOMA NOTICE

The following statement is added to the policy:

WARNING:

Any person who knowingly, and with intent to injure, defraud or deceive any insurer, makes any claim for the proceeds of an insurance policy, containing any false, incomplete or misleading information, is guilty of a felony.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

OKLAHOMA CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
 COMMERCIAL AUTOMOBILE COVERAGE PART
 COMMERCIAL GENERAL LIABILITY COVERAGE PART
 COMMERCIAL INLAND MARINE COVERAGE PART
 COMMERCIAL LIABILITY UMBRELLA COVERAGE PART
 COMMERCIAL PROPERTY COVERAGE PART
 CRIME AND FIDELITY COVERAGE PART
 EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART
 EQUIPMENT BREAKDOWN COVERAGE PART
 FARM COVERAGE PART
 FARM UMBRELLA LIABILITY POLICY
 LIQUOR LIABILITY COVERAGE PART
 POLLUTION LIABILITY COVERAGE PART
 PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

A. Paragraph 2. of the **Cancellation Common Policy Condition is replaced by the following:**

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

- a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or**
- b. 30 days before the effective date of cancellation if we cancel for any other reason.**

After coverage has been in effect for more than 45 business days or after the effective date of a renewal of this policy, no notice of cancellation will be issued by us unless it is based on at least one of the following reasons:

- (1) Nonpayment of premium;**
- (2) Discovery of fraud or material misrepresentation in the procurement of the insurance or with respect to any claims submitted under it;**
- (3) Discovery of willful or reckless acts or omissions by you that increase any hazard insured against;**
- (4) The occurrence of a change in the risk that substantially increases any hazard insured against after insurance coverage has been issued or renewed;**

(5) A violation of any local fire, health, safety, building, or construction regulation or ordinance with respect to any covered property or its occupancy that substantially increases any hazard insured against;

(6) A determination by the Insurance Commissioner that the continuation of the policy would place us in violation of the insurance laws of this state;

(7) Your conviction of a crime having as one of its necessary elements an act increasing any hazard insured against; or

(8) Loss of or substantial changes in applicable reinsurance.

B. The following are added to the Common Policy Conditions and supersede any provisions to the contrary:

1. Nonrenewal

a. If we elect not to renew this policy, we will mail or deliver written notice of nonrenewal to the first Named Insured at least 45 days before:

(1) The expiration date of this policy; or

(2) An anniversary date of this policy, if it is written for a term longer than one year or with no fixed expiration date.

- b. Any notice of nonrenewal will be mailed or delivered to the first Named Insured at the last mailing address known to us.
 - c. If notice is mailed:
 - (1) It will be considered to have been given to the first Named Insured on the day it is mailed.
 - (2) Proof of mailing will be sufficient proof of notice.
 - d. If notice of nonrenewal is **not** mailed or delivered at least 45 days before the expiration date or an anniversary date of this policy, coverage will remain in effect until 45 days after notice is given. Earned premium for such extended period of coverage will be calculated pro rata based on the rates applicable to the expiring policy.
 - e. We will **not** provide notice of nonrenewal if:
 - (1) We, or another company within the same insurance group, have offered to issue a renewal policy; or
 - (2) You have obtained replacement coverage or have agreed in writing to obtain replacement coverage.
 - f. If we have provided the required notice of nonrenewal as described in **B.1.a.** above, and thereafter extend the policy for a period of 90 days or less, we will **not** provide an additional nonrenewal notice with respect to the period of extension.
- 2. Premium Or Coverage Changes At Renewal**
- a. If we elect to renew this policy, we will give written notice of any premium increase, change in deductible, or reduction in limits or coverage, to the first Named Insured, at the last mailing address known to us.
 - b. Any such notice will be mailed or delivered to the first Named Insured at least 45 days before:
 - (1) The expiration date of this policy; or
 - (2) An anniversary date of this policy, if it is written for a term longer than one year or with no fixed expiration date.
 - c. If notice is mailed:
 - (1) It will be considered to have been given to the first Named Insured on the day it is mailed.
 - (2) Proof of mailing will be sufficient proof of notice.
 - d. If the first Named Insured accepts the renewal, the premium increase or coverage changes will be effective the day following the prior policy's expiration or anniversary date.
 - e. If notice is **not** mailed or delivered at least 45 days before the expiration date or anniversary date of this policy, the premium, deductible, limits and coverage in effect prior to the changes will remain in effect until:
 - (1) 45 days after notice is given; or
 - (2) The effective date of replacement coverage obtained by the insured;
 whichever occurs first.
 If the first Named Insured then elects **not** to renew, any earned premium for the resulting extended period of coverage will be calculated pro rata at the lower of the new rates or rates applicable to the expiring policy.
 - f. We will **not** provide notice of the following:
 - (1) Changes in a rate or plan filed pursuant to the Property and Casualty Competitive Loss Cost Rating Act applicable to an entire class of business;
 - (2) Changes which are based upon the altered nature or extent of the risk insured; or
 - (3) Changes in policy forms filed with or approved by the Insurance Commissioner and applicable to an entire class of business.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**ABSOLUTE CYBER LIABILITY AND ELECTRONIC EXCLUSION**

This endorsement modifies insurance provided under the following:

Business Auto Coverage Form

Auto Dealers Coverage Form

Building and Personal Property Coverage Form

Condominium Association Coverage Form

Condominium Commercial Unit-Owners Coverage Form

Commercial Businessowners Coverage Form

Builders Risk Coverage Form

Business Income (And Extra Expense) Coverage Form

Business Income (Without Extra Expense) Coverage Form

Commercial Excess Liability Policy

Legal Liability Coverage Form

Extra Expense Coverage Form

Human Services Organization Professional Liability Claims Made Coverage Form

Leasehold Interest Coverage Form

Standard Property Policy

Property Coverage Form

Crime Coverage Form

Business Income with Extra Expense Coverage Form

Business Income Coverage Form

Extra Expenses Coverage Form

Legal Liability Coverage Form

Commercial General Liability Coverage Form Occurrence

Commercial General Liability Coverage Form Claims Made

Owners and Contractors Protective Liability Coverage Form

Electronic Data Liability Coverage Form

Hired and Non Owned Auto Liability Coverage Form

Camp Operators Professional Liability Coverage Form

Cemetery and/or Crematory Professional Liability Coverage Form

Day Care Organization Professional Liability Coverage Form

Health and Fitness Professional Liability Coverage Form

Social Human Services Organization Professional Liability Coverage Form

Social Human Services Organization Professional Liability Claims-Made Coverage Form

Religious Organization Professional Liability Coverage Form

Religious Organization Professional Liability Claims Made Coverage Form

Religious Organization Directors & Officers Liability Insurance

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Commercial Articles Coverage Form
Physicians and Surgeons Equipment Coverage Form
Signs Coverage Form
Film Coverage Form
Accounts Receivable Coverage Form
Valuable Papers and Records Coverage Form
Commercial Crime Coverage Form (Loss Sustained Form)
Government Crime Coverage Form (Loss Sustained Form)
Employee Theft and Forgery Policy (Loss Sustained Form)
Contractors Environmental and Professional Coverage Form
Contractors Environmental Coverage Form
Difference In Conditions Coverage Form
Premises Environmental Coverage
Educators Protection Plus
Educators Professional Select Insurance Policy
Volunteer Fire Department Commercial General Liability Coverage Form
Mobile Property Coverage Form
Volunteer Fire Department Property Coverage Form
Property and Inland Marine Coverage Part – Water Districts Insurance Program
Commercial Liability Coverage Form Water Districts Insurance Program
Employment-Related Practices Liability Coverage Form Water Districts Insurance Program
Employment-Related Practices Liability Coverage Form Water Districts Insurance Program
(Separate Limits for Defense and Indemnity)

The following exclusion applies to all coverages afforded under this policy:

This insurance does not apply to any loss, cost, expense, fine, penalty, error and omission, or damage alleging, arising out of or from, attributable to, or giving rise to:

- (1) Any access to, collection or disclosure of, or failure to erase any person's or organization's confidential or personal information, including but not limited to patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information, biometrics, or any other type of nonpublic information; or
- (2) Business interruption or suspension of operations as caused by any access, unauthorized access, lack of access, delay in access, damage, manipulation, loss, or impairment to **Electronic Data** or **Electronic Media**; or
- (3) **Cyber Extortion**; or
- (4) A **Privacy Breach**; or
- (5) A **Security Breach**; or

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- (6) Any fraudulent communication through **Electronic Media** that impersonates any person or organization, including but not limited to phishing or other social engineering techniques or otherwise; or
 - (7) Any computer code, software, or programming; or
 - (8) Any **Security Breach** that results in any electronic thing or device or **Electronic Media** malfunctioning, improperly functioning, non-functioning, failing to perform as the intended user desired, or being electronically manipulated to perform in a way that causes harm to the insured or others; or
 - (9) The loss, loss of use, misuse, delay, manipulation, corruption, damage, alteration, destruction, distortion, erasure, or theft of, or inability to access or manipulate **Electronic Data** or **Electronic Media** as a result of **Cyber Extortion**; or **Privacy Breach**; or **Security Breach**
- (10) Any failure of utilities based upon, arising out of, or attributable to any mechanical or electrical failure, interruption, or outage, however caused, including but not limited to any electrical power interruption or surge, brownout, blackout, short circuit, over voltage, or power fluctuation or outage to gas, water, telephone, cable, satellite, telecommunications, the internet, or any component thereof, including but not limited to hardware, software, or any other infrastructure as a result of **Cyber Extortion**; or **Privacy Breach**; or **Security Breach**.
- (11) This exclusion applies even if damages are claimed for notification costs, errors or omissions, credit monitoring expenses, forensic expenses, public relations expenses, or any other loss, cost, or expense incurred by the insured or others arising out of that which is described in Paragraphs (1) through (10) above.

As used in this exclusion, the following definitions apply:

Computer hardware means the physical components of any **computer system** including CPU's, memory storage devices, storage media, and input/output devices and other peripheral devices and components including but not limited to cable, connectors, fiber optics, networking equipment, **electronic data** storage devices, input and output devices, backup facilities, wire, power supply units, keyboards, display monitors and audio speakers.

Computer system means an electronic, wireless, web or similar systems (including all **computer hardware**, computer programs and **electronic data**) used to process data or information in an analog, digital, electronic or wireless format, including but not limited to, associated input and output devices, data storage devices, networking equipment, wired or wireless peripherals, electronic backup facilities, and media libraries, that is owned or leased, operated and controlled by the insured or operated by an independent contractor authorized to provide Business Process Outsourcing services or outsourced Information Technology services for the insured.

Corporate Information Breach means the public disclosure of an organization's non-public information.

Cyber Extortion means any threat or connected series of threats communicated to the insured for the purpose of demanding money, securities, or property, including but not limited to threats to release, divulge, disseminate, corrupt, damage or destroy **Electronic Data** or **Electronic Media**; introduce malware or **malicious code** into the insured's computer system; electronically

communicate with the insured's customers in order to fraudulently obtain personal information, money, securities or property; or restrict or hinder access to the insured's computer system, **Electronic Data** or **Electronic Media**, including but not limited to ransomware.

Denial of service means unauthorized or unexpected interference or malicious attack by any person(s) or entity(ies) that restricts or prevents access to a **computer system** by persons or entities authorized to gain access to the **computer system** or **electronic data**.

Electronic Data means information, facts, blockchain, crypto currencies, or computer programs stored as or on, created or used on, or transmitted to or from computer software, including but not limited to systems and applications software, hard or floppy disks, CD-ROMs, DVDs, external drives, USB sticks, tapes, drives, cells, microchip, data processing devices, or any other media which are used with electronically controlled equipment. The term computer programs, referred to in the foregoing description of **Electronic Data**, means a set of related electronic instructions which direct the operations and functions of a computer or device connected to it, which enable the computer or device to receive, process, store, retrieve, or send data.

Electronic Media means broadcast or storage media that take advantage of electronic technology. They include television, radio, Internet, fax, Bluetooth, GPS, audio beacons, electronic data, and any other medium that requires electricity or digital encoding of information.

Malicious code means unauthorized and corrupting or harmful computer code, including but not limited to computer viruses, spyware, Trojan horses, worms, logic bombs, and mutations of any of the preceding.

Privacy Breach means a common law or statutory breach of confidence or violation of any common law or statutory rights to privacy, including but not limited to breach of a privacy policy, breach of a person's right of publicity, misappropriation of likeness, false light, intrusion upon a person's seclusion, or public disclosure of a person's or animal's private information. Privacy Breach will also include a **Corporate Information Breach**.

Security breach means:

1. **Unauthorized access** of the insured's **computer system** or **unauthorized use of computer systems** including **unauthorized access** or **unauthorized use** resulting from the theft of a password from the insured's **computer system**;
2. A **denial of service** attack against your **computer systems**; or
3. Infection of the insured's **computer system** by **malicious code** or transmission of **malicious code** from the insured's **computer systems**,

whether any of the foregoing is a specifically targeted attack or a generally distributed attack.

Unauthorized access means the gaining of access to a **computer system** by an unauthorized person or persons.

Unauthorized use means the use of a **computer system** by an unauthorized person or persons or an authorized person in an unauthorized manner.

This Endorsement is an absolute exclusion for cyber liability, **Electronic Data**, **Electronic Media** and **Security Breaches**. This Endorsement applies except if coverage is specifically and affirmatively provided in the following coverage forms or endorsements issued by us and only in respect to the coverage afforded in those coverage forms or endorsements. In no event will this Endorsement broaden any coverage afforded in any coverage form or endorsement:

- **Cyber Security Liability Coverage Form**
- **Cyber Security Liability Endorsement**
- **Building and Personal Property Coverage Form**
- **Fraudulent Inducement Insuring Agreement**
- **Fraudulent Inducement Insuring Agreement - Broad Form**
- **Fraudulent Impersonation**
- **Fraudulent Impersonation Ultimate Cover**
- **Business Income and Extra Expense Coverage Form**
- **Computer Coverage Form**

All other terms and conditions remain unchanged.

Policy Number: PHPK2544394 Named Insured: Mangum City Hospital Authority



One Bala Plaza, Suite 100
Bala Cynwyd, Pennsylvania 19004
610.617.7900 Fax 610.617.7940
PHLY.com

Terrorism Premium (Certified Acts) \$ 613.00

DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE REJECTION OPTION

You are hereby notified that under the Terrorism Risk Insurance Act, as amended, you have a right to purchase insurance coverage for losses resulting from acts of terrorism. *As defined in Section 102(1) of the Act:* The term “act of terrorism” means any act or acts that are certified by the Secretary of the Treasury—in consultation with the Secretary of Homeland Security, and the Attorney General of the United States—to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

YOU SHOULD KNOW THAT WHERE COVERAGE IS PROVIDED BY THIS POLICY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM, SUCH LOSSES MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. HOWEVER, YOUR POLICY MAY CONTAIN OTHER EXCLUSIONS WHICH MIGHT AFFECT YOUR COVERAGE, SUCH AS AN EXCLUSION FOR NUCLEAR EVENTS. UNDER THE FORMULA, THE UNITED STATES GOVERNMENT’S FEDERAL SHARE OF TERRORISM LOSSES IS 80% OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURANCE COMPANY PROVIDING THE COVERAGE. THE PREMIUM CHARGED FOR THIS COVERAGE IS PROVIDED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS THAT MAY BE COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

YOU SHOULD ALSO KNOW THAT THE TERRORISM RISK INSURANCE ACT, AS AMENDED, CONTAINS A \$100 BILLION CAP THAT LIMITS U.S. GOVERNMENT REIMBURSEMENT AS WELL AS INSURERS’ LIABILITY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM WHEN THE AMOUNT OF SUCH LOSSES IN ANY ONE CALENDAR YEAR EXCEEDS \$100 BILLION. IF THE AGGREGATE INSURED LOSSES FOR ALL INSURERS EXCEED \$100 BILLION, YOUR COVERAGE MAY BE REDUCED.

Your attached proposal (or policy) includes a charge for terrorism. We will issue (or have issued) your policy with terrorism coverage unless you decline by placing an “X” in the box below.

NOTE 1: If “included” is shown on your proposal (or policy) for terrorism you WILL NOT have the option to reject the coverage.

NOTE 2: You will want to check with entities that have an interest in your organization as they may require that you maintain terrorism coverage (e.g. mortgagees).

EXCEPTION: If you have property coverage on your policy, the following Standard Fire Policy states do not permit an Insured to reject fire ensuing from terrorism: CA, CT, GA, HI, IA, IL, MA, ME, MO, NJ, NY, NC, OR, RI, VA, WA, WV, WI. Therefore, if you are domiciled in the above states and reject terrorism coverage, you will still be charged for fire ensuing from terrorism as separately designated on your proposal.

	I decline to purchase terrorism coverage. I understand that I will have no coverage for losses arising from “certified” acts of terrorism, EXCEPT as noted above.
--	--

You, as the Insured, have 30 days after receipt of this notice to consider the selection/rejection of “terrorism” coverage. After this 30 day period, any request for selection or rejection of terrorism coverage WILL NOT be honored.

REQUIRED IN GA – LIMITATION ON PAYMENT OF TERRORISM LOSSES (applies to policies which cover terrorism losses insured under the federal program, including those which only cover fire losses)
The provisions of the Terrorism Risk Insurance Act, as amended, can limit our maximum liability for payment of losses from certified acts of terrorism. That determination will be based on a formula set forth in the law involving the national total of federally insured terrorism losses in an annual period and individual insurer participation in payment of such losses. If one or more certified acts of terrorism in an annual period causes the maximum liability for payment of losses from certified acts of terrorism to be reached, and we have satisfied our required level of payments under the law, then we will not pay for the portion of such losses above that maximum. However, that is subject to possible change at that time, as Congress may, under the Act, determine that payments above the cap will be made.

INSURED'S SIGNATURE _____
DATE _____

COMMERCIAL PROPERTY

COMMERCIAL PROPERTY CONDITIONS

This Coverage Part is subject to the following conditions, the Common Policy Conditions and applicable Loss Conditions and Additional Conditions in Commercial Property Coverage Forms.

A. CONCEALMENT, MISREPRESENTATION OR FRAUD

This Coverage Part is void in any case of fraud by you as it relates to this Coverage Part at any time. It is also void if you or any other insured, at any time, intentionally conceal or misrepresent a material fact concerning:

1. This Coverage Part;
2. The Covered Property;
3. Your interest in the Covered Property; or
4. A claim under this Coverage Part.

B. CONTROL OF PROPERTY

Any act or neglect of any person other than you beyond your direction or control will not affect this insurance.

The breach of any condition of this Coverage Part at any one or more locations will not affect coverage at any location where, at the time of loss or damage, the breach of condition does not exist.

C. INSURANCE UNDER TWO OR MORE COVERAGES

If two or more of this policy's coverages apply to the same loss or damage, we will not pay more than the actual amount of the loss or damage.

D. LEGAL ACTION AGAINST US

No one may bring a legal action against us under this Coverage Part unless:

1. There has been full compliance with all of the terms of this Coverage Part; and
2. The action is brought within 2 years after the date on which the direct physical loss or damage occurred.

E. LIBERALIZATION

If we adopt any revision that would broaden the coverage under this Coverage Part without additional premium within 45 days prior to or during the policy period, the broadened coverage will immediately apply to this Coverage Part.

F. NO BENEFIT TO BAILEE

No person or organization, other than you, having custody of Covered Property will benefit from this insurance.

G. OTHER INSURANCE

1. You may have other insurance subject to the same plan, terms, conditions and provisions as the insurance under this Coverage Part. If you do, we will pay our share of the covered loss or damage. Our share is the proportion that the applicable Limit of Insurance under this Coverage Part bears to the Limits of Insurance of all insurance covering on the same basis.
2. If there is other insurance covering the same loss or damage, other than that described in 1. above, we will pay only for the amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect on it or not. But we will not pay more than the applicable Limit of Insurance.

H. POLICY PERIOD, COVERAGE TERRITORY

Under this Coverage Part:

1. We cover loss or damage commencing:
 - a. During the policy period shown in the Declarations; and
 - b. Within the coverage territory.
2. The coverage territory is:
 - a. The United States of America (including its territories and possessions);
 - b. Puerto Rico; and
 - c. Canada.

I. TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

If any person or organization to or for whom we make payment under this Coverage Part has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after loss to impair them. But you may waive your rights against another party in writing:

1. Prior to a loss to your Covered Property or Covered Income.
2. After a loss to your Covered Property or Covered Income only if, at time of loss, that party is one of the following:
 - a. Someone insured by this insurance;
 - b. A business firm:
 - (1) Owned or controlled by you; or
 - (2) That owns or controls you; or
 - c. Your tenant.

This will not restrict your insurance.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF LOSS DUE TO VIRUS OR BACTERIA

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART STANDARD PROPERTY POLICY

- A.** The exclusion set forth in Paragraph **B.** applies to all coverage under all forms and endorsements that comprise this Coverage Part or Policy, including but not limited to forms or endorsements that cover property damage to buildings or personal property and forms or endorsements that cover business income, extra expense or action of civil authority.
- B.** We will not pay for loss or damage caused by or resulting from any virus, bacterium or other micro-organism that induces or is capable of inducing physical distress, illness or disease.
- However, this exclusion does not apply to loss or damage caused by or resulting from "fungus", wet rot or dry rot. Such loss or damage is addressed in a separate exclusion in this Coverage Part or Policy.
- C.** With respect to any loss or damage subject to the exclusion in Paragraph **B.**, such exclusion supercedes any exclusion relating to "pollutants".
- D.** The following provisions in this Coverage Part or Policy are hereby amended to remove reference to bacteria:
1. Exclusion of "Fungus", Wet Rot, Dry Rot And Bacteria; and
 2. Additional Coverage – Limited Coverage for "Fungus", Wet Rot, Dry Rot And Bacteria, including any endorsement increasing the scope or amount of coverage.
- E.** The terms of the exclusion in Paragraph **B.**, or the inapplicability of this exclusion to a particular loss, do not serve to create coverage for any loss that would otherwise be excluded under this Coverage Part or Policy.

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

EXCLUSION OF CERTAIN EARTHQUAKE COVERAGE

This endorsement modifies insurance provided under the following:

Earthquake Endorsement

No Earthquake coverage applies for any Insured location in an Earthquake Zone 9, 10, 11, and 12 according to the modified Mercalli Zones.

P

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF CERTAIN FLOOD COVERAGE

This endorsement modifies insurance provided under the following:

Flood Endorsement

No Flood coverage applies for any Insured location in a Flood Zone A, A1-30, AE, AH, AO, A99, AR, AR/AE, AR/AH, AR/AO, AR/A1-30, AR/A, V, V1-30, VE, VO, and D as designated by the Federal Emergency Management Agency's National Flood Insurance Program.

PROPERTY COVERAGE FORM

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

Throughout this Coverage Form the words "**you**" and "**your**" refer to the Named Insured shown in the Declarations. The words "**we**", "**us**" and "**our**" refer to the Company providing this Insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to **Section G., Definitions.**

A. Coverage

We will pay for direct physical "**loss**" to Covered Property caused by or resulting from any of the Covered Causes of Loss.

1. Covered Property

Covered Property, as used in this Coverage Form, means the following types of property for which a Limit of Insurance is shown in the Declarations.

a. Your Business Personal Property, and similar property of others in your care, custody or control:

- (1) Located in or on the "**buildings**" described in the Declarations or within 1,000 feet of the described premises;
- (2) In transit; and
- (3) Property at locations not specifically identified, including property in the care, custody or control of salespersons, property at exhibitions, and trade shows;

Consisting of the following:

- (a) Furniture and fixtures;
- (b) Machinery and equipment;
- (c) "**Stock**";
- (d) "**Fine Arts**"

If the total value of "**Fine Arts**" is over \$25,000 they must be listed in a schedule on file with us;

- (e) "**Computer Property**";
- (f) All other personal property owned by you and used in your business;
- (g) Labor, materials or services furnished or arranged by you on personal property of others;

- (h) Your use interest as tenant in improvements and betterments. Improvements and betterments are fixtures, alterations, installations or additions:
 - (i) Made a part of the **"buildings"** you occupy but do not own; and
 - (ii) You acquired or made at your expense but cannot legally remove;
- (i) Building glass for which you have a contractual responsibility as tenant, including encasement frames, alarm tape, lettering and ornamentation;
- (j) Communication towers, antennas or satellite dishes including their lead-in wiring, masts and guy wires; and
- (k) Signs.

b. **"Buildings"** described in the Declarations including:

- (1) Building glass;
- (2) Completed additions;
- (3) Permanently installed;
 - (a) Fixtures;
 - (b) Machinery; and
 - (c) Equipment;
- (4) Outdoor fixtures, including awnings;
- (5) Fences;
- (6) Personal property owned by you that is used to maintain or service the **"buildings"** or their premises, including:
 - (a) Fire extinguishing equipment;
 - (b) Outdoor furniture;
 - (c) Floor coverings;
 - (d) Appliances used for refrigerating, ventilating, cooking, dishwashing or laundering;
 - (e) Alarm, communication and monitoring systems;
- (7) If not covered by other insurance:
 - (a) Alterations within, or on the exterior of, the existing **"buildings"**;
 - (b) Materials, equipment, supplies and temporary structures, on or within 1,000 feet of the described premises, used for making alterations to the existing **"buildings"**;

- (8) Foundations of covered "**buildings**", machinery and boilers and foundations of equipment and machinery, whether above or below ground;
- (9) Underground pipes, flues and drains.
- (10) Retaining walls that are not part of "**buildings**";
- (11) Bridges, roadways, walks, patios, and other paved surfaces, including in-ground pools.

2. Property Not Covered

Covered Property does not include:

- a. Aircraft, watercraft, or railroad rolling stock;
 - b. Animals, birds or fish;
 - c. Automobiles held for sale;
 - d. Pilings, piers, wharves or docks;
 - e. Contraband, or property in the course of illegal transportation or trade;
 - f. "**Money**" or "**securities**";
 - g. The cost of excavations, grading, filling or backfilling, all except as provided under the Coverage Extensions;
 - h. Land (including land on which the property is located), water, growing crops, standing timber or lawns;
 - i. Property that is covered under another Coverage Form of this or any other policy in which it is more specifically described, except for the excess of the amount due (whether you can collect on it or not) from that other insurance;
 - j. Vehicles or self-propelled machines that:
 - (1) Are licensed for use on public roads; or
 - (2) Are operated principally away from the described premises.
- This paragraph does not apply to:
- (1) Vehicles or self-propelled machines or autos you manufacture, process or warehouse; or
 - (2) Vehicles or self-propelled machines, other than autos, you hold for sale;
- k. The following property while outside of "**buildings**":
 - (1) Grain, hay, straw or other crops;
 - (2) Trees, shrubs or plants (other than "**stock**" of trees, shrubs or plants) except as provided in the Coverage Extensions;

- l. Property that is covered under any import or export ocean marine insurance policy;
- m. After delivery to customers, property that you have sold under a conditional sale or trust agreement, installment payment or other deferred payment plan;
- n. Property of others for which you are responsible as a:
 - (1) Carrier for hire; or
 - (2) Carloader, consolidator, transportation broker, freight forwarder, shipping association or arranger of transportation.
- o. **"Fine Arts"**, if the total value of such property is greater than \$25,000, unless such property is listed in a Schedule on file with us;
- p. **"Data"** and **"media"** which cannot be reproduced or replaced with others of the same kind or quality;
- q. Property which is intended for installation at a premises you do not own, lease or control, after it has left your premises: and
- r. (1) **"Buildings"**; or
 - (2) Additions to existing **"buildings"**;

In the course of construction, except as provided in the Additional Coverages.

3. Covered Causes of Loss

See the Causes of Loss Form.

4. Additional Coverages

The most we will pay in any one occurrence for each of the following Additional Coverages is as stated under each, unless a different limit is shown in the Superseding Limits section of the Additional Coverage Summary Declarations.

a. Debris Removal

- (1) We will pay your expenses to remove debris of Covered Property caused by or resulting from any of the Covered Causes of Loss that occur during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date of direct physical **"loss"**.
- (2) (a) The most we will pay under this Additional Coverage in any one occurrence is 25% of :
 - (i) The amount we pay for the direct physical **"loss"** to Covered Property; plus
 - (ii) The Deductible in this Coverage Form applicable to that **"loss"**.

This limit does not increase any applicable Limits of Insurance provided by this Coverage Form.

(b) But if either:

- (i)** The sum of direct physical **"loss"** and Debris Removal expenses exceeds the applicable Limit of Insurance; or
- (ii)** The Debris Removal expenses exceed the amount payable under the 25% limitation in subparagraph **(2) (a)** above;

We will pay up to an additional \$250,000 for each described premises in any one occurrence.

This limit is in addition to the applicable Limits of Insurance provided by this Coverage Form.

(3) This Additional Coverage does not apply to costs to:

- (a)** Extract **"pollutants"** from land or water; or
- (b)** Remove, restore or replace polluted land or water.

b. Preservation of Property

If it is necessary to move Covered Property from the described premises to preserve it from **"loss"** by any of the Covered Causes of Loss, we will pay for any direct physical **"loss"** to that property:

- (1)** While it is being moved or while temporarily stored at another premises; and
- (2)** Only if the **"loss"** occurs within 90 days after the property is first moved.

This Additional Coverage does not increase the Limits of Insurance provided under this Coverage Form.

c. Fire Department Service Charge

When the fire department is called to save or protect Covered Property from any of the Covered Causes of Loss, we will pay for your liability of fire department service charges:

- (1)** Assumed by contract or agreement prior to **"loss"**; or
- (2)** Required by local ordinance.

The most we will pay under this Additional Coverage in any one occurrence is \$50,000.

This Additional Coverage is in addition to the applicable Limits of Insurance provided by this Coverage Form.

No deductible applies to this Additional Coverage.

d. Fines for False Alarms

We will pay any fines your are assessed that you are legally obligated to pay under local or state ordinances, regulations or laws, for any false alarms sent in to police or fire stations or to central monitoring stations by fire, burglar or sprinkler alarms installed to protect Covered Property at described premises or in safes or vaults on described premises.

The most we will pay in any one occurrence is \$2,500, but no more than \$5,000 in any one policy year. This Additional Coverage is in addition to the applicable Limits of Insurance provided by this Coverage Form.

No Deductible applies to this Additional Coverage.

e. Fire, Sprinkler or Burglar Alarm Upgrade

In the event of a total **"loss"** to covered fire, sprinkler or burglar alarm systems at described premises caused by or resulting from any of the Covered Causes of Loss, we will pay for the cost to purchase upgraded equipment.

The most we will pay in any one occurrence is \$50,000. This Additional Coverage does not increase the Limits of Insurance provided under this Coverage Form.

f. Pollutant Clean Up and Removal

We will pay your expenses to extract **"pollutants"** from land or water at the described premises if the discharge, dispersal, seepage, migration, release or escape of the **"pollutants"** is caused by or results from any of the Covered Causes of Loss that occur during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date on which the Covered Causes of Loss occur.

This Additional Coverage does not apply to costs to test for, monitor or assess the existence, concentration or effects of **"pollutants"**. But we will pay for testing which is performed in the course of extracting the **"pollutants"** from the land or water.

The most we will pay under this Additional Coverage for each described premises is \$25,000 for the sum of all covered expenses arising out of Covered Causes of Loss occurring during each separate 12 month period of this policy.

This Additional Coverage is in addition to the applicable limits of insurance provided by this Coverage Form.

g. Recharge or Refill of Fire Protection System

We will pay your expenses to recharge or refill automatic fire protection systems when such systems are discharged as the result of any of the Covered Causes of Loss.

We will not pay recharging or refilling expenses if the discharge occurred while the system was being tested.

No Deductible applies to this Additional Coverage.

This Additional Coverage does not increase the Limits of Insurance provided by this Coverage Form.

h. Theft Damage to "Buildings"

We will pay for **"loss"** to **"buildings"** (including equipment within the **"buildings"** used to maintain or service the **"buildings"**) caused by theft or attempted theft of Covered Business Personal Property.

This Additional Coverage is applicable only to the premises where you are a tenant and are liable for such damage.

This Additional Coverage does not increase the Limits of Insurance provided by this Coverage Form.

i. Brands and Labels

If your **"stock"** is damaged as a result of any of the Covered Causes of Loss, you have two options when you do not want to sell it under your brand or label even though it has a salvage value. You can:

- (1) Remove the brand or label and then relabel the **"stock"** to comply with the law; or
- (2) Label the damaged **"stock"** as salvage but, in doing so, cause no further damage to the damaged **"stock"**.

We will pay the cost of removing and relabeling your **"stock"**.

In either case, we will pay the difference between the salvage value of the damaged **"stock"** with the brand and label attached, and the salvage value of the damaged **"stock"** with the brand and label removed.

This Additional Coverage does not increase the Limits of Insurance provided by this Coverage Form.

j. Consequential Damage

We will pay for **"consequential damage"** to covered Business Personal Property caused by or resulting from any of the Covered Causes of Loss.

The most we will pay under this Additional Coverage in any one occurrence is \$25,000.

This Additional Coverage does not increase the Limits of Insurance provided by this Coverage Form.

k. Arson Reward

In the event that a covered fire **"loss"** was the result of an act of arson, we will reimburse you up to \$25,000 for rewards you pay for information leading to conviction of the person or persons responsible for that act of arson. This is additional insurance. The Coinsurance Condition and Deductible do not apply to this Additional Coverage.

i. Computer Virus Extraction Expense

We will pay:

Your expenses to extract a **"computer virus"** from covered electronic data processing **"hardware"**, **"data"** and **"media"**.

The most we will pay under this Coverage Extension in any one occurrence is \$2,500.

This Additional Coverage is the only portion of this policy that provides coverage for a **"computer virus"** extraction loss, regardless of any other cause or event that contributes concurrently or in any sequence to the **"loss"**.

This Additional Coverage is in addition to the applicable Limits of Insurance provided by this Coverage Form.

m. Computer Upgrade

- (1) In the event of **"loss"** to covered electronic data processing **"hardware"** caused by or resulting from a Covered Cause of Loss, we will allow you to use the amount we pay you for that **"loss"** to purchase upgraded electronic data processing **"hardware"**.
- (2) If you choose to upgrade that equipment, we will pay for the expenses you incur to convert your **"data"** and **"media"** to the upgraded system.

n. Contract Penalty Clause

We will pay for any contractual penalties you are required to pay to your customers as a result of any clause in your contracts for failure to timely deliver your product according to the contract terms. The penalties must result solely from direct physical **"loss"** to Covered Property caused by or resulting from any of the Covered Causes of Loss.

The most we will pay for penalties for all contracts in any one occurrence is \$25,000.

This Additional Coverage is in addition to the applicable Limits of Insurance provided by this Coverage Form.

o. Claim Expenses

In the event of a covered **"loss"**, we will pay for all reasonable expenses you incur at our request to assist us in:

- (1) The investigation of a claim; or
- (2) The determination of the amount of **"loss"**, such as taking inventory.

We will not pay for:

- (1) Expenses to prove that **"loss"** is covered;
- (2) Expenses incurred under Loss Condition **E.2., Appraisal**; or
- (3) Expenses billed by and payable to independent or public adjusters.

The most we will pay under this Additional Coverage is \$10,000. This Additional Coverage is in addition to the applicable Limits of Insurance provided by this Coverage Form.

No deductible applies to this Additional Coverage.

p. Worldwide Coverage

We will pay for **"loss"** to Covered Property:

(1) In transit, other than in the custody of a mail carrier, to or from:

(a) The United States of America;

(b) Canada; or

(c) Territories or possessions of the United States of America; and

Points worldwide, except those excluded below. This coverage applies from the delivery of the Covered Property at the point of origin shown in the bill of lading until it is discharged at the destination shown in the bill of lading.

(2) At locations outside the Coverage Territory, while it is in the custody of directors, officers or employees who are traveling in the conduct of your business, except in those countries listed below.

(3) This Additional Coverage does not apply to property located in, or in transit to, from or within, Afghanistan, Albania, Cambodia, Cuba, El Salvador, Guatemala, Haiti, Honduras, Iraq, Iran, Laos, Lebanon, Libya, Myanmar, Nicaragua, North Korea, Syria, Republics formerly a part of the Union of Soviet Socialist Republics, Vietnam, or Yugoslavia or Republics formerly a part of Yugoslavia.

The most we will pay in any one occurrence is \$25,000. This Additional Coverage is in addition to the applicable Limits of Insurance under this Coverage Form.

5. Coverage Extensions

Except as otherwise provided, the following Coverage Extensions apply to property located in or on the **"buildings"** described in the Declarations or within 1,000 feet of the described premises.

The most we will pay in any one occurrence for each of the following Coverage Extensions is as stated under each, unless a different limit is shown in the Superseding Limits column of the Additional Coverage Summary Declarations.

a. Newly Acquired Property

We will pay for direct physical **"loss"** to:

(1) **"Buildings"** and business personal property you acquire; and

(2) **"Buildings"** which you have had constructed after:

(a) Construction is completed; and

(b) You have accepted the **"buildings"** for occupancy; and

(c) A Certificate of Occupancy has been issued by a civil or regulatory agency or authority that has jurisdiction over the **"buildings"**;

At any premises caused by or resulting from any of the Covered Causes of Loss.

The most we will pay under this Coverage Extension for **"loss"** to **"buildings"** and business personal property combined in any one occurrence is \$1,000,000.

This Coverage Extension does not increase the Limit of Insurance for **"buildings"** and business personal property at unspecified premises.

This Coverage Extension for each Newly Acquired or Constructed Property will end when any of the following first occurs:

- (1) This policy expires;
- (2) 180 days expire after you acquire the property or have completed construction; or
- (3) You report values to us.

We will charge you additional premium for values reported from the date you acquire the property or construction is completed.

b. New Construction

We will pay for direct physical **"loss"** caused by or resulting from any of the Covered Causes of Loss to:

- (1) **"Buildings"**; or
- (2) Additions to existing **"buildings"**;

In the course of construction at any premises, if the construction began after the inception date of this policy. We do not cover **"buildings"** which you construct to sell to others or for the account of others.

The most we will pay in any one occurrence is \$500,000.

This Additional Coverage will end when any of the following first occurs:

- (1) This policy expires;
- (2) 60 days expire after construction begins; or
- (3) You report the new construction to us;

We will charge you additional premium for values reported from the date construction begins.

This Additional Coverage is in addition to the applicable Limits of Insurance provided by this Coverage Form.

c. Personal Effects

- (1) We will pay for direct physical **"loss"** to cellular phones and other portable electronic equipment owned by your employees and used in your business, while they are away from described premises, caused by or resulting from any of the Covered Causes of Loss. The most we will pay for such **"loss"** is \$1,000 for property of any one employee and \$2,500 in any one occurrence.
- (2) We will pay for direct physical **"loss"** to personal effects of your directors, officers, (partners) and employees, while they are traveling anywhere in the world in the conduct of your business, caused by or resulting from any of the Covered Causes of Loss. The most we will pay for such **"loss"** in any one occurrence is \$1,000.
- (3) We will pay for direct physical **"loss"** to personal effects owned by you, your officers, your partners or your employees caused by or resulting from any of the Covered Cause of Loss at a described premises. The most we will pay for such **"loss"** is \$25,000 at any one described premises.

No Deductible applies to this Coverage Extension.

d. Personal Effects - Spouses

We will pay for direct physical **"loss"** to personal effects belonging to spouses of your directors, officers or partners when such spouses are traveling with your directors, officers or partners who are traveling anywhere in the world in the conduct of your business, caused by or resulting from any of the Covered Causes of Loss. The most we will pay for such **"loss"** is \$500 for any one person or \$1,000 in any one occurrence.

No Deductible applies to this Coverage Extension.

e. Accounts Receivable

We will pay the following loss and expenses which are the direct result of **"loss"** to accounts receivable records caused by or resulting from any of the Covered Causes of Loss:

- (1) All sums due you from customers, provided you are unable to collect;
- (2) Interest charges on any loan to offset amounts you are unable to collect pending our payments of these accounts;
- (3) Collection expenses in excess of your normal collection expenses made necessary because of **"loss"**; and
- (4) Other reasonable expenses you incur to re-establish your records of accounts receivable following such **"loss"**.

We will not pay for **"loss"** that requires any audit of records or any inventory computation to prove its factual existence.

The most we will pay under this Coverage Extension in any one occurrence is \$250,000.

f. Excavations and Landscaping

We will pay for:

- (1) Your reasonable costs for excavations, grading, filling or backfilling at a described premises made necessary by direct physical **"loss"** to Covered Property caused by or resulting from any of the Covered Causes of Loss; and
- (2) Direct physical **"loss"** to your outdoor trees, shrubs and plants, including debris removal expenses, caused by or resulting from any of the following Causes of Loss:
 - (a) Fire;
 - (b) Lightning;
 - (c) Explosion;
 - (d) Riot or Civil Commotion; or
 - (e) Aircraft.

This Coverage Extension does not apply to **"stock"** of trees, shrubs and plants.

The most we will pay under this Coverage Extension in any one occurrence is \$25,000.

g. Valuable Papers and Records - Cost of Research

We will pay your expenses to research, replace, or restore the lost information on **"valuable papers and records"**, including those converted to electronic data format, that are lost or damaged as a result of any of the Covered Causes of Loss.

We will not pay for such expenses arising out of **"loss"** caused by or resulting from errors or omissions in processing or copying **"valuable papers and records"**. But we will pay for expenses arising out of **"loss"** caused by resulting fire or explosion.

The most we will pay under this Coverage Extension in any one occurrence is \$250,000 at each described premises.

h. Guard Dogs

We will pay for direct death or destruction of a **"guard dog"** caused by or resulting from, or made necessary by, any of the following Causes of Loss:

- (1) Fire;
- (2) Lightning;
- (3) Explosion
- (4) Theft;
- (5) Vandalism (including shooting or poisoning);

- (6) Vehicles; or
- (7) Collision, upset or overturn of the vehicle transporting the **"guard dog"**.

The Cause of Loss must occur at described premises and during other than normal business hours, or while the **"guard dog"** is being transported to or from the described premises. This Additional Coverage does not apply to death or destruction of **"stock"** held for sale.

The most we will pay for any one **"guard dog"** is \$500, but not more than \$1,000 in any one occurrence.

No Deductible applies to this Coverage Extension.

i. Fish in Aquariums

We will pay for direct death or destruction of fish in aquariums caused by or resulting from, or made necessary by, any of the following Causes of Loss at the described premises:

- (1) Fire;
- (2) Lightning;
- (3) Explosion
- (4) Riot or Civil Commotion;
- (5) Aircraft; or
- (6) Interruption of power supply service to the described premises, when the cause of the event occurs more than 1,000 feet from the premises.

This Coverage Extension does not apply to death or destruction of **"stock"** held for sale.

The most we will pay in any one occurrence is \$1,000.

No deductible applies to this Coverage Extension.

j. Ordinance or Law

If a Covered Cause of Loss occurs to a covered **"building"**, we will pay for:

- (1) Loss to the undamaged portion of the **"building"** caused by enforcement of any ordinance or law that:
 - (a) Requires the demolition of parts of the same property not damaged by a Covered Cause of Loss; and
 - (b) Regulates the construction or repair of **"buildings"** or establishes zoning or land use requirements at the described premises.

This coverage is included within the Limit of Insurance applicable to the covered **"buildings"** shown in the UltimateCover Program Declarations.

- (2) The cost to demolish and clear the site of undamaged parts of the property caused by enforcement of building, zoning or land use ordinance or law.

The most we will pay for such demolition costs is \$250,000 in any one occurrence.

- (3) We will pay for the increased cost to repair, rebuild or construct the property caused by enforcement of building, zoning or land use ordinance or law. If the property is repaired or rebuilt, it must be intended for similar occupancy as the current property, unless otherwise required by zoning or land use ordinance or law.

However, we will not pay for the increased cost of construction if the **"building"** is not repaired or replaced.

The most we will pay for such increased cost of construction is \$250,000 in any one occurrence.

Insurance under this Coverage Extension applies only with respect to an ordinance or law that is in effect at the time of **"loss"**. Insurance under this Additional Coverage does not apply to costs associated with the enforcement of any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way to respond to or assess the effects of **"pollutants"**.

k. Lost Key Replacement

In the event of the theft or disappearance of a master key to **"buildings"**, rooms or compartments at described premises in which covered Business Personal Property is located, we will pay the actual and necessary expenses you incur to:

- (1) Replace the key; and
- (2) (a) Adjust existing locks to accept the new key; or
- (b) Replace the lock;

Whichever is less.

The most we will pay under this Coverage Extension is \$2,500.

No deductible applies to this Coverage Extension.

Each of these Coverage Extensions is additional insurance, unless otherwise indicated.

The Additional Condition, Coinsurance (if applicable to this Coverage Form), does not apply to these Coverage Extensions.

B. Exclusions

See the Causes of Loss Form.

C. Limits of Insurance

The most we will pay for **"loss"** in any one occurrence:

1. For each Additional Coverage is the Limit of Insurance applicable to that Additional Coverage.

2. For each Coverage Extension is the Limit of Insurance applicable to that Coverage Extension;
3. For "**Fine Arts**" is:
 - a. \$25,000; or
 - b. The amount shown in the "**Fine Arts**" Schedule on file with us;Whichever is greater; and
4. For all other coverage provided under this Coverage Form is the applicable Limit of Insurance shown in the Property Coverage Part Declarations.

D. Deductible

We will not pay for "**loss**" in any one occurrence until the amount of the "**loss**" exceeds the Deductible shown in the Declarations or schedules. We will then pay the amount of the "**loss**" in excess of the Deductible, up to the applicable Limit of Insurance, after any deduction required by any of the following:

1. Coinsurance Condition;
2. Agreed Value Optional Coverage; or
3. Reporting Endorsement.

If more than one Deductible is applicable under this Coverage Form to "**loss**" in any one occurrence, we will only apply the highest applicable Deductible.

E. Loss Conditions

The following conditions apply in addition to the Common Policy Conditions and the Commercial Property Conditions:

1. Abandonment

There can be no abandonment of any property to us.

2. Appraisal

If we and you disagree on the value of the property or the amount of "**loss**", either may make written demand for an appraisal of the "**loss**". In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of "**loss**". If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

3. Duties in the Event of Loss

a. You must see that the following are done in the event of **"loss"** to Covered Property:

- (1) Notify the police if a law may have been broken.
- (2) Give us prompt notice of the **"loss"**. Include a description of the property involved.
- (3) As soon as possible, give us a description of how, when and where the **"loss"** occurred.
- (4) Take all reasonable steps to protect the Covered Property from further damage by any of the Covered Causes of Loss. If feasible, set the damaged property aside and in the best possible order for examination. Also keep a record of your expenses for emergency and temporary repairs, for consideration in the settlement of the claim. This will not increase the Limit of Insurance.
- (5) At our request, give us complete inventories of the damaged and undamaged property, including quantities, costs, values and amount of **"loss"** claimed.
- (6) As often as may be reasonably required, permit us to inspect the property and records proving the **"loss"**.

Also permit us to take samples of damaged and undamaged property for inspection, testing and analysis, and permit us to make copies from your books and records.
- (7) Make no statement that will assume any liability, for any **"loss"** for which we may be liable, without our consent.
- (8) Promptly send us any legal papers or notices received concerning the **"loss"**.
- (9) Send us a signed sworn proof of loss containing the information we request to investigate the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
- (10) Cooperate with us in the investigation or settlement of the claim.

b. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must signed.

4. Loss Payment

a. In the event of **"loss"** to Covered Property covered by this Coverage form, at our option, we will either:

- (1) Pay the value of lost or damaged property;
- (2) Pay the cost of repairing or replacing the lost or damaged property;
- (3) Take all or any part of the property at an agreed or appraised value; or
- (4) Repair, rebuild or replace the property with other property of like kind and quality.

- b. We will give notice of our intentions within 30 days after we receive the sworn proof of loss.
- c. We will not pay you more than your financial interest in the Covered Property.
- d. We may adjust the **"loss"** with the owners of lost or damaged property if other than you. If we pay the owners, such payments will satisfy your claims against us for the owners' property. We will not pay the owners more than their financial interest in the Covered Property.
- e. We may elect to defend you against suits arising from claims of owners of property. We will do this at our expense.
- f. We will pay for covered **"loss"** within 30 days after we receive the sworn proof of loss, if:
 - (1) You have complied with all of the terms of this coverage form; and
 - (2) (a) We have reached agreement with you on the amount of **"loss"**;
 - (b) An appraisal award has been made; or
 - (c) Final judgment has been entered.

5. a. Recovered Property

If either you or we recover any property after **"loss"** settlement, that party must give the other prompt notice. At your option, the property will be returned to you. You must then return to us the amount we paid to you for your property. We will pay recovery expenses and the expenses to repair the recovered property, subject to the Limit of Insurance.

b. Recoveries

The following applies only to the Accounts Receivable Coverage Extension:

You will pay us the amount of all recoveries you receive for a loss paid by us. But any recoveries in excess of the amount we have paid belong to you.

6. Vacancy

If the **"building"** where **"loss"** occurs has been vacant for more than 60 consecutive days before that **"loss,"** we will:

- a. Not pay for any **"loss"** caused by any of the following even if they are Covered Causes of Loss:
 - (1) Vandalism;
 - (2) Sprinkler leakage, unless you have protected the system against freezing;
 - (3) Building glass breakage;
 - (4) Water damage;
 - (5) Theft; or
 - (6) Attempted theft.

b. Reduce the amount we would otherwise pay for the **"loss"** by 15%.

"Buildings" are vacant when they do not contain enough business personal property to conduct customary operations.

7. Valuation

We will determine the value of Covered Property in the event of **"loss"** as follows:

a. At replacement cost (without deduction for depreciation) as of the time of **"loss"**, except as provided in **b., c., d., e., f., g.,** and **h.** below.

(1) We will not pay more for **"loss"** on a replacement costs basis than the least of:

(a) The Limit of Insurance applicable to the lost or damaged property;

(b) The cost to replace the lost or damaged property with other property:

(i) Of comparable material and quality; and

(ii) Used for the same purpose; or

(c) The amount you actually spend that is necessary to repair or replace the lost or damaged property.

(2) We will not pay on a replacement cost basis for any **"loss"**:

(a) Until the lost or damaged property is actually repaired or replaced; and

(b) Unless the repairs or replacement are made as soon as reasonably possible after the **"loss"**.

If the repairs or replacement are not made as soon as reasonably possible after the **"loss"**, the value of the property will be actual cash value.

b. **"Fine Arts"** as stated in a Schedule on file with us. If there is no schedule on file, valuation will be at fair market value as of the time of **"loss"**.

c. **"Stock"** as follows:

(1) **"Finished Stock"** you have sold but not delivered, at selling price less discounts and expenses you otherwise would have had;

(2) **"Merchandise"** you have sold but not delivered, at selling price less discounts and expenses you otherwise would have had;

(3) **"Stock in process"** at the cost to replace plus labor and overhead expenses you have actually incurred.

d. Glass at the cost of replacement with safety glazing material if required by law.

e. **"Valuable Papers and Records"** at the cost of:

- (1) Blank materials for reproducing the records; and
 - (2) Labor to transcribe or copy the records when there is a duplicate.
- f. **"Data"** and **"media"** (other than prepackaged software programs)
- The value of the property will be either:
- (1) The actual cost of reproducing or replacing the lost or damaged **"data"** and **"media"**, if you actually reproduce or replace them; or
 - (2) The cost to replace the blank **"media"** with substantially identical property.
- g. Accounts Receivable
- (1) If you cannot accurately establish the amount of accounts receivable outstanding as of the time of the **"loss"** the following method will be used:
 - (a) Determine the total of the average monthly amounts of accounts receivable for the 12 months immediately preceding the month in which the **"loss"** occurred; and
 - (b) Adjust that total for any normal fluctuations in the amount of accounts receivable for the month in which the **"loss"** occurred or any demonstrated variance from the average for that month.
 - (2) The following will be deducted from the total amount of accounts receivable, however that amount is established.
 - (a) The amount of the accounts for which there is no **"loss"**;
 - (b) The amount of the accounts that you are able to re-establish or collect;
 - (c) An amount to allow for probable bad debts that you are normally unable to collect; and
 - (d) All unearned interest and service charges.
- h. Tenant's Improvements and Betterments at:
- (1) Replacement cost (without deduction for depreciation) of the lost or damaged property if you make repairs promptly.
 - (2) A proportion of your original cost if you do not make repairs promptly. We will determine the proportionate value as follows:
 - (a) Multiply the original cost by the number of days from the **"loss"** to the expiration of the lease; and
 - (b) Divide the amount determined in (a) above by the number of days from the installation of improvements to the expiration of the lease.

If your lease contains a renewal option, the expiration of the renewal option period will replace the expiration of the lease in this procedure.

(3) Nothing, if others pay for repairs or replacement for your benefit and at no cost to you.

8. Pair, Sets or Parts

a. Pair or set. In case of **"loss"** to any part of a pair or set we may:

- (1) Repair or replace any part to restore the pair or set to its value before the **"loss"**; or
- (2) Pay the difference between the value of the pair or set before and after the **"loss"**

b. Parts. In case of **"loss"** to any part of Covered Property consisting of several parts when complete, we will only pay for the value of the lost or damaged part.

F. General Conditions

The following conditions apply in addition to the Common Policy Conditions and the Commercial Property Conditions.

1. Coinsurance

If a Coinsurance percentage is shown in the Premium Property Program Declarations, the following condition applies.

a. We will not pay the full amount of any **"loss"** if the value of Covered Property (except property in transit and Business Personal Property of others in your care, custody or control) at the time of **"loss"** times the Coinsurance percentage shown in the Declarations is greater than the Limit of Insurance for that property.

Instead, we will determine the most we will pay using the following steps:

- (1) Multiply the value of Covered Property at the time of **"loss"** by the Coinsurance percentage;
- (2) Divide the Limit of Insurance of the property by the figure determined in step (1);
- (3) Multiply the total amount of **"loss"**, before the application of any deductible, by the figure determined in step (2); and
- (4) Subtract the deductible from the figure determined in step (3).

We will pay the amount determined in step (4) or the Limit of Insurance, whichever is less. For the remainder, you will either have to rely on other insurance or absorb the **"loss"** yourself.

Step (3) will not apply to property in transit or to Business Personal Property of others in your care, custody or control.

Example No. 1 (Underinsurance)

When:

The value of the property is	\$250,000
The Coinsurance percentage for it is	80%
The Limit of Insurance for it is	\$100,000
The Deductible is	\$ 250

The Amount of **"Loss"** is \$ 40,000

Step (1)	\$250,000	X	80%	=	\$200,000
(The minimum amount of insurance to meet your Coinsurance requirements.)					
Step (2)	\$100,000.	÷	\$200,000	=	.50
Step (3)	\$40,000	X	.50	=	\$ 20,000
Step (4)	\$20,000.	–	\$250	=	\$ 19,750

We will pay no more than \$19,750. The remaining \$20,250 is not covered.

Example No. 2 (Adequate Insurance)

When:

The Value of the Property is \$250,000
 The Coinsurance percentage for it is 80%
 The Limit of Insurance for it is \$200,000
 The Deductible is \$ 250
 The Amount of **"Loss"** is \$ 40,000

Step (1)	\$250,000	X	80%	=	\$200,000
(The minimum amount of insurance to meet your Coinsurance requirements.)					
Step (2)	\$200,000	÷	\$200,000	=	1.00
Step (3)	\$40,000	X	1.00	=	\$ 40,000
Step (4)	\$40,000	–	\$250	=	\$ 39,750

We will cover the \$39,750 **"loss"** in excess of the Deductible. No penalty applies.

- b. If one Limit of Insurance applies to two or more separate items, this condition will apply to the total of all property to which the limit applies.

Example No. 3:

The Value of the property is:
"Building" at Premises No. 1 \$ 75,000
"Building" at Premises No. 2 \$100,000
 Personal Property at Premises No. 2 \$ 75,000
 \$250,000
 The Coinsurance percentage for it is 90%
 The Limit of Insurance for:
"Buildings" and Personal Property at
 Premises No. 1 and 2. \$180,000
 The Deductible is \$ 1,000
 The Amount of **" Loss"** is:
"Building" at Premises No. 2 \$ 30,000
 Personal Property at Premises No. 2 \$ 20,000
 \$ 50,000

Step (1)	\$250,000	X	90%	=	\$225,000
(The minimum amount of Insurance to meet your Coinsurance requirements)					
Step (2)	\$180,000	÷	\$225,000	=	.80
Step (3)	\$50,000	X	.80	=	\$ 40,000
Step (4)	\$40,000	–	\$1,000	=	\$ 39,000

We will pay no more than \$39,000. The remaining \$11,000 is not covered.

2. Mortgage Holders

- a. The term mortgage holder includes trustee.
- b. We will pay for covered **"loss"** to **"buildings"** to each mortgage holder shown in the Declarations in their order of precedence, as interests may appear.
- c. The mortgage holder has the right to receive **"loss"** payment even if the mortgage holder has started foreclosure or similar action on the **"buildings"**.
- d. If we deny your claim because of your acts or because you have failed to comply with the terms of the Coverage Form, the mortgage holder will still have the right to receive **"loss"** payment if the mortgage holder:
 - (1) Pays any premium due under this Coverage Form at our request if you have failed to do so;
 - (2) Submits a signed, sworn statement of loss within 60 days after receiving notice from us of your failure to do so; and
 - (3) Has notified us of any change in ownership, occupancy or substantial change in risk known to the mortgage holder.

All other terms of this Coverage Form will then apply directly to the mortgage holder.

- e. If we pay the mortgage holder for any **"loss"** and deny payment to you because of your acts or because you have failed to comply with the terms of this Coverage Form;
 - (1) The mortgage holder's rights under the mortgage will be transferred to us to the extent of the amount we pay; and
 - (2) The mortgage holder's right to recover the full amount of the mortgage holder's claim will not be impaired.

At our option, we may pay to the mortgage holder the whole principal on the mortgage plus any accrued interest. In this event, your mortgage and note will be transferred to us and you will pay your remaining mortgage debt to us.

- f. If we cancel this policy, we will give written notice to the mortgage holder at least:
 - (1) 10 days before the effective date of cancellation if we cancel for your nonpayment of premium; or
 - (2) 30 days before the effective date of cancellation if we cancel for any other reason.
- g. If we elect not to renew this policy, we will give written notice to the mortgage holder at least 10 days before the expiration date of this policy.

3. Other Insurance

The following is added to subparagraph 2. of Commercial Property Condition **G., Other Insurance**:

But this provision does not apply to **"loss"** to personal property of others in your care, custody or control.

4. Policy Period, Coverage Territory

Commercial Property Condition H., **Policy Period, Coverage Territory**, is replaced by the following:

a. We cover **"loss"** commencing:

- (1) During the Policy Period shown in the UltimateCover Program Declarations; and
- (2) Within the Coverage Territory.

b. The Coverage Territory is:

- (1) The United States of America; and
- (2) Canada.

G. Definitions

1. **"Buildings"** means buildings or structures.
2. **"Computer Virus"** means unauthorized intrusive codes or programming that are entered into covered **"hardware"**, **"data"** and **"media"** and interrupt your operations at the described premises.
3. **"Consequential Damage"** means the decrease in value to the undamaged part or parts of Business Personal Property which is unmarketable as a complete product.
4. **Computer Property** means **"data"**, **"hardware"** and **"media"**.
 - a. **"Data"** means facts, figures, concepts, or instructions that are in a form that can be communicated, interpreted or processed by computer systems (including records of accounts receivable and **"valuable papers and records"** when they are converted into **"data"** form).
 - b. **"Hardware"** means a network of equipment and components which accept information, process and analyze that information according to a plan, and then produces the desired results. It includes disk and tape drives, printers, display screens, remote terminals, computers which control manufacturing or production equipment or machinery, and computerized telephone systems, but it does not include computer **"media"**, or manufacturing or production machinery or equipment.
 - c. **"Media"** means materials on which **"data"** can be recorded, such as magnetic tapes, disk packs, paper tapes and cards.

"Data" and **"media"** include pre-packaged software and any instructional manuals for that software.
5. **"Fine Arts"** means paintings, etchings, pictures, tapestries, art glass windows, valuable rugs, statuary, marbles, bronzes, antique furniture, rare books, antique silver, manuscripts, porcelains, rare glass, bric-a-brac, and similar property, of rarity, historical value or artistic merit.

6. **"Guard Dog"** means a dog that is trained to protect premises from intruders and kept on your premises when they are not open for business.
7. **"Loss"** means accidental loss or damage.
8. **"Money"** means:
- Currency, coins and bank notes whether or not in current use; and
 - Travelers' checks, register checks and money orders held for sale to the public.
9. **"Pollutants"** means any solid, liquid, gaseous or thermal irritant or containment, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes material to be recycled, reconditioned or reclaimed.
10. **"Securities"** means negotiable and non-negotiable instruments or contracts representing either **"money"** or other property and includes:
- Tokens, tickets, revenue and other stamps whether or not in current use;
 - Evidences of debt issued in connection with credit or charge cards, which are not of your own issue;
- But does not include **"money"**. Lottery tickets held for sale are not **"securities"**.
11. **"Stock"** means **"finished stock"**, **"merchandise"** and **"stock in process"**.
- "Finished Stock"** means property that you manufactured or processed which in the ordinary course of your business is ready for packing, shipment or sale.
 - "Merchandise"** means goods kept for sale by you that are not the product of your manufacturing or processing operations.
 - "Stock in Process"** means raw materials that have undergone any processing or manufacturing but which has not become **"finished stock."**
12. **"Valuable Papers and Records"** means inscribed, printed or written documents, manuscripts or records, including abstracts, books, deeds, drawings, films, maps or mortgages.
- But **"valuable papers and records"** does not mean **"money"** or **"securities"**.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CAUSES OF LOSS FORM

Words and phrases that appear in quotation marks have special meaning. Refer to Section **F., Definitions.**

A. Covered Causes of Loss

Covered Causes of Loss means Risks of Direct Physical Loss unless the "**loss**" is:

1. Excluded in Section **B., Exclusions**; or
2. Limited in Section **C., Limitations**;

that follow.

B. Exclusions

1. We will not pay for "**loss**" caused directly or indirectly by any of the following. Such "**loss**" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the "**loss**".

a. Ordinance or Law

The enforcement of any ordinance or law:

- (1) Regulating the construction, use or repair of any property; or
- (2) Requiring the tearing down of any property, including the cost of removing its debris.

b. Earth Movement

Any earth movement (other than sinkhole collapse or volcanic action, eruption, explosion or effusion), such as an earthquake, landslide, mine subsidence or earth sinking, rising or shifting. But if "**loss**" by fire or explosion results, we will pay for that resulting "**loss**".

This exclusion does not apply to the following:

- (1) Business Personal Property in transit or away from premises you own, lease, rent or control;
- (2) The Accounts Receivable Coverage Extension; or
- (3) The Valuable Papers and Records - Cost to Research Coverage Extension.

c. Governmental Action

Seizure or destruction of property by order of governmental authority.

But we will pay for "**loss**" caused by or resulting from acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread, if the fire would be covered under this Policy.

d. Nuclear Hazard

- (1) Any weapon employing atomic fission or fusion; or
- (2) Nuclear reaction or radiation, or radioactive contamination from any other cause.

But we will pay for direct "**loss**" caused by resulting fire if the fire would be covered under this Policy.

e. Utility Services

The failure of power or other utility service supplied to the described premises, however caused, if the failure occurs away from the described premises.

But if "**loss**" by a Covered Cause of Loss results, we will pay for that resulting "**loss**".

This exclusion does not apply to the following Coverages:

- (1) Accounts Receivable Coverage Extension;
- (2) "**Computer Property**" for interruption of electrical power supply when the cause of such event occurs within 1,000 feet of the premises; or
- (3) Utility Services - Direct Damage Additional Coverage Extension.

f. War and Military Action

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

g. Flood

"**Flood**".

But if "**loss**" by fire, explosion, theft or sprinkler leakage results, we will pay for that resulting "**loss**".

This exclusion does not apply to the following:

- (1) Business Personal Property in transit or away from premises you own, lease rent or control;
- (2) The Accounts Receivable Coverage Extension; or
- (3) The Valuable Papers and Records - Cost to Research Coverage Extension.

2. We will not pay for "**loss**" caused by or resulting from any of the following:

- a. Artificially generated electric current, including electric arcing, that disturbs electrical devices, appliances or wires.

But if "**loss**" by fire or explosion results, we will pay for that resulting "**loss**".

This exclusion does not apply to "**computer property**".

- b. Delay, loss of use, loss of market or any other consequential loss.
- c. Smoke, vapor or gas from agricultural smudging or industrial operations. This exclusion does not apply to "**computer property**".
- d. (1) Wear and tear;
- (2) Rust, corrosion, fungus, decay, deterioration, spoilage, contamination, hidden or latent defect or any quality in property that causes it to damage or destroy itself;
- (3) Smog;
- (4) Settling, cracking, shrinking or expansion;
- (5) Insects, birds, rodents or other animals;
- (6) Mechanical breakdown, including rupture or bursting caused by centrifugal force. However, this does not apply to any resulting "**loss**" caused by elevator collision;
- (7) Dampness or dryness of atmosphere; changes in or extremes of temperature; freezing or thawing.

Paragraphs d. (3), (4), (6) and (7) do not apply to "**computer property**".

But if "**loss**" by the "**specified causes of loss**" or building glass breakage results, we will pay for that resulting "**loss**".

- e. Explosion of steam boilers, steam pipes, steam engines or steam turbines owned or leased by you, or operated under your control. But if "**loss**" by fire or combustion explosion results, we will pay for that resulting "**loss**". We will also pay for "**loss**" caused by or resulting from the explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass.
- f. Water, other liquids, powder or molten material that leaks or flows from plumbing, heating, air-conditioning or other equipment (except fire protective systems) caused by or resulting from freezing, unless:
- (1) You do your best to maintain heat in the "**buildings**"; or
- (2) You drain the equipment and shut off the supply if the heat is not maintained.

This exclusion does not apply to "**computer property**".

- g. Dishonest or criminal acts by you, any of your partners, employees, directors, trustees, authorized representatives or anyone to whom you entrust the property for any purpose:
- (1) Acting alone or in collusion with others; or

(2) Whether or not occurring during the hours of employment.

This exclusion does not apply to:

- (1) Acts of destruction by your employees (but theft by employees is not covered);
- (2) Property in the custody of a carrier for hire (provided the carrier is not in collusion with you, any of your partners, directors, trustees or authorized representatives); or
- (3) "**Loss**" to "**computer property**" (provided your employees are not in collusion with you, any of your partners, directors, trustees or authorized representatives).

h. Rain, snow, ice or sleet to personal property in the open.

i. Collapse, except as provided below in the Additional Coverage for Collapse. But if "**loss**" by any of the Covered Causes of Loss results at the described premises, we will pay for that resulting "**loss**".

j. Discharge, dispersal, seepage, migration, release or escape of "**pollutants**".

But we will pay for resulting "**loss**" to Covered Property when the discharge, dispersal, seepage, migration, release or escape of "**pollutants**" is caused by any of the "**specified causes of loss**".

k. Processing or work upon the property.

But we will pay for "**loss**" caused by resulting fire or explosion.

This exclusion does not apply to "**computer property**".

l. Alteration, falsification, concealment or destruction of records of accounts receivable done to conceal the wrongful giving, taking or withholding of "**money**", "**securities**" or other property.

This exclusion applies only to the extent of the wrongful giving, taking or withholding.

m. Bookkeeping, accounting or billing errors or omissions.

n. Unexplained disappearance. This exclusion does not apply to "**computer hardware**".

o. Shortage found upon taking inventory or audit. This exclusion does not apply to "**computer hardware**".

p. Electrical or magnetic disturbance or erasure of records of accounts receivable that have been converted into electronic format, when such "**loss**" is caused by or results from:

- (1) Programming errors or faulty machine instructions;
- (2) Faulty installation or maintenance of data processing equipment or component parts; or
- (3) An occurrence that took place more than 1,000 feet from your premises.

But we will pay for such "**loss**" caused by lightning.

q. Voluntary parting with any property by you, or by anyone else to whom you have entrusted the property, if induced to do so by any fraudulent scheme, trick, device or false pretense.

- r. Changes in your electrical power supply to "**computer property**", including interruption of power, power surge, blackout or brownout, if the cause of such event originates more than 1,000 feet from any of the premises listed in the Declarations, Extension of Declarations or attached Schedule.
3. We will not pay for "**loss**" caused by or resulting from any of the following. But if "**loss**" by a Covered Cause of Loss results, we will pay for that resulting "**loss**."
- a. Weather conditions. But this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in paragraph 1. above to produce the "**loss**".
- b. Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.
- c. Faulty, inadequate or defective:
- (1) Planning, zoning, development, surveying, siting;
 - (2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
 - (3) Materials used in repair, construction, renovation or remodeling; or
 - (4) Maintenance;
- Of part or all of any property on or off the described premises.
- This exclusion does not apply to "**computer property**".

4. Special Exclusions

The following provisions apply only to the Coverage Forms listed below, if these Coverage Forms are attached to this Policy.

a. **Business Income, Extra Expenses and Business Income with Extra Expenses Coverage Forms.**

We will not pay for:

- (1) Any loss caused by or resulting from:
- (a) Damage or destruction of finished "**stock**"; or
 - (b) The time required to reproduce finished "**stock**".

This exclusion does not apply to Extra Expenses.

- (2) Any loss caused by or resulting from direct physical "**loss**" to communication antennas or satellite dishes, including their lead-in wiring masts or towers.
- (3) Any increase of loss caused by or resulting from:

- (a) Delay in rebuilding, repairing or replacing the property or resuming "**operations**" due to interference at the premises of the rebuilding, repair or replacement by strikers or other persons; or
 - (b) Suspension, lapse or cancellation of any license, lease or contract. But if the suspension, lapse or cancellation is directly caused by the suspension of "**operations**", we will cover such loss that affects your Business Income during the "**period of restoration**".
- (4) Any Extra Expenses caused by or resulting from suspension, lapse or cancellation of any license, lease or contract beyond the "**period of restoration**".
 - (5) Any other consequential loss.
 - (6) Any loss caused by or resulting from error in machine programming or instructions to any machine.
 - (7) Any loss caused by or resulting from direct physical "**loss**" to property at locations not specifically identified. This exclusion does not apply to coverage provided to Business Income from Dependent Property - Additional Coverage.
 - (8) Any loss caused by or resulting from direct physical "**loss**" to:
 - (a) "**Buildings**"; or
 - (b) Additions to existing "**buildings**";
 That are under the course of construction.

b. Legal Liability Coverage Form

- (1) The following Exclusions do not apply to insurance under this Coverage Form;
 - (a) Paragraph **B. 1.a.**, Ordinance or Law;
 - (b) Paragraph **B. 1. c.**, Governmental Action;
 - (c) Paragraph **B. 1.d.**, Nuclear Hazard;
 - (d) Paragraph **B.1.e.**, Utility Service; and
 - (e) Paragraph **B. 1. f.**, War and Military Action.
- (2) The following additional exclusions apply to insurance under this Coverage Form:
 - (a) **Contractual Liability**

We will not defend any claim or "**suit**" or pay damages that you are legally liable to pay, solely by reason of your assumption of liability in a contract or agreement.
 - (b) **Nuclear Hazard**

We will not defend any claim or "**suit**" or pay any damages, "**loss**", expense or obligation, resulting from nuclear reaction or radiation, or radioactive contamination, however caused.

C. Limitations

1. We will not pay for "**loss**" to:
 - a. Steam boilers, steam pipes, steam engines or steam turbines caused by or resulting from any condition or event inside such equipment. But we will pay for "**loss**" to such equipment caused by or resulting from an explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass.
 - b. Hot water boilers or other water heating equipment caused by or resulting from any condition or event inside such boilers or equipment, other than an explosion.
 - c. The interior of any "**buildings**", or to personal property in "**buildings**", caused by or resulting from rain, snow, sleet, ice, sand or dust, whether driven by wind or not, unless:
 - (1) The "**buildings**" first sustain damage by a Covered Cause of Loss to their roof or walls through which the rain, snow, sleet, ice, sand or dust enters; or
 - (2) The "**loss**" is caused by or results from thawing of snow, sleet or ice on the "**buildings**".
2. For "**loss**" by theft, the following types of property are covered only up to the Limits of Insurance shown:
 - a. \$2,500 for furs, fur garments and garments trimmed with fur.
 - b. \$2,500 for jewelry, watches, watch movements, jewels, pearls, precious and semi-precious stones, bullion, gold, silver, platinum and other precious alloys or metals. This Limit of Insurance does not apply to jewelry and watches worth \$100 or less per item.
 - c. \$250 for stamps, tickets, including lottery tickets held for sale, and letters of credit.
3. We will not pay for "**loss**" to property in transit caused by or resulting from breakage; leakage; contamination; being spotted, discolored, molded, rusted, frosted, rotted, soured, steamed or changed in flavor.

But we will pay for such "**loss**" caused by: the "**specified causes of loss**"; an accident to the vehicle or railroad car carrying the Covered Property; burning, collision or crashing of the aircraft carrying the Covered Property; or the stranding, sinking, burning or collision of the vessel carrying the Covered Property.

D. Additional Coverage - Collapse

We will pay for "**loss**" caused by or resulting from risks of direct physical "**loss**" involving collapse of "**buildings**" or any part of "**buildings**" caused only by one or more of the following:

1. The "**specified causes of loss**" or breakage of building glass, all only as insured against in this form;
2. Hidden decay;
3. Hidden insect or vermin damage;
4. Weight of people or personal property;

5. Weight of rain that collects on a roof.

We will not pay for **"loss"** to the following types of property, if otherwise covered in this Policy, under items **2., 3., 4. and 5.**, unless the **"loss"** is a direct result of the collapse of **"buildings"**; outdoor communication antennas or satellite dishes, including their masts or lead - in wiring; awnings, gutters and downspouts; yard fixtures; outdoor swimming pools; fences; beach or diving platforms or appurtenances; retaining walls.

Collapse does not include settling, cracking, shrinkage, bulging or expansion.

This Additional Coverage will not increase the Limits of Insurance provided by this Policy.

E. Additional Coverage Extensions**1. Water Damage, Other Liquids, Powder or Molten Material Damage**

If **"loss"** caused by or resulting from covered water or other liquid, powder or molten material occurs, we will also pay the cost to tear out and replace any part of **"buildings"** to repair damage to the system or appliance from which the water or other substance escapes.

We will not pay the cost to repair any defect to a system or appliance from which water, other liquid, powder or molten material escapes. But we will pay the cost to repair or replace damaged parts of fire extinguishing equipment if the damage:

- a. Results in discharge of any substance from an automatic fire protection system; or
- b. Is directly caused by freezing.

This Coverage Extension will not increase the Limits of Insurance provided by this Policy.

2. Utility Services - Direct Damage

We will pay for direct physical **"loss"** caused by interruption of utility service to the described premises. The interruption must be caused by direct physical **"loss"** by any of the Covered Causes of Loss to the following types of property not on the described premises supplying water, communication and power to the described premises.

Power Supply Services, meaning the following types of property supplying electricity, steam or gas to the described premises.

- a. Utility Generating Plants;
- b. Switching stations;
- c. Substations;
- d. Transformers; and
- e. Transmission Lines.

But not overhead transmission lines.

Water Supply Services, meaning the following types of property supplying water to the described premises.

- a. Pumping Stations; and

b. Water mains.

Communication Supply Services, meaning property supplying communication services, including telephone, radio, microwave or television services to the described premises, such as:

- a. Communication transmission lines, including optical fiber transmission lines;
- b. Coaxial cables; and
- c. Microwave radio relays except satellites.

But not overhead transmission lines.

The most we will pay under this Coverage Extension for the sum of all occurrences at all premises during each separate 12 month period of this policy is \$10,000.

This Coverage Extension is in addition to the Limits of Insurance provided by this Policy.

3. Voluntary Parting

We will pay for "**loss**" caused by or resulting from voluntary parting with any property by you, or by anyone else to whom you have entrusted the property, if induced to do so by any fraudulent scheme, trick, device or false pretense.

The most we will pay under this Coverage Extension in any one occurrence is \$10,000.

This Coverage Extension will not increase the Limits of Insurance provided by this Policy.

F. Definitions

1. "**Buildings**" means buildings or structures.
2. "**Computer Property**" means "**data**", "**hardware**" and "**media**".
 - a. "**Data**" means facts, figures, concepts or instructions that are in a form that can be communicated, interpreted, or processed by computer systems (including records of accounts receivable and "**valuable papers and records**" when they are converted into "**data**" form).

It does not include Valuable Papers unless converted to electronic form.

- b. "**Hardware**" means a network of equipment and components which accept information, process and analyze that information according to a plan, and then produces the desired results. It includes disk and tape drives, printers, display screens, remote terminals, computers which control manufacturing or production equipment or machinery, and computerized telephone systems, but it does not include computer "**media**", or production machinery or equipment.
 - c. "**Media**" means materials on which "**data**" can be recorded, such as magnetic tapes, disk packs, paper tapes and cards.
3. "**Flood**" means:
 - a. Flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not; or

- b. Mudslide or mudflow.
4. "**Loss**" means accidental loss or damage.
5. "**Money**" means:
- a. Currency, coins and bank notes whether or not in current use; and
 - b. Travelers' checks, register checks and money orders held for sale to the public.
6. "**Operations**" means:
- a. Business activities you perform at the described premises; and
 - b. The tenantability of the described premises, if coverage for Business Income including "**Rental Value**" or "**Rental Value**" applies.
7. "**Period Of Restoration**" means the period of time that:
- a. Begins:
 - (1) 72 hours after the time of direct physical "**loss**" for Business Income Coverage; or;
 - (2) Immediately after the time of direct physical "**loss**" for Extra Expense Coverage;
 - b. Ends on the earlier of:
 - (1) The date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality; or
 - (2) The date when business is resumed at a new permanent location.
 - c. "**Period of Restoration**" does not include any increased period required due to the enforcement of any ordinance or law that:
 - (1) Regulates the construction, use or repair, or requires the tearing down of any property; or
 - (2) Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "**pollutants**".
- The expiration date of this policy will not cut short the "**period restoration**".
8. "**Pollutants**" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
9. "**Rental Value**" means
- a. Total anticipated rental income from tenant occupancy of the premises described in the Declarations as furnished and equipped by you; and
 - b. Amount of all charges which are legal obligation of the tenant(s) and which would otherwise be your obligations; and
 - c. Fair rental value of any portion of the described premises which is occupied by you.

10. "**Securities**" means negotiable and non-negotiable instruments or contracts representing either "**money**" or other property and includes:

- a. Tokens, tickets, revenue and other stamps whether or not in current use; and
- b. Evidences of debt issued in connection with credit or charge cards, which are not of your own issue;

But does not include "**money**". Lottery tickets held for sale are not "**securities**".

11. "**Specified Causes of Loss**" means the following: fire; lightning; explosion; windstorm or hail; smoke; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire extinguishing equipment; sinkhole collapse; volcanic action; falling objects; weight of snow, ice or sleet; water damage.

- a. Sinkhole collapse means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite. This Cause of Loss does not include:

- (1) The cost of filling sinkholes; or
- (2) Sinking or collapse of land man-made underground cavities.

- b. Falling objects does not include "**loss**" to:

- (1) Personal property in the open; or
- (2) The interior of "**buildings**", or property inside "**buildings**", unless the roof or an outside wall of the "**buildings**" is first damaged by a falling object.

- c. Water damage means accidental discharge or leakage of water or steam as the direct result of the breaking or cracking of any part of a system or appliance containing water or steam.

12. "**Stock**" means "**finished stock**", "**merchandise**", and "**stock in process**".

- a. "**Finished Stock**" means property that you manufactured or processed which in the ordinary course of your business is ready for packing, shipment or sale.
- b. "**Merchandise**" means goods kept for sale by you that are not the product of your manufacturing or processing operations.
- c. "**Stock in Process**" means raw materials that have undergone any processing or manufacturing but which have not become "**finished stock**."

13. "**Suit**" includes an arbitration proceeding to which you must submit or submit with our consent.

CRIME COVERAGE FORM

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

Throughout this Coverage Form the words "**you**" and "**your**" refer to the Named Insured shown in the Declarations. The words "**we**", "**us**", and "**our**" refer to the Company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section **G., Definitions**.

Coverage Summary

	Basic Limit Of Insurance	Basic Deductible	Superseding Limit Of Insurance	Superseding Deductible
"Money" and "Securities"- Inside the Premises	\$ 5,000	\$ 500		
"Money" and "Securities"- Outside the Premises	\$ 5,000	\$500		
Money Orders and Counterfeit Paper Currency	\$ 5,000	\$500		
Kidnap and Ransom – Extortion	\$25,000	None		

Optional Coverage Summary

	Limit of Insurance	Deductible
Forgery or Alteration		
Computer Fraud		
Employee Dishonesty		

- If this box is marked with "**X**", **Clause B.1.f., Coverage Extension - Welfare and Pension Plan ERISA Compliance**, applies to this policy.

A. Coverage

1. Money and Securities

Covered Property, as used in this Coverage, means "**money**" and "**securities**" used in your business.

a. We will pay for all loss to Covered Property:

(1) **Inside the Premises** - while at a bank or savings institution, at the "**premises**", or

(2) **Outside the Premises** - in transit between any of the places described in 1. a. (1) above; resulting directly from:

- (a) Theft, meaning any act of stealing;
- (b) Disappearance; or
- (c) Destruction.

b. In addition to the General Exclusions of this Form, we will not pay for loss:

- (1) Resulting from accounting or arithmetical errors or omissions.
- (2) Due to the giving or surrendering of property in any exchange or purchase.
- (3) Of property contained in any money-operated device unless the amount of money deposited in it is recorded by a continuous recording instrument in the device.
- (4) Resulting from any dishonest or criminal act committed by any of your **"employees"**, directors, trustees or authorized representatives:
 - (a) Acting alone or in collusion with other persons; or
 - (b) While performing services for you or otherwise.
- (5) Of Covered Property after it has been transferred or surrendered to a person or place outside the **"premises"** or a bank or savings institution on the basis of unauthorized instructions.
- (6) Resulting from your, or anyone acting on your express or implied authority, being induced by any dishonest act to voluntarily part with title to or possession of any property.

c. Additional Definition

As respects Money and Securities coverage:

"Occurrence" means an:

- (1) Act or series of related acts involving one or more persons; or
- (2) Act or event, or a series of related acts or events not involving any person.

2. Money Orders and Counterfeit Paper Currency

We will pay for loss due to the acceptance in good faith of Covered Property.

a. Covered Property, as used in this Coverage, means:

- (1) Any post office or express money order accepted in exchange for merchandise, **"money"** or services issued, or purporting to have been issued, by any post office or express company, if such money order is not paid upon presentation; or
- (2) Counterfeit United States or Canadian paper currency accepted in the regular course of business.

b. In addition to the General Exclusions of this Form, we will not pay for loss resulting from:

- (1) Any dishonest or criminal act committed by any of your **"employees"**, directors, trustees or authorized representatives:

- (a) Acting alone or in collusion with other persons; or
 - (b) While performing services for you or otherwise.
- (2) Your, or anyone acting on your express or implied authority, being induced by any dishonest act to voluntarily part with title to or possession of any property.

c. Additional Definition

As respects Money Orders and Counterfeit Paper Currency coverage:

"Occurrence" means an:

- (1) Act or series of related acts involving one or more persons; or
- (2) Act or event, or a series of related acts or events not involving any person.

3. Kidnap and Ransom-Extortion

- a. We will pay for loss of **"money"**, **"securities"**, and **"property other than money and securities"** resulting directly from **"extortion"**. Loss is covered only if:
- (1) The threat to do bodily harm is first communicated to you during the Policy Period; and
 - (2) The capture or alleged capture takes place within the United States of America, U.S. Virgin Islands, Puerto Rico, Canal Zone or Canada.
- b. We will not pay for loss as specified below:
- (1) Loss resulting from any dishonest or criminal acts committed by any of your **"employees"**, directors, trustees, or authorized representatives:
 - (a) Acting alone or in collusion with other persons; or
 - (b) While performing services for you or otherwise.
 - (2) Loss of property surrendered before a reasonable effort has been made to report an extortionist's demand to all the following:
 - (a) An associate;
 - (b) The Federal Bureau of Investigation; and
 - (c) Local law enforcement authorities.
- c. The most we will pay for loss in any one **"occurrence"** is \$25,000.

d. Additional Definition

"Occurrence" means an:

- (1) Act or series of related acts involving one or more persons; or
- (2) Act or event, or a series of related acts or event not involving any person.

B. Optional Coverages

The following Optional Coverages for which a limit of insurance is shown in the Coverage Summary are also provided:

1. Employee Dishonesty

We will pay for loss of, and loss from damage to Covered Property resulting directly from **"employee dishonesty"**.

- a. Covered Property, as used in this Coverage, means **"money"**, **"securities"** and **"property other than money and securities"**.
- b. We will pay for loss caused by any **"employee"** while temporarily outside the Coverage Territory for a period not more than 90 days.
- c. We will not pay for:
 - (1) Loss caused by any **"employee"** of yours, or predecessor in interest of yours, for whom similar prior insurance has been canceled and not reinstated since the last such cancellation.
 - (2) Loss, or that part of any loss, the proof of which as to its existence or amount is dependent upon:
 - (a) An inventory computation; or
 - (b) A profit and loss computation.

d. Additional Condition

The following applies in addition to the General Conditions of this Form.

Cancellation As To Any Employee

This insurance is canceled as to any **"employee"**:

- (1) Immediately upon discovery by:
 - (a) You; or
 - (b) Any of your partners, officers or directors not in collusion with the **"employee"**;
of any dishonest act committed by that **"employee"** whether before or after becoming employed by you.
- (2) On the date specified in a notice mailed to you. That date will be at least 30 days after the date of mailing.

The mailing of notice to you at the last mailing address known to us will be sufficient proof of notice. Delivery of notice is the same as mailing.

e. Additional Definition

As respects Employee Dishonesty coverage:

"Occurrence" means all loss caused by, or involving, one or more **"employees"**, whether the result of a single act or series of acts.

f. Coverage Extension - Welfare and Pension Plan ERISA Compliance

In compliance with certain provisions of the Employee Retirement Income Security Act (ERISA):

(1) **"Employee"** also includes any natural person who is:

- (a) A trustee, officer, employee, administrator or a manager, except an administrator or a manager who is an independent contractor, of any Employee Welfare or Pension Benefit Plan (hereinafter called Plan) insured under this insurance; and
- (b) Your director or trustee while that person is handling funds or other property of any Plan insured under this insurance.

(2) If any Plan is insured jointly with any other entity under this insurance, you or the Plan Administrator must select a Limit of Insurance that is sufficient to provide an amount of insurance for each Plan that is at least equal to that required if each Plan were separately insured.

(3) If the Insured first named in the Declarations is an entity other than a Plan, any payment we make to that Insured for loss sustained by any Plan will be held by that Insured for the use and benefit of the Plan(s) sustaining the loss.

(4) If two or more Plans are insured under this insurance, any payment we make for loss:

- (a) Sustained by two or more Plans; or
- (b) Of commingled funds or other property of two or more Plans;

that arises out of one **"occurrence"** is to be shared by each Plan sustaining loss in the proportion that the amount of insurance required for each such Plan under ERISA provisions bears to the total of those amounts.

(5) The Deductible provision does not apply to loss sustained by any Plan subject to ERISA which is insured under this insurance.

2. Forgery or Alteration

We will pay for loss due to forgery or alteration of, on or in any Covered Property.

a. Covered Property, as used in this Coverage, means **"Covered Instruments"** that are:

- (1) Made or drawn by or drawn upon you;
- (2) Made or drawn by one acting as your agent;

or that are purported to have been so made or drawn.

b. If you are sued for refusing to pay any **"covered instrument"** on the basis that it has been forged or altered, and you have our written consent to defend against the suit, we will pay for any reasonable legal expenses that you incur and pay in that defense. The amount we will pay is in addition to the Limit of Insurance applicable to this insurance.

c. The following applies in addition to the General Exclusions of this Form:

We will not pay for loss resulting from any dishonest or criminal act committed by any of your **"employees"**, directors, trustees or authorized representatives:

- (1) Acting alone or in collusion with other persons; or
- (2) While performing services for you or otherwise.

d. Additional Conditions

The following apply in addition to the General Conditions of this Form.

(1) Facsimile Signatures

We will treat mechanically reproduced facsimile signatures the same as handwritten signatures.

(2) Proof of Loss

You must include with your proof of loss any instrument involved in that loss, or, if that is not possible, an affidavit setting forth the amount and cause of loss.

(3) Territory

We will cover loss you sustain anywhere in the world.

The **Territory General Condition** does not apply to this Optional Coverage.

e. Additional Definition

As respects Forgery or Alteration coverage:

"Occurrence" means all loss caused by any person or in which that person is involved, whether the loss involves one or more instruments.

3. Computer Fraud

We will pay for loss of, and loss from damage to, Covered Property resulting directly from **"computer fraud"**.

a. Covered Property, as used in this Coverage means **"money"**, **"securities"** and **"property other than money and securities"**.

b. The following apply in addition to the General Exclusions of this Form:

(1) We will not pay for loss resulting from any dishonest or criminal act committed by any of your **"employees"**, directors, trustees or authorized representatives:

- (a) Acting alone or in collusion with other persons; or

- (b) While performing services for you or otherwise.
- (2) We will not pay for loss, or that part of any loss, the proof of which as to its existence or amount is dependent upon:
 - (a) An inventory computation; or
 - (b) A profit and loss computation.

d. Additional Conditions

The following apply in addition to the General Conditions of this Form:

(1) Duties in the Event of Loss

If you have reason to believe that any loss of, or loss from damage to, Covered Property involves a violation of law, you must notify the police.

(2) Special Limit of Insurance for Specified Property

For loss of, or loss from damage to, manuscripts, drawings or records of any kind the most we will pay in any one **"occurrence"** is the lesser of the following amounts:

- (a) The cost of reconstructing such property or reproducing any information contained in such property; or
- (b) \$5,000.

e. Additional Definition

As respects Computer Fraud coverage:

"Occurrence" means an:

- (1) Act or series of related acts involving one or more persons; or
- (2) Act or event, or a series of related acts or events not involving any person.

C. Limits of Insurance

The most we will pay for loss in any one **"occurrence"** is the applicable Limit of Insurance shown in the Coverage Summary.

1. For Money and Securities Coverage and for Money Orders and Counterfeit Paper Currency Coverage, the applicable Limit of Insurance is:
 - a. The Basic Limit of Insurance shown in the Coverage Summary if no Superseding Limit of Insurance is shown; or
 - b. The Superseding Limit of Insurance if a Superseding Limit is shown in the Coverage Summary.
2. For all other coverages, the applicable Limit of Insurance is the Limit shown in the Coverage Summary.

D. Deductible

We will not pay for loss in any one **"occurrence"** until the amount of the loss exceeds the applicable Deductible shown in the Coverage Summary. We will then pay the amount of the loss in excess of the applicable Deductible, up to the applicable Limit of Insurance.

1. For Money and Securities Coverage and for Money Orders and Counterfeit Paper Currency Coverage, the applicable Deductible is:
 - a. The Basic Deductible shown in the Coverage Summary if no Superseding Deductible is shown; or
 - b. The Superseding Deductible if a Superseding Deductible is shown in the Coverage Summary.
2. For all other coverages, the applicable Deductible is the Deductible shown in the Coverage Summary.

E. General Exclusions

Unless stated otherwise in any Coverage or Optional Coverage in this Crime Coverage Form, the Policy Declarations or an endorsement, the following General Exclusions apply to all Coverages and Optional Coverages provided by this Coverage Form.

We will not pay for loss as specified below:

1. Acts Committed by You or Your Partners

Loss resulting from any dishonest or criminal act committed by you or any of your partners whether acting alone or in collusion with other persons.

2. Governmental Action

Loss resulting from seizure or destruction of property by order of governmental authority.

3. Indirect Loss

Loss that is an indirect result of any act or **"occurrence"** covered by this insurance including, but not limited to, loss resulting from;

- a. Your inability to realize income that you would have realized had there been no loss of, or loss from damage to, Covered Property.
- b. Payment of damages of any type for which you are legally liable. But, we will pay compensatory damages arising directly from a loss covered under this insurance.
- c. Payment of costs, fees or other expenses you incur in establishing either the existence or the amount of loss under this insurance.

4. Legal Expenses

Expenses related to any legal action, except as provided in the Forgery or Alteration Optional Coverage, if the coverage is applicable to this policy.

5. Nuclear

Loss resulting from nuclear reaction, nuclear radiation or radioactive contamination, or any related act or incident.

6. War and Similar Actions

Loss resulting from war, whether or not declared, warlike action, insurrection, rebellion or revolution, or any related act or incident.

F. General Conditions

Unless stated otherwise in any Coverage or Optional Coverage in this Crime Coverage Form, the Policy Declarations or an endorsement, the following General Conditions apply to all Coverages and Optional Coverages provided by this Coverage Form:

1. Concealment, Misrepresentation or Fraud

This insurance is void in any case of fraud by you as it relates to this insurance at any time. It is also void if you or any other insured, at any time, intentionally conceal or misrepresent a material fact concerning:

- a. This insurance;
- b. The Covered Property;
- c. Your interest in the Covered property; or
- d. A claim under this insurance.

2. Consolidation - Merger

If through consolidation or merger with, or purchase of assets of, some other entity:

- a. Any additional persons become "**employee**"; or
- b. You acquire the use and control of any additional "**premises**";

Any insurance afforded for "**employees**" or "**premises**" also applies to those additional "**employees**" and "**premises**", but only if you:

- a. Give us written notice within 30 days thereafter; and
- b. Pay us an additional premium.

3. Discovery Period for Loss

We will pay only for covered loss discovered no later than one year from the end of the policy period.

4. Duties in the Event of Loss

After you discover a loss or a situation that may result in loss of, or loss from damage to, Covered Property you must:

- a. Notify us as soon as possible.
- b. Submit to examination under oath at our request and give us a signed statement of your answers.
- c. Give us a detailed, sworn proof of loss within 120 days.
- d. Cooperate with us in the investigation and settlement of any claim.

5. Joint Insured

- a. If more than one Insured is named in the Declarations, the first Named Insured will act for itself and for every other Insured for all purposes of this insurance. If the first Named Insured ceases to be covered, then the next named Insured will become the first Named Insured.
- b. If any Insured or partner or officer of that Insured has knowledge of any information relevant to this insurance, that knowledge is considered knowledge of every Insured.
- c. An "**employee**" of any Insured is considered to be an "**employee**" of every Insured.
- d. If this insurance or any of its coverages is canceled or terminated as to any Insured, loss sustained by that Insured is covered only if discovered no later than one year from the date of that cancellation or termination.
- e. We will not pay more for loss sustained by more than one Insured than the amount we would pay if all the loss had been sustained by one Insured.

6. Legal Action Against Us

You may not bring any legal action against us involving loss:

- a. Unless you have complied with all the terms of this insurance;
- b. Until 90 days after you have filed proof of loss with us; and
- c. Unless brought within 2 years from the date you discover the loss.

7. Liberalization

If we adopt any revision that would broaden the coverage under this insurance without additional premium within 45 days prior to or during the policy period, the broadened coverage will immediately apply to this insurance.

8. Loss Covered Under More Than One Coverages Of This Insurance

If two or more coverages of this insurance apply to the same loss, we will pay the lesser of:

- a. The actual amount of loss; or
- b. The sum of the limits of insurance applicable to those coverages.

9. Loss Sustained During Prior Insurance

- a. If you, or any predecessor in interest, sustained loss during the period of any prior insurance that you or the predecessor in interest could have recovered under that insurance except that

the time within which to discover loss had expired, we will pay for it under this insurance, provided:

- (1) This insurance became effective at the time of cancellation or termination of the prior insurance; and
- (2) The loss would have been covered by this insurance had it been in effect when the acts or events causing the loss were committed or occurred.

b. The insurance under this Condition is part of, not in addition to the Limits of Insurance applying to this insurance and is limited to the lesser of the amount recoverable under:

- (1) This insurance as of its effective date; or
- (2) The prior insurance had it remained in effect.

10. Loss Covered Under This Insurance and Prior Insurance Issued by Us or Any Affiliate

If any loss is covered:

- a. Partly by this insurance; and
- b. Partly by any prior canceled or terminated insurance that we or any affiliate had issued to you or any predecessor in interest;

The most we will pay is the larger of the amount recoverable under this insurance or the prior insurance.

11. Non-Cumulation of Limit of Insurance

Regardless of the number of years this insurance remains in force or the number of premiums paid, no Limit of Insurance accumulates from year to year or period to period.

12. Other Insurance

This insurance does not apply to loss recoverable or recovered under other insurance or indemnity. However, if the limit of the other insurance or indemnity is insufficient to cover the entire amount of the loss, this insurance will apply to that part of the loss, other than that falling within any deductible amount, not recoverable or recovered under the other insurance or indemnity. However, this insurance will not apply to the amount of loss that is more than the applicable Limit of Insurance shown in the Coverage Summary or the Optional Coverage Summary.

13. Ownership of Property; Interests Covered

The property covered under this insurance is limited to property:

- a. That you own or hold; or
- b. For which you are legally liable.

However, this insurance is for your benefit only. It provides no rights or benefits to any other person or organization.

14. Policy Period

- a. The Policy Period is shown in the Common Policy Declarations.
- b. Subject to the Loss Sustained During Prior Insurance condition, we will pay only for loss that you sustain through acts committed or events occurring during the Policy Period.

15. Records

You must keep records of all Covered Property so we can verify the amount of any loss.

16. Recoveries

- a. Any recoveries, less the cost of obtaining them, made after settlement of loss covered by this insurance will be distributed as follows:
 - (1) To you, until you are reimbursed for any loss that you sustain that exceeds the Limit of Insurance and the Deductible Amount, if any;
 - (2) Then to us, until we are reimbursed for the settlement made;
 - (3) Then to you, until you are reimbursed for that part of the loss equal to the Deductible Amount, if any.
- b. Recoveries do not include any recovery:
 - (1) From insurance, suretyship, reinsurance, security or indemnity taken for our benefit; or
 - (2) Of original "**securities**" after duplicates of them have been issued.

17. Territory

This insurance covers only acts committed or events occurring within the United States of America, and Canada.

18. Transfer of Your Rights of Recovery Against Others to Us

You must transfer to us all your rights of recovery against any person or organization for any loss you sustained and for which we have paid or settled. You must also do everything necessary to secure those rights and do nothing after loss to impair them.

19. Valuation - Settlement

- a. Subject to the applicable Limit of Insurance provision we will pay for:
 - (1) Loss of "**money**" but only up to and including its face value. We may, at our option, pay for loss of "money" issued by any country other than the United States of America:
 - (a) At face value in the "**money**" issued by that country; or
 - (b) In the United States of America dollar equivalent determined by the rate of exchange on the day the loss was discovered.
 - (2) Loss of "**securities**" but only up to and including their value at the close of business on the day the loss was discovered. We may, at our option:

- (a) Pay the value of such "**securities**" or replace them in kind, in which event you must assign to us all your rights, title and interest in and to those "**securities**"; or
- (b) Pay the cost of any Lost Securities Bond required in connection with issuing duplicates of the "**securities**". However, we will be liable only for the payment of so much of the cost of the bond having a penalty not exceeding the lesser of the;
 - (i) Value of the "**securities**" at the close of business on the day the loss was discovered; or
 - (ii) Limit of Insurance.
- (3) Loss of, or loss from damage to, "**property other than money and securities**" or loss from damage to the "**premises**" for not more than the;
 - (a) Actual cash value of the property on the day the loss was discovered;
 - (b) Cost of repairing the property or "**premises**"; or
 - (c) Cost of replacing the property with property of like kind and quality.

We may, at our option, pay the actual cash value of the property or repair or replace it.

If we cannot agree with you upon the actual cash value or the cost of repair or replacement, the value or cost will be determined by arbitration.

- b. We may, at our option, pay for loss of, or loss from damage to, property other than "**money**":
 - (1) In the "**money**" of the country in which the loss occurred; or
 - (2) In the United States of America dollar equivalent of the "**money**" of the country in which the loss occurred determined by the rate of exchange on the day the loss was discovered.
 - (3) Any property that we pay for or replace becomes our property.

G. Definitions

1. "**Banking Premises**" means the interior of that portion of any building occupied by a banking institution or similar safe depository.
2. "**Computer Fraud**" means "**theft**" of property following and directly related to the use of any computer to fraudulently cause a transfer of that property from inside the "**premises**" or "**banking premises**" to a person (other than a "**messenger**") outside those "**premises**" or to a place outside those "**premises**".
3. "**Covered Instrument(s)**" means checks, drafts, promissory notes, or similar written promises, orders or directions to pay a sum certain in "**money**".
4. "**Employee**" means:
 - a. Any natural person:
 - (1) While in your service (and for 30 days after termination of service); and

(2) Whom you compensate directly by salary, wages or commissions; and

(3) Whom you have the right to direct and control while performing services for you; or

- b. Any natural person employed by an employment contractor while that person is subject to your direction and control and performing services for you excluding, however any such person while having care and custody of property outside the "**premises**".

But "**employee**" does not mean any:

- a. Agent, broker, factor, commission merchant, consignee, independent contractor or representative of the same general character; or
- b. Director or trustee except while performing acts coming within the scope of the usual duties of an employee.

5. "**Employee Dishonesty**" means only dishonest acts committed by an "**employee**", whether identified or not, acting alone or in collusion with other persons, except you or a partner, with the manifest intent to:

- a. Cause you to sustain loss; and also
- b. Obtain financial benefit (other than employee benefits earned in the normal course of employment, including: salaries, commissions, fees, bonuses, promotions, awards, profit sharing or pensions) for:

(1) The "**employee**"; or

(2) Any person or organization intended by the "**employee**" to receive that benefit.

6. "**Extortion**" means the surrender of property away from the premises as a result of a threat communicated to you to do bodily harm to you or an "**employee**", or to a relative or invitee of either, who is, or allegedly is, being held captive.

7. "**Messenger**" means you, any of your partners or any "**employee**" while having care and custody of the property outside the "**premises**".

8. "**Money**" means:

- a. Currency, coins and bank notes in current use and having a face value; and
- b. Travelers checks, register checks and money orders held for sale to the public.

9. "**Premises**" means the interior of that portion of any building you occupy in conducting your business.

10. "**Property Other Than Money and Securities**" means any tangible property other than "**money**" and "**securities**" that has intrinsic value but does not include any property listed in any Crime Coverage Form as Property Not Covered.

11. "**Securities**" means negotiable and non-negotiable instruments or contracts representing either "**money**" or other property and includes:

- a. Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and

b. Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you;

but does not include "**money**".

12. "Theft" means any act of stealing.

BUSINESS INCOME WITH EXTRA EXPENSE COVERAGE FORM

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

Throughout this policy the words "**you**" and "**your**" refer to the Named Insured shown in the Declarations. The words "**we**", "**us**", and "**our**" refer to the Company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section **G., Definitions**.

COVERAGE SUMMARY

Coinsurance Option - applicable only if a percentage is indicated in the schedule below.

Premises No.	Building No.	Coverage	Limit of Insurance	Coinsurance Option
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SEE SCHEDULE

Optional Coverages - applicable only when entries are made in the schedule below.

Premises No.	Building No.	Monthly Limit Of Indemnity (Fraction)	Maximum Period of Indemnity (X)	Extended Period of Indemnity (Days)	Agreed Value Amount (\$)
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SEE SCHEDULE

A. Coverage

- Coverage is provided as described below for one or more of the following options for which a Limit of Insurance is shown in the Coverage Summary above:

- Business Income including "**Rental Value.**"
- Business Income other than "**Rental Value.**"
- "**Rental Value.**"

If option (i) above is selected, the term Business Income will include "**Rental Value.**" If option (iii) above is selected, the term Business Income will mean "**Rental Value**" only.

If Limits of Insurance are shown under more than one of the above options, the provisions of this Coverage Form apply separately to each.

We will pay for the actual loss of Business Income you sustain due to the necessary suspension of your "**operations**" during the "**period of restoration**". The suspension must be caused by direct physical "**loss**" to property at the premises described in the Declarations, or within 1000 feet of the premises, caused by or resulting from any of the Covered Causes of Loss.

If you are a tenant, your premises is the portion of **"buildings"** which you rent, lease or occupy, including:

- a. All routes within **"buildings"** to gain access to the described premises; and
- b. Your personal property within 1000 feet of the premises.

2. Business Income

Business Income means the:

- a. Net Income (Net Profit or Loss before income taxes) that would have been earned or incurred; and
- b. Continuing normal operating expenses incurred, including payroll.

3. Covered Causes Of Loss

See the Causes of Loss Form.

4. Additional Coverages

a. Extra Expenses

Extra Expenses means necessary expenses you incur during the **"period of restoration"** that you would not have incurred if there had been no direct physical **"loss"** to property caused by or resulting from any of the Covered Causes of Loss.

- (1) We will pay any Extra Expenses to avoid or minimize the suspension of business and to continue **"operations"**:
 - (a) At the described premises; or
 - (b) At replacement premises or at temporary locations, including:
 - (i) Relocation expenses; and
 - (ii) Costs to equip and operate the replacement or temporary locations.
- (2) We will pay any Extra Expenses to minimize the suspension of business if you cannot continue **"operations"**.
- (3) We will pay any Extra Expenses to:
 - (a) Repair or replace any property; or
 - (b) Research, replace or restore the lost information on damaged valuable papers and records;

to the extent it reduces the amount of loss that otherwise would have been payable under this Coverage Form.

b. Civil Authority

We will pay for the actual loss of Business Income you sustain and necessary Extra Expenses you incur caused by action of Civil Authority that prohibits access to the described premises due to direct physical **"loss"** to property other than at the described premises caused by or resulting from any of the Covered Causes of Loss.

The coverage for Business Income will begin 72 hours after the time of that action and will apply for a period of up to three consecutive weeks after coverage begins.

The coverage for Extra Expense will begin immediately after the time of that action and will end:

- (1) Three consecutive weeks after the time of that action; or
- (2) When your Business Income coverage ends;

Whichever is later.

c. Alterations

We will pay for the actual loss of Business Income you sustain due to direct physical **"loss"** at the described premises caused by or resulting from any of the Covered Causes of Loss to:

- (1) Alterations within, or on the exterior of, existing **"buildings"**; and
- (2) Machinery, equipment, supplies or building materials located on or within 1000 feet of the described premises and used in the alterations.

If such direct physical **"loss"** delays the start of **"operations,"** the **"period of restoration"** will begin on the date **"operations"** would have begun if the direct physical **"loss"** had not occurred.

This Additional Coverage does not increase the Limits of Insurance provided by this Coverage Form.

d. Extended Business Income

(1) Business Income Other Than **"Rental Value"**

If the necessary suspension of your **"operations"** produces a Business Income loss payable under this policy, we will pay for the actual loss of Business Income you incur during the period that:

(a) Begins on the date property (except **"finished stock"**) is actually repaired, rebuilt or replaced and **"operations"** are resumed; and

(b) Ends on the earlier of:

- (i) The date you could restore your **"operations"** with reasonable speed, to the level which would generate the business income amount that would have existed if no direct physical **"loss"** had occurred; or
- (ii) 60 consecutive days after the date determined in (1)(a) above.

However, Extended Business Income does not apply to loss of Business Income incurred as a result of unfavorable business conditions caused by the impact of the Covered Causes of Loss in the area where the described premises are located.

Loss of Business Income must be caused by direct physical **"loss"** at the described premises caused by or resulting from any of the Covered Causes of Loss.

This Additional Coverage does not increase the Limits of Insurance provided by this Coverage Form.

(2) "Rental Value"

If the necessary suspension of your **"operations"** produces a **"Rental Value"** loss payable under this policy we will pay for the actual loss of **"Rental Value"** you incur during the period that:

- (a) Begins on the date property is actually repaired, rebuilt or replaced and tenantability is restored; and
- (b) Ends on the earlier of:
 - (i) The date you could restore tenant occupancy, with reasonable speed, to the level which would generate the **"Rental Value"** that would have existed if no direct physical **"loss"** had occurred; or
 - (ii) 60 consecutive days after the date determined in (2)(a) above.

However, Extended Business Income does not apply to loss of **"Rental Value"** incurred as a result of unfavorable business conditions caused by the impact of the Covered Cause of Loss in the area where the described premises are located.

Loss of **"Rental Value"** must be caused by direct physical **"loss"** at the described premises caused by or resulting from any of the Covered Cause of Loss.

This Additional Coverage does not increase the Limits of Insurance provided by this Coverage Form.

e. Business Income From Dependent Properties

We will pay for the actual loss of Business Income you sustain due to the necessary suspension of your **"operations"** during the **"period of restoration."** The suspension must be caused by direct physical **"loss"** at the premises of a **"contingent business property,"** caused by or resulting from any of the Covered Causes of Loss. But we will not pay more than .3% (three-tenths of one percent) of the Business Income Limit of Insurance for each day's suspension of **"operations"** at a described premises due to direct physical **"loss"** at any one **"contingent business property."**

The most we will pay under this Additional Coverage is \$25,000 per Policy Period.

This Additional Coverage does not apply to **"contingent business property"** for which you have more specific insurance either under this policy or another.

This Additional Coverage is in addition to the applicable Limits of Insurance provided by this Coverage Form.

f. Property in Transit

In the event of direct physical **"loss"** to your property in transit within the Coverage Territory, we will pay for loss of Business Income and necessary Extra Expenses you incur during the **"period of restoration"**.

This Additional Coverage does not apply to property of others in your care, custody or control.

The most we will pay under this Additional Coverage in any one occurrence is \$25,000. This Additional Coverage is in addition to the applicable Limits of Insurance provided by this Coverage Form.

5. Coverage Extension - Newly Acquired Premises

- a. We will pay for the actual loss of Business Income you sustain caused by direct physical **"loss"** to property at any premises you acquire other than at fairs or exhibitions.
- b. The most we will pay for loss under this Extension is 10% of the sum of the Limits of Insurance for Business Income shown in the Coverage Summary above, but not more than \$100,000 at each premises.
- c. Insurance under this Coverage Extension for each newly acquired premises will end when any of the following first occurs:
 - (1) This policy expires;
 - (2) 90 days expire after you acquire the property; or
 - (3) You report values to us.

We will charge you additional premium for values reported from the date you acquire the property.

This Coverage Extension is in addition to the applicable Limits of Insurance provided by this Coverage Form. The Coinsurance Option does not apply to this Extension.

B. Exclusions

See the Causes of Loss Form.

C. Limits of Insurance

The most we will pay for loss in any one occurrence:

1. For the Business Income From Dependent Properties Additional Coverage is the Limit of Insurance applicable to that Additional Coverage.
2. For the Coverage Extension - Newly Acquired Premises is the Limit of Insurance applicable to that Coverage Extension.
3. For all other coverages provided under this Coverage Form is the applicable Limit of Insurance shown in the Coverage Summary.

D. Loss Conditions

The following conditions apply in addition to the Common Policy Conditions and the Commercial Property Conditions.

1. Appraisal

If we and you disagree on the amount of net income and operating expenses or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser.

The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the amount of net income and operating expenses or amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

2. Duties in the Event of Loss

You must see that the following are done in the event of loss:

- a. Notify the police if a law may have been broken.
- b. Give us prompt notice of the direct physical **"loss"**. Include a description of the property involved.
- c. As soon as possible, give us a description of how, when and where the direct physical **"loss"** occurred.
- d. Take all reasonable steps to protect the Covered Property from further damage by any of the Covered Causes of Loss. If feasible, set the damaged property aside and in the best possible order for examination. Also keep a record of your expenses for emergency and temporary repairs, for consideration in the settlement of the claim. This will not increase the Limit of Insurance.
- e. As often as may be reasonably required, permit us to inspect the property proving the **"loss"** and examine your books and records. Also permit us to take samples of damaged and undamaged property for inspection, testing and analysis, and permit us to make copies from your books and records.
- f. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.
- g. Send us a signed, sworn proof of loss containing the information we request to investigate the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.

- h. Cooperate with us in the investigation or settlement of the claim.
- i. If you intend to continue your business, you must resume all or part of your **"operations"** as quickly as possible.

3. Loss Determination

a. The amount of Business Income loss will be determined based on:

- (1) The net income of the business before the direct physical **"loss"** occurred;
- (2) The likely net income of the business if no physical **"loss"** occurred, but not including any net income that would likely have been earned as a result of an increase in the volume of business due to favorable business conditions caused by the impact of the Covered Cause of Loss on customers or on other businesses;
- (3) The operating expenses, including payroll expenses, necessary to resume **"operations"** with the same quality of service that existed just before the direct physical **"loss"**; and
- (4) Other relevant sources of information, including:
 - (a) Your financial records and accounting procedures;
 - (b) Bills, invoices and other vouchers; and
 - (c) Deeds, liens or contracts.

b. Resumption of Operations

We will reduce the amount of your Business Income loss to the extent you can resume your **"operations,"** in whole or in part, by using:

- (1) Damaged or undamaged property (including merchandise or stock) at the described premises or elsewhere;
 - (2) Any other available sources of material or outlets for your product.
- c. If you do not resume **"operations,"** or do not resume **"operations"** as quickly as possible, we will pay based on the length of time it would have taken to resume **"operations"** as quickly as possible.

4. Loss Payment

We will pay for covered loss within 30 days after we receive the sworn proof of loss, if:

- a. You have complied with all of the terms applicable to this Coverage Form; and
- b. (1) We have reached agreement with you in the amount of loss; or
- (2) An appraisal award has been made.

E. Coinsurance Option

1. If a Coinsurance percentage is shown in the Coverage Summary, the following condition applies in addition to the Common Policy Conditions and the Commercial Property Conditions.
 - a. We will not pay the full amount of any loss if the Limit of Insurance for Business Income is less than:
 - (1) The Coinsurance percentage shown in the Coverage Summary; times
 - (2) The sum of:
 - (a) The net income (net profit or loss before income taxes); and
 - (b) All operating expenses, including payroll expenses;

that would have been earned or incurred (had no **"loss"** occurred) by your **"operations"** at the described premises for the 12 months following the inception, or last previous anniversary date, of this policy (whichever is later).
 - b. Instead, we will determine the most we will pay using the following steps:
 - (1) Multiply the net income and operating expenses for the 12 months following the inception, or last previous anniversary date, of this policy by the Coinsurance percentage;
 - (2) Divide the Limit of Insurance for the described premises by the figure determined in step 1; and
 - (3) Multiply the total amount of loss by the figure determined in step 2.

We will pay the amount determined in step 3., or the Limit of Insurance, whichever is less. For the remainder, you will either have to rely on other insurance or absorb the loss yourself.
2. In determining operating expenses for the purpose of applying the Coinsurance condition, the following expenses, if applicable, shall be deducted from the total of all operating expenses:
 - a. Prepaid freight - outgoing;
 - b. Returns and allowances;
 - c. Discounts;
 - d. Bad debts;
 - e. Collection expenses;
 - f. Cost of raw stock and factory supplies consumed (including transportation charges);
 - g. Cost of merchandise sold (including transportation charges);
 - h. Cost of other supplies consumed (including transportation charges);
 - i. Cost of services purchased from outsider (not employees) to resell, that do not continue under contract;
 - j. All ordinary payroll expense excluded (if form **PI-ULT-011** is attached); and

- k. Special deductions for mining properties (royalties unless specifically included in coverage; actual depletion commonly known as unit or cost depletion--not percentage depletion; welfare and retirement fund charges based on tonnage; hired trucks).

Example No. 1 (Underinsurance):

When:

The net income and operating expenses for the 12 months following the inception, or last previous anniversary date, of this policy at the

described premises would have been	\$400,000
The Coinsurance percentage is	50%
The Limit of Insurance is	\$150,000
The amount of loss is	\$ 80,000

Step 1:	\$400,000	X	50%	=	\$200,000
(the minimum amount of insurance to meet your Coinsurance requirements)					
Step 2:	\$150,000	÷	\$200,000	=	.75
Step 3:	\$ 80,000	X	.75	=	\$60,000

We will pay no more than \$60,000. The remaining \$20,000 is not covered.

Example No. 2 (Adequate Insurance):

When:

The net income and operating expenses for the 12 months following the inception, or last previous anniversary date, of this policy at the

described premises would have been	\$400,000
The Coinsurance percentage is	50%
The Limit of Insurance is	\$200,000
The amount of loss is	\$ 80,000

Step 1:	\$400,000	X	50%	=	\$200,000
(the minimum amount of insurance to meet your Coinsurance requirements)					
Step 2:	\$200,000	÷	\$200,000	=	1.00
Step 3:	\$80,000	X	1.00	=	\$80,000

We will pay the \$80,000 loss. No penalty applies.

This condition does not apply to the Extra Expense Additional Coverage.

3. Agreed Value

a. To activate this Optional Coverage:

(1) A Business Income Work Sheet must be made a part of this policy and must show financial data for your "**operations**":

(a) During the 12 months prior to the date of the Business Income Work Sheet; and

(b) Estimated for the 12 months immediately following the inception of this Optional Coverage.

(2) An Agreed Value must be shown in the Coverage Summary. The Agreed Value should be at least equal to:

(a) The Coinsurance percentage shown in the Coverage Summary; multiplied by

(b) The amount of Net Income and Operating Expenses for the following 12 months you report on the Business Income Work Sheet.

b. The Coinsurance Option is suspended until the expiration date of this policy.

c. We will reinstate the Coinsurance Option automatically if you do not submit a new Business Income Work Sheet and Agreed Value:

(1) Within 12 months of the effective date of this Optional Coverage; or

(2) When you request a change in your Business Income Limit of Insurance.

d. If the Business Income Limit of Insurance is less than the Agreed Value, we will not pay more of any loss than the amount of loss multiplied by:

(1) The Business Income Limit of Insurance; divided by

(2) The Agreed Value.

Example:

When:

The Limit of Insurance is	\$100,000
The Agreed Value is	\$200,000
The amount of loss is	\$ 80,000

Step (a) \$100,000 ÷ \$200,000 = .50

Step (b) .50 X \$80,000 = \$40,000

We will pay \$40,000. The remaining \$40,000 is not covered.

F. Optional Coverages

If shown in the Coverage Summary, the following Optional Coverages apply separately to each item.

1. Maximum Period of Indemnity

- a. The Coinsurance Option does not apply at the described premises to which this Optional Coverage applies.
- b. The most we will pay for loss of Business Income is the lesser of:
 - (1) The amount of loss sustained during the 120 days immediately following the beginning of the "**period of restoration**"; or
 - (2) The Limit of Insurance shown in the Coverage Summary.

2. Monthly Limit of Indemnity

- a. The Coinsurance Option does not apply at the described premises to which this Optional Coverage applies.
- b. The most we will pay for loss of Business Income in each period of 30 consecutive days after the beginning of the "**period of restoration**" is:
 - (1) The Limit of Insurance, multiplied by
 - (2) The fraction shown in the Coverage Summary for this Optional Coverage.

Example:

When:

The Limit of Insurance is		\$120,000
The fraction shown in the Coverage Summary for this Optional Coverage is	1/4	
The most we will pay for loss in each period of 30 consecutive days is:		
\$120,000	X	1/4
	=	\$30,000

If, in this example, the actual amount of loss is:

Days 1-30	\$40,000
Days 31-60	20,000
Days 61-90	<u>30,000</u>
	\$90,000

We will pay:

Days 1-30	\$30,000
Days 31-60	20,000
Days 61-90	<u>30,000</u>
	\$80,000

The remaining \$10,000 is not covered.

3. Extended Period of Indemnity

Under paragraph **A.4.d.**, Extended Business Income, the number "60" in subparagraphs **(1)(b)** and **(2)(b)** is replaced by the number shown in the Coverage Summary for this Optional Coverage.

G. Definitions

1. **"Buildings"** means buildings or structures.
2. **"Contingent Business Property"** means property operated by others you depend on to:
 - a. Deliver materials or services (other than water, communications or power supply) to you, or to others for your account (Contributing Locations);
 - b. Accept your products or services (Recipient Locations); or
 - c. Manufacture products for delivery to your customers under contract of sale (Manufacturing Locations).
3. **"Finished Stock"** means stock you have manufactured.

"Finished Stock" also includes whiskey and alcoholic products being aged.

"Finished Stock" does not include stock you have manufactured that is held for sale on the premises of any retail outlet insured under this policy.

4. **"Loss"** means accidental loss or damage.
5. **"Operations"** means:
 - a. Business activities you perform at the described premises; and
 - b. The tenantability of the described premises, if coverage for Business Income including **"Rental Value"** or **"Rental Value"** applies.
6. **"Period of Restoration"** means the period of time that:
 - a. Begins:
 - (1) 72 hours after the time of direct physical **"loss"** for Business Income coverage; or
 - (2) Immediately after the time of direct physical **"loss"** for Extra Expense coverage; and
 - b. Ends on the earlier of:
 - (1) The date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality; or
 - (2) The date when business is resumed at a new permanent location.
 - c. **"Period of Restoration"** does not include any increased period required due to the enforcement of any ordinance or law that:
 - (1) Regulates the construction, use or repair, or requires the tearing down of any property; or

- (2) Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of **"pollutants."**

The expiration date of this policy will not cut short the **"period of restoration."**

7. **"Pollutants"** means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
8. **"Rental Value"** means:
- a. Total anticipated rental income from tenant occupancy of the premises described in the Declarations as furnished and equipped by you; and
 - b. Amount of all charges which are the legal obligation of the tenant(s) and which would otherwise be your obligations; and
 - c. Fair rental value of any portion of the described premises which is occupied by you.

Policy Number: PHPK2544394
Named Insured: Mangum City Hospital Authority

**SCHEDULE -
Business Income with Extra Expense Coverage Form**

Coverage Summary

Coinsurance Option – applicable only if a percentage is indicated in the schedule below.

Premises No.	Building No.	Coverage	Limit of Insurance	Coinsurance Option
0001	0001	(i)	BKT # 3	90%
0001	0002	(i)	BKT # 3	90%
0002	0001	(i)	BKT # 3	90%

Policy Number: PHPK2544394
Named Insured: Mangum City Hospital Authority

**SCHEDULE -
Business Income with Extra Expense Coverage Form**

Coverage Summary

Optional Coverages – applicable only when entries are made in the schedule below.

Premises No.	Building No.	Monthly Limit Of Indemnity (Fraction)	Maximum Period of Indemnity (X)	Extended Period Of Indemnity (Days)	Agreed Value Amount (\$)
0001	0001	NONE		NONE	
0001	0002	NONE		NONE	
0002	0001	NONE		NONE	

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WINDSTORM OR HAIL PERCENTAGE DEDUCTIBLE

This endorsement modifies coverage provided under the following:

Property Coverage Form

COVERAGE SUMMARY

Premises No.	Bldg. No.	Windstorm or Hail Deductible Percentage (enter 1%, 2%, 3%, 4%, 5%, 6%, 7%, 8%, 9% or 10%)
0001	0001	2%
0001	0002	2%
0001	0002	2%
0002	0001	2%

The Windstorm or Hail Deductible, as shown in the Schedule, applies to direct physical **"loss"** to Covered Property, caused by or resulting from Windstorm or Hail, regardless of any other cause or event that contributes concurrently or in any sequence to the **"loss"** or damage. If **"loss"** from a covered weather condition other than Windstorm or Hail occurs, and that **"loss"** would not have occurred but for the Windstorm or Hail such **"loss"** shall be considered to be caused by Windstorm or Hail and therefore part of the Windstorm of Hail occurrence.

With respect to Covered Property at a location identified in the Schedule, no other deductible applies to Windstorm or Hail.

The Windstorm of Hail Deductible applies whenever there is an occurrence of Windstorm or Hail.

As used in this endorsement the terms **"specific insurance"** and **"blanket insurance"** have the following meanings. Specific insurance covers each item of insurance (for example, each building or personal property in a building) under a separate Limit of Insurance. Blanket insurance covers two or more items of insurance (for example a building and personal property in that building or two buildings) under a single Limit of Insurance. Items of insurance and corresponding Limit(s) of insurance are shown in the Declarations.

Windstorm or Hail Deductible Clause

A. All Policies

1. A deductible is calculated separately for and applies separately to:
 - a. Each building, if two or more buildings sustain "**loss**".
 - b. The building and to personal Property in that building, if both sustain "**loss**".
 - c. Personal property at each building, if personal property at two or more buildings sustains "**loss**".
 - d. Personal Property in the open.
2. We will not pay for "**loss**" until the amount of "**loss**" exceeds the applicable Deductible. We will then pay the amount of "**loss**" in excess of that Deductible up to the applicable Limit of Insurance, after any reduction required by any of the following ;
 - a. Coinsurance Condition
 - b. Agreed Value Option Coverage
 - c. Reporting Endorsement
3. For property covered under the Coverage Extension for Newly Acquired or Constructed Property: When we determine the amount, if any, that we will pay for "**loss**", we will deduct an amount equal to a percentage of the value(s) of the property at time of "**loss**". The applicable percentage for Newly Acquired or Constructed Property is the highest percentage shown in the Schedule for any described premises.

B. Calculation of the Deductible - Specific Insurance

1. Property Not Subject to Reporting Endorsement

When we determine the amount, if any, that we will pay for "**loss**", we will deduct an amount equal to 1%, 2%, 3%, 4%, 5%, 6%, 7%, 8%, 9% or 10% (as shown in the Schedule) of the Limit(s) of Insurance applicable to the property that has sustained "**loss**".

2. Property Subject to Reporting Endorsement

When we determine the amount, if any, that we will pay for "**loss**", we will deduct an amount equal to 1%, 2%, 3%, 4%, 5%, 6%, 7%, 8%, 9% or 10% (as shown in the Schedule) of the value(s) of the property that has sustained "**loss**". The value(s) to be used are the latest value(s) shown in the most recent Report of Values on file with us.

However:

- a. If the most recent Report of Value shows less than the full value (s) of the property in the report dates, we will determine the deductible amount as a percentage of the full value(s) as of the report dates.
- b. If the first Report of Values is not filed with us prior to "**loss**", we will determine the deductible amount as a percentage of the applicable Limit(s) of Insurance.

C. Calculation of the Deductible - Blanket Insurance

1. Property Not Subject to Reporting Endorsement

When we determine the amount, if any, that we will pay for "**loss**", we will deduct an amount equal to 1%, 2%, 3%, 4%, 5%, 6%, 7%, 8%, 9% or 10% (as shown in the Schedule) of the value(s) of the property that has sustained "**loss**". The value(s) to be used are those shown in the most recent Statement of Values on file with us.

2. Property Subject to Value Reporting Endorsement

When we determine the amount, if any, that we will pay for property that has sustained "**loss**" or damage, we will deduct an amount equal to 1%, 2%, 3%, 4%, 5%, 6%, 7%, 8%, 9% or 10% (as shown in the Schedule) of the value(s) of that property as of the time of loss .

EXAMPLES - APPLICATION OF DEDUCTIBLE

Example #1 - Specific Insurance (B.1)

The amount of "**loss**" to the damaged building is \$60,000.

The value of the damaged building at time of "**loss**" is \$100,000. The Coinsurance percentage shown in the Declarations is 80%, the minimum Limit of Insurance needed to meet the coinsurance requirement is \$80,000. (80% of \$100,000.)

The actual Limit of Insurance on the damaged building is \$70,000.

The Deductible is 1%

Step (1)	\$70,000	÷	\$80,000	=	.875
Step (2)	\$60,000	X	.875	=	\$52,500
Step (3)	\$70,000	X	1%	=	\$700
Step (4)	\$52,500	-	\$700	=	\$51,800

The most we will pay is \$51,800. The remainder of the "**loss**", \$8,200 is not covered due to the Coinsurance penalty for inadequate insurance (steps (1) and (2)) and the application of the Deductible (steps (3) and (4)).

Example #2 - Specific Insurance (B.1)

The amounts of "**loss**" to the damaged property are \$60,000 (building) and \$40,000 (business personal property in building).

The value of the damaged building at time of "**loss**" is \$100,000. The value of the business personal property in that building is \$80,000. The Coinsurance percentage shown in the Declarations is 80%. The Coinsurance percentage shown in the Declarations is 80%; the minimum Limits of Insurance needed to meet the coinsurance requirement are \$80,000 (80% of \$100,000) for the building and \$64,000 (80% of \$80,000) for the business personal property.

The actual Limits of Insurance on the damaged property are \$80,000 on the building and \$64,000 on the business personal property (therefore no Coinsurance penalty).

PI-ULT-018 (02/16)

The Deductible is 2%

Building

Step (1) \$80,000 X 2% = \$1,600

Step (2) \$60,000 – \$1,600 = \$58,400

Business Personal Property

Step (1) \$64,000 X 2% = \$1,280

Step (2) \$40,000 – 1,280 = \$38,720

The most we will pay is \$97,120. That portion of the total **"loss"** not covered due to application of the Deductible is \$2,880.

Example #3 - Blanket Insurance (C.1.)

The sum of the values of Building #1 (\$500,000), Building #2 (\$500,000), and Building #3 (\$1,000,000), as shown in the most recent Statement of Values on file with us, is \$2,000,000.

The Coinsurance percentage shown in the declarations is 90%, the minimum Blanket of Insurance needed to meet the coinsurance requirement is \$1,800,000 (90% of \$2,000,000).

The actual Blanket Limit of Insurance covering Buildings #1, #2 and #3, shown in the Declarations, is \$1,800,000 (therefore no Coinsurance penalty).

Buildings #1 and #2 have sustained damage; the amounts of **"loss"** to these buildings are \$40,000 (Building #1) and \$20,000 (Building #2).

The Deductible is 2%

Building #1

Step (1) \$500,000 X 2% = \$10,000

Step (2) \$40,000 – \$10,000 = \$30,000

Building #2

Step (1) \$500,000 X 2% = \$10,000

Step (2) \$20,000 – \$10,000 = \$10,000

The most we will pay is \$40,000. That portion of the total **"loss"** not covered due to application of the Deductible is \$20,000.

Example #4 - Blanket Insurance (C.1.)

The sum of the values of Building #1 (\$500,000), Building #2 (\$500,000), Business Personal Property at Building #1 (\$250,000) and Business Personal Property at Building #2 (\$250,000), as shown in the most recent Statement of Values on file with us, is \$1,500,000.

The Coinsurance percentage shown in the Declarations is 90%; the minimum Blanket Limit of Insurance needed to meet the coinsurance requirement is \$1,350,000 (90% of \$1,500,000).

The actual Blanket Limit of Insurance covering Buildings #1 and #2 and Business Personal Property at Building #1 and #2 shown in the Declarations is \$1,350,000 (therefore no Coinsurance penalty).

Building #1 and Business Personal Property at Building #1 have sustained damage; the amounts of "loss" are \$95,000 (Building) and \$5,000 (Business Personal Property).

The Deductible is 5%

Building

$$\text{Step (1)} \quad \$500,000 \quad \times \quad 5\% \quad = \quad \$25,000$$

$$\text{Step (2)} \quad \$95,000 \quad - \quad \$25,000 \quad = \quad \$70,000$$

Business Personal Property

$$\text{Step (1)} \quad \$250,000 \quad \times \quad 5\% \quad = \quad \$12,500$$

The loss of \$5,000 does not exceed the deductible.

The most we will pay is \$70,000. The remainder of the building "loss", \$25,000, is not covered due to application of the Deductible. There is no "loss" payment for the business personal property.

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

This endorsement modifies insurance provided under the following:

**CAUSES OF LOSS FORM
PROPERTY COVERAGE FORM
BUSINESS INCOME COVERAGE FORM
BUSINESS INCOME WITH EXTRA EXPENSE COVERAGE FORM
EXTRA EXPENSES COVERAGE FORM**

SCHEDULE**Limits of Insurance**

Any One Covered Premises	\$	2,000,000
All Covered Premises in Any Single Policy Year	\$	2,000,000

Coverage Applies at Locations:

1-1, 1-2, 2-1

Dollar Deductible	\$	50,000
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Percentage Deductible

Special Earthquake Provision, if Any:

A. Coverage

Sinkhole collapse, Earthquake or Volcanic Eruption, explosion or effusion are included as covered causes of loss.

All Earthquake shocks that occur within a 168-hour period will constitute a single Earthquake or Volcanic Eruption occurrence. The expiration of this policy will not reduce the 168-hour period.

B. Exclusions

For coverage provided under this endorsement only, the **CAUSES OF LOSS FORM** is revised as follows:

1. Exclusion **B.1.b., Earth Movement**, is deleted and replaced by the following:

b. Earth Movement

Any earth movement (other than sinkhole collapse, Earthquake or Volcanic Eruption, explosion or effusion) such as landslide, mine subsidence or earth sinking, rising or shifting.

But if loss or damage by fire or explosion results, we will pay for that resulting loss or damage.

2. The following exclusions are added:

- a. We will not pay for loss or damage caused by or resulting from any Earthquake or Volcanic Eruption that begins before the inception of this endorsement.

b. High Hazard Areas

(1) Unless we agree in writing, we will not pay for any loss or damage arising out of direct physical "**loss**" to property at any premises in the states of Alaska, California or Hawaii.

(2) We will not pay for such loss or damage, even if the premises location is specifically listed in a schedule of locations that is:

(a) Attached to this policy; or

(b) On file with us.

c. Unspecified or Newly Acquired Premises

(1) We will not pay for any loss or damage arising out of direct physical "**loss**" to property at any premises that is not listed in a schedule of locations:

(a) Attached to this policy; or

(b) On file with us.

(2) We will not pay for such loss or damage, even if a limit of insurance for personal property at premises not specifically identified is shown in the Declarations.

(3) Coverage under this endorsement does not apply to:

- (a) The Newly Acquired Property Coverage Extension in the **PROPERTY COVERAGE FORM**, if such newly acquired property is at any premises that is not listed in the schedule of locations; or

- (b) The Newly Acquired Premises Coverage Extension in the **BUSINESS INCOME COVERAGE FORM, BUSINESS INCOME WITH EXTRA EXPENSE COVERAGE FORM** or the **EXTRA EXPENSES COVERAGE FORM**.

d. New Construction

- (1) We will not pay for any loss or damage arising out of direct physical "**loss**" to

(a) "**Buildings**"; or

(b) Additions to existing "**buildings**";

In the course of construction.

- (2) Coverage under this endorsement does not apply to the New Construction Coverage Extension.

C. Limits of Insurance

1. The most we will pay in any one occurrence at Any One Covered Premises for the sum of:

a. All direct physical "**loss**"; and

b. All loss of business income and all extra expenses incurred, if business income and extra expenses are covered by this policy;

Caused by or resulting from Earthquake or Volcanic Eruption is the Earthquake Limit of Insurance for Any One Covered Premises shown in the schedule above.

2. The most we will pay for the sum of all such "**loss**" occurrences caused by or resulting from Earthquake or Volcanic Eruption at all premises during each separate policy period is the Earthquake Limit of Insurance for All Covered Premises in Any Single Policy Year shown in the schedule above.

3. This endorsement does not increase the limits of insurance provided by this policy.

D. Deductible

1. Dollar Deductible

We will not pay for loss or damage caused by or resulting from Earthquake or Volcanic Eruption in any one occurrence until the total amount of the loss or damage exceeds the dollar deductible shown in the schedule above. We will then pay the amount of the loss or damage in excess of the Deductible, up to the applicable Earthquake Limit of Insurance shown in the schedule above, after any deduction required by any of the following:

a. Coinsurance Condition;

b. Agreed Value Optional Coverage; or

c. Reporting Endorsement.

2. Percentage Deductible

Only for those locations listed in the Schedule above, paragraph **D.1., Dollar Deductible**, is deleted and replaced by the following:

a. The provisions of paragraph **D.2.b.** are applicable to the **PROPERTY COVERAGE FORM**.

b. (1) All Policies

(a) A Deductible is calculated separately for, and applies separately to:

- (i)** Each "**building**," if two or more "**buildings**" sustain "**loss**";
- (ii)** The "**building**" and to personal property in that building, if both sustain "**loss**";
- (iii)** Personal property at each "**building**," if personal property at two or more "**buildings**" sustains "**loss**";
- (iv)** Personal property in the open.

(b) We will not pay for direct physical "**loss**" caused by or resulting from Earthquake or Volcanic Eruption in any one occurrence until the amount of the "**loss**" exceeds the applicable Deductible amount. We will then pay the excess of that Deductible, up to the applicable limit of insurance shown in the schedule of the Earthquake Coverage Form, after any reduction required by any of the following:

- (i)** Coinsurance Condition;
- (ii)** Agreed Value Optional Coverage; or
- (iii)** Reporting Endorsement.

(2) Calculation of the Deductible - Specific Insurance

(a) Property Other Than "Stock" Subject to the Reporting Endorsement

In determining the amount, if any, that we will pay for "**loss**," we will deduct an amount equal to a percentage (shown in the Schedule above) of the limit(s) of insurance shown in the Property Coverage Part Declarations applicable to the property that has sustained "**loss**."

(b) "Stock" Subject to the Reporting Endorsement

In determining the amount, if any, that we will pay for "**loss**," we will deduct an amount equal to a percentage (shown in the schedule above) of the value(s) of the property that has sustained "**loss**." The value(s) to be used are the latest value(s) shown in the most recent Report of Values on file with us.

However:

- (i)** If the most recent Report of Values shows less than the full value(s) of the property on the report dates, we will determine the deductible amount as a percentage of the full value(s) as of the report date.
- (ii)** If the first Report of Values is not filed with us prior to the "**loss**," we will determine the deductible amount as a percentage of the applicable limit(s) of insurance.

(3) Calculation of the Deductible - Blanket Insurance**(a) Property Other Than "Stock" Subject to the Reporting Endorsement**

In determining the amount, if any, that we will pay for "**loss**," we will deduct an amount equal to a percentage (shown in the schedule above) of the value(s) of the property that has sustained "**loss**." The value(s) to be used are those shown in the most recent Statement of Values on file with us.

(b) "Stock" Subject to the Reporting Endorsement

In determining the amount, if any, that we will pay for "**loss**," we will deduct an amount equal to a percentage (shown in the schedule above) of the value(s) of the property that has sustained "**loss**" as of the time of the "**loss**."

c. Business Income

The following apply to the **BUSINESS INCOME COVERAGE FORM** and the **BUSINESS INCOME WITH EXTRA EXPENSE COVERAGE FORM**:

The definition of the "**period of restoration**" for Business Income coverage is amended to begin 168 hours after the time of direct physical "**loss**."

d. Examples - Application of Deductibles in D.2.b.:**Example #1 - Specific Insurance (D.2.b.(2)(a))**

The amount of "**loss**" to the damaged building is \$60,000.

The value of the damaged building at the time of the "**loss**" is \$100,000. The Coinsurance percentage shown in the Declarations is 80%; the minimum limit of insurance needed to meet the coinsurance requirement is \$80,000 (80% of \$100,000).

The actual limit of insurance of the damaged building is \$70,000.

The Deductible is 5%.

Step (1):	\$70,000	÷	\$80,000	=	.875
Step (2):	\$60,000	X	.875	=	\$52,500
Step (3):	\$70,000	X	5%	=	\$3,500
Step (4):	\$52,500	-	\$3,500	=	\$49,000

The most we will pay is \$49,000. The remainder of the "**loss**," \$11,000, is not covered due to the Coinsurance penalty for the inadequate insurance (steps (1) and (2)) and the application of the Deductible (steps (3) and (4)).

Example #2 - Specific Insurance (D.2.b.(2)(a))

The amounts of "**loss**" to the damaged property are \$60,000 (building) and \$40,000 (business personal property in building).

The value of the damaged building at the time of "**loss**" is \$100,000. The value of the business personal property in that building is \$80,000. The Coinsurance percentage shown in the Declarations is 80%; the minimum limits of insurance needed to meet the coinsurance

requirement are \$80,000 (80% of \$100,000) for the building and \$64,000 (80% of \$80,000) for the business personal property.

The actual Limits of Insurance on the damaged property are \$80,000 on the building and \$64,000 on the business personal property (therefore no Coinsurance penalty).

The Deductible is 10%.

Building

Step (1): \$80,000 X 10% = \$8,000
 Step (2): \$60,000 – \$8,000 = \$52,000

Business Personal Property

Step (1): \$64,000 X 10% = \$6,400
 Step (2): \$40,000 – \$6,400 = \$33,600

The most we will pay is \$85,600. That portion of the total "loss" not covered due to application of the Deductible is \$14,400.

Example #3 - Blanket Insurance (D.2.b.(3)(a))

The sum of the values of Building #1 (\$500,000), Building #2 (\$500,000) and Building #3 (\$1,000,000), as shown in the most recent Statement of Values on file with us, is \$2,000,000.

The Coinsurance percentage shown in the Declarations is 90%; the minimum Blanket Limit of Insurance needed to meet the Coinsurance Requirement is \$1,800,000 (90% of \$2,000,000).

The actual Blanket Limit of Insurance covering Buildings #1, #2 and #3, shown in the Declarations, is \$1,800,000 (therefore no Coinsurance Penalty).

Buildings #1 and #2 have sustained damage; the amount of "loss" to these buildings is \$40,000 (Building #1) and \$60,000 (Building #2).

The Deductible is 5%.

Building #1

Step (1): \$500,000 X 5% = \$25,000
 Step (2): \$40,000 – \$25,000 = \$15,000

Building #2

Step (1): \$500,000 X 5% = \$25,000
 Step (2): \$60,000 – \$25,000 = \$35,000

The most we will pay is \$50,000. That proportion of the total "loss" not covered due to application of the Deductible is \$50,000.

Example #4 - Blanket Insurance (D.2.b.(3)(a))

The sum of the values of Building #1 (\$500,000), Building #2 (\$500,000), Business Personal Property at Building #1 (\$250,000) and Business Personal Property at Building #2 (\$250,000), as shown in the Statement of Values on file with us, is \$1,500,000.

The Coinsurance percentage shown in the Declarations is 90%; the minimum Blanket Limit of Insurance needed to meet the coinsurance requirement is \$1,350,000 (90% of \$1,500,000).

The actual Blanket Limit of Insurance covering Buildings #1 and #2 and Business Personal Property at Buildings #1 and #2, shown in the Declarations, is \$1,350,000 (therefore no Coinsurance penalty).

Building #1 and Business Personal Property at Building #1 have sustained damage; the amounts of "**loss**" are \$95,000 (Building) and \$5,000 (Business Personal Property).

The Deductible is 10%.

Building

Step (1): \$500,000 X 10% = \$50,000.

Step (2): \$95,000 - \$50,000 = \$45,000.

Business Personal Property

Step (1): \$250,000 X 10% = \$25,000.

The "**loss**," \$5,000, does not exceed the deductible.

The most we will pay is \$45,000. The remainder of the building "**loss**," \$50,000, is not covered due to application of the Deductible. There is no loss payment for the business personal property.

E. Definitions

1. "**Blanket insurance**" means insurance that covers two or more items of insurance (for example a building and personal property in that building or two buildings) under a single limit of insurance. Items of insurance and corresponding limit(s) of insurance are shown in the Declarations or in the Blanket Limits endorsement.
2. "**Buildings**" means buildings or structures.
3. "**Loss**" means accidental loss or damage.
4. "**Specific insurance**" means insurance that covers each item of insurance (for example, each building or personal property in a building) under a separate limit of insurance. Items of insurance and corresponding limits(s) are shown in the Declarations.
5. "**Stock**" means:
 - a. "**Finished Stock**" means property that you manufactured or processed which in the ordinary course of your business is ready for packing, shipment or sale.
 - b. "**Merchandise**" means goods kept for sale by you that are not the product of your manufacturing or processing operations.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FLOOD ENDORSEMENT

This endorsement modifies insurance provided under the following:

- Causes of Loss Form**
- Property Coverage Form**
- Business Income Coverage Form**
- Business Income with Extra Expenses Coverage Form**
- Extra Expenses Coverage Form**

SCHEDULE

Limits of Insurance

Any One Premises	\$ 1,000,000
All Premises in Any Single Policy Year	\$ 1,000,000

Deductible

This deductible will apply except at those "**buildings**" listed below under Special "**Flood**" Deductible

\$ 50,000

Special Flood Deductible

On each of the "**buildings**" listed below:

Premises No. **Building No.**

On Business Personal Property located in or on each of the "**buildings**" listed below, or within 1,000 feet of the premises.

Premises No. **Building No.**

Special Flood Provisions, If Any
(See Schedule PI-ULT-021A For Applicable Covered Locations)

A. Covered Causes of Loss

"Flood" is included as a Covered Cause of Loss.

B. Exclusions

For coverage provided under this Endorsement only:

1. Exclusion **B.1.g.**, "Flood", is deleted.
2. The following exclusions are added:

a. Unspecified Premises and Newly Acquired Premises

- (1) We will not pay for any loss or damage arising out of direct physical "**loss**" to property at any premises that is not listed in a Schedule of Locations:
 - (a) Attached to this policy; or
 - (b) On file with us.
- (2) We will not pay for such loss or damage, even if a Limit of Insurance for Personal Property at Locations Not Specifically Identified is shown in the Declarations.
- (3) Coverage under this Endorsement does not apply to:
 - (a) The Newly Acquired Property Coverage Extension in the Property Coverage Form, if such newly acquired property is at any premises that is not listed in the Schedule of Locations; or
 - (b) The Newly Acquired Premises Coverage Extension in the Business Income Coverage Form, Business Income with Extra Expense Coverage Form or the Extra Expenses Coverage Form.

b. New Construction

- (1) We will not pay for any loss or damage arising out of direct physical "**loss**" to
 - (a) "**Buildings**"; or
 - (b) Additions to existing "**buildings**";In the course of construction.
- (2) Coverage under this endorsement does not apply to the New Construction Coverage Extension.

C. Limits of Insurance

1. The most we will pay in any one occurrence for the sum of:
 - a. All direct physical "**loss**"; and
 - b. All loss of business income and all extra expenses incurred, if business income and extra expenses are covered by this policy;

Caused by or resulting from "**flood**" is the Flood Limit of Insurance for Any One Premises shown in the Schedule above.

2. The most we will pay for the sum of all such "**loss**" occurrences caused by or resulting from "**flood**" at all premises during each policy period is the Flood Limit of Insurance for All Premises in Any Single Policy Year shown in the Schedule above.
3. This Endorsement does not increase the Limits of Insurance provided by this policy.

D. Deductible

We will not pay for loss or damage caused by or resulting from "**flood**" in any one occurrence until the total amount of the loss or damage exceeds the Deductible shown in the Schedule above. We will then pay the total amount of the loss or damage in excess of the Deductible, up to the applicable Limit of Insurance shown in the Schedule above, after any deduction required by any of the following:

1. Coinsurance Condition;
2. Agreed Value Optional Coverage; or
3. Reporting Endorsement.

E. Special Flood Deductible

We will not pay for loss or damage caused by or resulting from "**flood**" until the total amount of the loss or damage exceeds the Special "**Flood**" Deductible shown in the Schedule above. We will then pay the total amount of the loss or damage in excess of the Deductible, up to the applicable Limit of Insurance shown in the Schedule above, after any deduction required by any of the following:

1. Coinsurance Condition;
2. Agreed Value Optional Coverage; or
3. Reporting Endorsement.

This Special "**Flood**" Deductible applies separately to each of the "**buildings**" listed above in the Schedule and separately to Business Personal Property located in or on each of the "**buildings**" listed above in the Schedule, or within 1,000 feet of the premises.

All other terms and conditions remain unchanged.

Policy Number: PHPK2544394

PI-ULT-021A (0110)

FLOOD ENDORSEMENT LOCATION SCHEDULE

Flood Coverage applies to the following locations:

Loc #	Bldg#
0001	0001
0001	0002
0002	0001

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BOILER AND MACHINERY ENDORSEMENT

This endorsement modifies insurance provided under the following:

- Property Coverage Form
- Causes of Loss Form
- Business Income and Extra Expense Coverage Form
- Business Income Coverage Form
- Extra Expenses Coverage Form

SCHEDULE

Coverage Description	Limit of Insurance
Property Damage	\$ 5,689,400
Property Damage and Business Income/Extra Expense	\$
Business Income and Extra Expense	\$ 9,171,771
Business Income	\$
Extra Expense	\$

Sublimits of Insurance applicable to each covered location. These sublimits are part of and not in addition to the Limits of Insurance shown above.

Coverage	Sublimit of Insurance
Ammonia Contamination	\$ 100,000
Water Damage	\$ 100,000
Hazardous Substances	\$ 100,000
Spoilage	\$ 100,000
Expediting Expense	\$ 250,000
Newly Acquired Location Coverage	\$ 1,000,000
Off Premises Service Interruption	
Business Income	\$
Business Income and Extra Expense	\$ 9,171,771
Extra Expense	\$
Spoilage	\$ 25,000
Ordinance or Law	\$ 300,000

Deductibles

Coverage	Deductible
Property Damage	\$ 5,000
Business Income and Extra Expense	72 hours
Business Income	hours
Extra Expense	\$
Spoilage	COMBINED W/PD
Off Premises Service Interruption	72 hours
Ammonia Contamination	COMBINED W/PD
Other (DIAGNOSTIC EQUIP)	\$ 2XPD DED
Premium	\$ 1,330

A. Coverage

For the purposes of this endorsement, the following exclusions and limitations, or parts thereof, are deleted as respects to the Boilers, Pressure Vessels and Machinery and Equipment at the described premises:

- | | |
|---------------------|---|
| Exclusion B.2.a. | Artificially generated electric current, including electric arcing, that disturbs electrical devices, wiring or wires. |
| Exclusion B.2.d.(2) | The word latent is deleted. |
| Exclusion B.2.d.(6) | Mechanical breakdown, including rupture or bursting caused by centrifugal force. |
| Exclusion B.2.e. | Explosion of steam boilers, steam pipes, steam engines, steam turbines owned or leased by your, or operated under your control. |
| Limitation C.1.a. | Steam boilers, steam pipes, steam engines or steam turbines caused by or resulting from a condition or event inside such equipment. |
| Limitation C.1.b. | Hot water boilers or other water heating equipment caused by or resulting from any condition or event inside such boilers or equipment. |

B. Exclusions

As respects the Boiler and Machinery coverage provided by this endorsement, coverage shall not include "**loss**" caused by or resulting from:

1. Damage while any boiler, fired or unfired vessel or electrical steam generator is undergoing a hydrostatic or gas pressure test;
2. Damage while any type of electrical or electronic equipment is undergoing an insulation breakdown test;
3. Damage to or destruction of media, however caused, and regardless of the function of that media;
- 4/ Depletion, deterioration, corrosion, erosion or wear or tear, and other gradually developing conditions. But if "**loss**" or damage otherwise covered by this endorsement ensues, we will pay for such ensuing "**loss**";

C. Limits

The most we will pay under this endorsement for direct "**loss**" to Covered Property is the Property Damage Limit of Insurance shown in the schedule of this endorsement. If Business Income Coverage, Extra Expense Coverage, or Business Income and Extra Expense Coverage is included in the policy to which this endorsement is a part, the most we will pay for those extensions of coverage under this endorsement are the respective Limits of Insurance shown in the schedule of this endorsement.

All losses covered by this endorsement occurring at any one location which manifests themselves at the same time and are the result of the same cause will be considered a single loss. If an initial loss covered by this endorsement causes other losses covered by this endorsement, all will be considered a single loss.

D. Extra Expediting

This endorsement is extended to cover the reasonable extra cost of temporary repair and of expediting repair or replacement of Covered Property as a direct result of loss otherwise covered by this endorsement. The most we will pay under this extension is the amount shown as the Expediting Expense Sublimit in the schedule of this endorsement.

E. Ammonia Contamination

If Covered Property is contaminated by ammonia as a direct result of loss otherwise covered by this endorsement, the most we will pay for this kind of damage, including salvage expense, is the amount shown as the Ammonia Contamination Sublimit in the schedule of this endorsement.

F. Water Damage

If Covered Property is damaged by water as a direct result of loss otherwise covered by this endorsement, the most we will pay for this kind of damage, including salvage expense, is the amount shown as the Water Damage Sublimit in the schedule of this endorsement.

G. Hazardous Substances

If covered Property is contaminated by a hazardous substance as the direct result of loss otherwise covered by this endorsement, the most we will pay for expenses to clean up or dispose of such property is the amount shown as the Hazardous Substances Sublimit in the schedule of this endorsement.

H. Spoilage

If Covered Property spoils from lack of power, light, heat, steam, or refrigeration as a direct result of the Breakdown of the insured's Boilers, Pressure Vessels, Machinery or Equipment, the most we will pay for this kind of damage, including salvage expenses, is the amount shown as the Spoilage Sublimit in the schedule of this endorsement.

I. Newly Acquired Locations

The coverages of this endorsement are extended to the interest of the named insured in Boilers, Pressure Vessels, Machinery and Equipment, not otherwise insured, at newly constructed, acquired, or leased locations within the policy coverage territory and which have been previously undeclared. The most we will pay under this extension for loss or damage at any one location is the amount shown as the Newly Acquired Location Coverage Sublimit in the schedule of this endorsement.

J. Off Premises Service Interruption

If Off Premises Service Interruption Coverage is included in the policy of which this endorsement is a part, the coverage extensions of this endorsement for Business Income and/or Extra Expense and/or Spoilage are further extended to include loss caused by Boilers, Pressure Vessels, Machinery and Equipment, whether or not they are located on Insured's premises, owned by a public utility or other company and used to directly supply electrical power, communications services, heating, gas, water, steam or air conditions to the described premises.

K. Deductibles

There shall be liability under this endorsement only when the amount of loss exceeds the Boiler and Machinery Deductibles shown in the schedule of this endorsement. If no Boiler and Machinery Deductibles are shown, coverage under this endorsement is subject to the policy deductible.

If an hour deductible is shown in the schedule, we will only pay for loss or damage you sustain after the first specified number of hours immediately following the physical loss to the Covered Property.

If a multiplier is shown in the schedule of this endorsement, the deductible is determined by multiplying the One Hundred Percent Average Daily Value (100% ADV) times the multiplier. The 100% ADV will be obtained by dividing the total net profits, fixed charges and expenses for the entire location that would have been earned had no physical loss occurred during the period of interruption of business by the number of working days in that period. No reduction shall be made for net profits, fixed charges and expenses not being earned, or in the number of working days, because of the physical loss or damage or any other scheduled or unscheduled shutdowns during the period of interruptions.

If a percent of loss deductible is indicated in the schedule of this endorsement, we will not be liable for the indicated percentage of loss or damage insured under this endorsement. If the dollar amount of such percentage is less than the indicated minimum deductibles, the minimum deductible will be the applicable deductible.

L. Suspension

If any Boiler, Pressure Vessel, Machinery or Equipment covered by this endorsement is found to be in, or exposed to, a dangerous condition, any of our representatives may immediately suspend the coverage provided by this endorsement for that equipment by written notice mailed or delivered to:

1. Your last known address; or
2. The address where the affected equipment is located.

Once suspended in this way, your insurance can be reinstated only by endorsement.

If we suspend your insurance, you will get a pro rata refund for the affected equipment. But the suspension will be effective even if we have not yet made or offered a refund.

M. Mechanical or Electrical Breakdown

With respect to coverage provided by this endorsement, Mechanical or Electrical Breakdown means a sudden and accidental breakdown of covered Boilers, Pressure Vessels, Machinery and Equipment. At the time breakdown occurs, it must become apparent by physical damage that requires repair or replacement of the affected equipment or part of the affected equipment.

Mechanical or Electrical Breakdown does not mean or include any of the following:

1. Breakdown of any structure or foundation.
2. Breakdown of any boiler setting, insulating or refractory material.
3. Breakdown of a power shovel, dragline, excavator, vehicle, aircraft, floating vessel or structure, well casing, penstock or draft tube.
4. Breakdown of any elevator, crane, hoist, escalator or conveyor, but not including any pressure vessel or electrical equipment used with such a machine.
5. Breakdown of Boilers, Pressure Vessels, Machinery or Equipment manufactured or held for sale by you.
6. Breakdown of catalyst.

7. Breakdown of any oven, stove, furnace, incinerator, pot or kiln.
8. Breakdown of any buried vessel or piping.
9. Breakdown of a felt, wire, screen, die, mold, form, pattern, extrusion plate, swing hammer, grinding disc, cutting blade, chain, cable, belt, rope, clutch plate, brake pad, nonmetallic part or any part or tool subject to frequent, periodic replacement.
10. Breakdown, of any nonmetallic vessel, unless it is constructed and used in accordance with the American Society of Engineers (A.S.M.E.) code.
11. Breakdown of sewer piping, piping forming a part of a fire protection system or water piping other than:
 - a. Feed water piping between any boiler and its feed pump or injector; or
 - b. Boiler condensate return piping; or
 - c. Water piping forming a part of refrigerating and air conditioning vessels and piping used for cooling, humidifying or space heating purposes.
12. Breakdown of a part of a Boiler, Pressure Vessel or Electric Steam Generator that:
 - a. Does not contain steam or water; or
 - b. Is not under pressure of contents of the vessel; or
 - c. Is not under internal vacuum.
13. The functioning of any safety or protective devices.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**OKLAHOMA CHANGES – REPLACEMENT COST**

This endorsement modifies insurance provided under the following:

Property Coverage Form

Subparagraph **a.(2)** of Loss Condition **E.7, Valuation**, is deleted and replaced by the following:

(2)(a) We will pay no more than the actual cash value of the damaged property until the actual repair or replacement is complete. However, if the actual cash value amount is insufficient to initiate and/or continue repair or replacement of the damaged property, we will advance to you, as the need arises, the additional amount(s) necessary to initiate and/or continue the repair or replacement, up to the difference between the actual cash value and the replacement cost of the damaged property and subject to the applicable Limit of Insurance.

(b) If:

- (i)** The Increased Cost of Construction provision of the Ordinance or Law Coverage Extension applies to the loss; or
- (ii)** Ordinance or Law Coverage Endorsement **PI-ULT-014** is part of the policy, and the increased Cost of Construction Coverage option of that endorsement applies to the loss;

We will provide payments under such coverage in advance of the completion of repair or replacement of the property, if such advance payments are necessary for initiating or continuing the repair or replacement.

(c) Under this loss settlement procedure, the following special provisions apply:

- (i)** You shall promptly forward to us evidence of the agreement with the party repairing or replacing the damaged property, showing the cost and estimated completion date of the repairs or replacement.
- (ii)** The total of all advances and other payments will not exceed the amount of loss that we and you have agreed will be reimbursed. We will send you the balance, if any, of the loss payment that we and you have agreed will be reimbursed, after you forward to us evidence of the completion of repairs to or replacement of the damaged property.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LIMITATIONS ON FUNGUS, WET ROT, DRY ROT AND BACTERIA

This endorsement modifies insurance provided under the following:

**PROPERTY COVERAGE FORM
CAUSES OF LOSS FORM**

SCHEDULE

<p>Increased Limit: _____</p>
<p>Separate Premises or Locations Option YES _____ NO _____ If YES, describe the separate premises or locations:</p>
<p>Information required to complete this SCHEDULE, if not shown on this endorsement, will be shown in the Declarations.</p>

I. CAUSES OF LOSS FORM, Section E. Additional Coverage Extensions is amended to include the following:

A. Coverage

1. We will pay for “**loss**” or damage by “**fungus,**” wet or dry rot or bacteria that is the result of fire or lightning.
2. a. We will also pay for loss or damage by “**fungus,**” wet or dry rot or bacteria that is the result of one or more of the following causes that occurs during the policy period. Coverage applies only if all reasonable means were used to save and preserve the property from further damage at the time of and after that occurrence.
 - (1) A “**specified cause of loss**” other than fire or lightning;
 - (2) Water that backs up or overflows from a sewer, drain or sump, if coverage applies to the affected premises; or
 - (3) Water under the ground surface pressing on, or flowing or seeping through:
 - (a) Foundations, walls, floors or paved surfaces;
 - (b) Basements, whether paved or not;
 - (c) Doors, windows or other openings;
 if coverage applies to the affected premises; or

- (4) “**Flood**,” if the Flood Endorsement applies to the affected premises.
- b. The term loss or damage as used in Item 2.a. means:
- (1) Direct physical “**loss**” or damage to Covered Property caused by “**fungus**,” wet or dry rot or bacteria, including the cost of removal of the “**fungus**,” wet or dry rot or bacteria;
 - (2) The cost to tear out and replace any part of the building or other property as needed to gain access to the “**fungus**,” wet or dry rot or bacteria; and
 - (3) The cost of testing performed after removal, repair, replacement or restoration of the damaged property is completed, provided there is a reason to believe that “**fungus**,” wet or dry rot or bacteria are present.
3. The amount we will pay for coverage described in 2.a. above is limited as described in **B. Limits of Insurance** and **C. Additional Conditions – Business Income and/or Extra Expense**.

B. Limits of Insurance

1. The most we will pay for all “**loss**” or damage for coverage described in **A.1.** above is the Limit of Insurance for Covered Property shown in the Declarations.
2. a. The most we will pay for all loss or damage for coverage described in **A.2.** above is limited to \$15,000, unless an increased limit is shown in the **SCHEDULE** of this endorsement:
 - (1) Regardless of the number of claims arising out of all occurrences which take place in a 12 month period, starting with the beginning of the present annual policy period; and
 - (2) Even if the “**fungus**,” wet or dry rot or bacteria continues to be present or active, or recurs in a later policy period.
- b. The \$15,000 Limit of Insurance or Increased Limit shown in the **SCHEDULE** of this endorsement is included within, and is not in addition to, the applicable Limit of Insurance for any Covered Property.
- c. If there is covered “**loss**” or damage to Covered Property not caused by “**fungus**,” wet or dry rot or bacteria, loss payment will not be limited by the terms of this Limited Coverage, except to the extent that “**fungus**,” wet or dry rot or bacteria causes an increase in the loss. Any such increase in the loss will be subject to the terms of this endorsement.
- d. The terms of this Limited Coverage do not increase or reduce the coverage provided under:
 - (1) Paragraph **D. Additional Coverage – Collapse**; or
 - (2) Paragraph **E. 1. Water Damage, Other Liquids, Powder or Molten Material Damage**

In the **CAUSES OF LOSS FORM**.

C. Additional Conditions – Business Income and/or Extra Expense

Under Item **A. 2.** above, the following applies only if the Business Income and/or Extra Expense coverage applies to the described premises and only if the suspension of “**operations**” satisfies all terms and conditions of the applicable **BUSINESS INCOME (WITH EXTRA EXPENSE) COVERAGE FORM**:

1. If the “**specified cause of loss**” which resulted in “**fungus,**” wet or dry rot or bacteria does not in itself necessitate a suspension of “**operations,**” but such suspension is necessary due to loss or damage to property caused by “**fungus,**” wet or dry rot or bacteria, then our payment under Business Income and/or Extra Expense is limited to the amount of loss and/or expense sustained in a period of not more than 30 days. The days need not be consecutive.
2. If a covered suspension of “**operations**” was caused by “**loss**” or damage other than “**fungus,**” wet or dry rot or bacteria, but remediation of “**fungus,**” wet or dry rot or bacterial prolongs the “**period of restoration,**” we will pay for loss and/or expense sustained during the delay (regardless of when such a delay occurs during the “**period of restoration**”), but such coverage is limited to 30 days. The days need not be consecutive.

II. CAUSES OF LOSS FORM, Section B. Exclusions, is amended as follows:

A. Exclusion 2.d. (2) is deleted in its entirety and replaced with the following:

- (2) Rust, corrosion, decay, deterioration, spoilage, contamination, hidden or latent defect or any quality in property that causes it to damage or destroy itself.

B. The following exclusions are added:

1. Unless as provided for in Section **I.A. Coverage** above, we will not pay for “**loss**” or damage caused directly or indirectly by the presence, growth, proliferation, spread or any activity of “**fungus,**” wet or dry rot or bacteria. Such “**loss**” or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the “**loss.**”

But if “**fungus,**” wet or dry rot or bacteria results in a cause of loss covered by this endorsement, we will pay for the “**loss**” or damage caused by that covered cause of loss.

2. We will not pay for “**loss**” or damage caused by or resulting from continuous or repeated seepage or leakage of water, or the presence or condensation of humidity, moisture or vapor, that occurs over a period of 14 days or more.
3. We will not pay under:
 - a. The **Ordinance or Law** coverage extension in the **PROPERTY COVERAGE FORM**; or
 - b. Any **ORDINANCE OR LAW COVERAGE** endorsement, if applicable to this policy:

For:

- (1) “**Loss**” or expense sustained due to the enforcement of any ordinance or law which requires the demolition, repair, replacement, reconstruction, remodeling or remediation of property due to the presence, growth, proliferation, spread or any activity of “**fungus,**” wet or dry rot or bacteria; or
- (2) The costs associated with the enforcement of any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of “**fungus,**” wet or dry rot or bacteria.

III. **CAUSES OF LOSS FORM**, Section **C. Limitations**, Paragraph **3**. is deleted and replaced by the following:

3. We will not pay for "**loss**" to property in transit caused by or resulting from breakage; leakage; contamination; being spotted, discolored, frosted, rotted, soured, steamed, or changed in flavor.

But we will pay for such "**loss**" caused by: the "**specified causes of loss**"; an accident to the vehicle or railroad car carrying the Covered Property; burning, collision or crashing of the aircraft carrying the Covered Property; or the stranding, sinking, burning or collision of the vessel carrying the Covered Property.

IV. **CAUSES OF LOSS FORM**, Section **F. Definitions**, is amended by adding the following:

"**Fungus**" means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products produced or released by fungi.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LOSS OF INCOME DUE TO WORKPLACE VIOLENCE

This endorsement modifies and is subject to the insurance provided under the following:

ULTIMATECOVER PROGRAM - BUSINESS INCOME WITH EXTRA EXPENSE COVERAGE FORM

The following is added to **Section A. Coverage, 4. Additional Coverages:**

g. Workplace Violence

(1) Coverage:

Loss of Business Income:

We will pay for the actual loss of Business Income you sustain due to the suspension of your **“operations”** caused by any intentional use, or threat to use, deadly force by any person.

The most we will pay under this coverage is \$100,000.

Extra Expense:

Coverage is extended to include the cost of public relations consultants or other specialists to restore the insured's reputation following an incident of workplace violence. Additionally, coverage includes mental health counseling for employees.

The most we will pay under this coverage is \$5,000.

(2) Loss Determination:

Determination of the Business Income loss under this additional coverage will be calculated only for the location where the workplace violence occurred. Coverage will only be for the **“period of restoration”**.

Extra expense will apply even though operations have resumed. However, they will not apply after 60 days following the incident.

All other terms and conditions remain the same.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY**CAP ON LOSSES FROM CERTIFIED ACTS OF
TERRORISM**

This endorsement modifies insurance provided under the following:

**ULTIMATECOVER PROPERTY COVERAGE PART
ULTIMATECOVER CRIME COVERAGE PART**

A. Cap On Certified Terrorism Losses

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

B. Application Of Exclusions

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any loss which would otherwise be excluded under this Coverage Part or Policy, such as losses excluded by the Nuclear Hazard Exclusion or the War And Military Action Exclusion.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CHANGES – ELECTRONIC DATA

This endorsement modifies insurance provided under the following:

ULTIMATECOVER PROPERTY COVERAGE PART

- A.** Under this endorsement, electronic data means information, facts or computer programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), on hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other repositories of computer software which are used with electronically controlled equipment. The term computer programs, referred to in the foregoing description of electronic data, means a set of related electronic instructions which direct the operations and functions of a computer or device connected to it, which enable the computer or device to receive, process, store, retrieve or send data. For the purpose of this endorsement, the term electronic data does not include your "stock" of prepackaged software.
- B.** This section, **B.**, and the following sections **C.** and **D.**, apply to the UltimateCover Property Coverage Form, Condominium Association Coverage Endorsement, Commercial Condominium Unit-Owner's Coverage Endorsement, and the UltimateCover Causes of Loss Form. Paragraphs **B.1.** and **B.2.** supersede any provisions relating to electronic data, electronic media or valuable papers or records, including any such provisions under Property Not Covered, Coverage Extensions, Valuation Conditions or Limitations in the aforementioned forms.
- 1.** Covered Property does not include electronic data, except as provided below in **C.**, Limited Coverage – Electronic Data.
 - 2.** Covered Property does not include the cost to replace or restore the information on valuable papers and records, including those which exist as electronic data. Valuable papers and records include but are not limited to proprietary information, books of account, deeds, manuscripts, abstracts, drawings and card index systems. However, limited coverage for valuable papers and records, other than those which exist as electronic data, is provided below in **D.**, Limited Coverage – Valuable Papers And Records (Other Than Electronic Data).
- C. Limited Coverage – Electronic Data**
- 1.** Subject to the provisions of this Limited Coverage, we will pay for the cost to replace or restore electronic data which has been destroyed or corrupted by a Covered Cause of Loss. To the extent that electronic data is not replaced or restored, the loss will be valued at the cost of replacement of the media on which the electronic data was stored, with blank media of substantially identical type.
 - 2.** The Covered Causes of Loss applicable to Your Business Personal Property apply to this Limited Coverage – Electronic Data, subject to the following:
 - a.** If the Ultimate Cover Causes of Loss Form applies, coverage under this Limited Coverage – Electronic Data is limited to the "specified causes of loss" as defined in that Form, and Collapse as set forth in that Form.
 - b.** If the Causes of Loss Form is endorsed to add a Covered Cause of Loss, the additional Covered Cause of Loss does not apply to the coverage provided under this Limited Coverage – Electronic Data.

- c. The Covered Causes of Loss include a virus, harmful code or similar instruction introduced into or enacted on a computer system (including electronic data) or a network to which it is connected, designed to damage or destroy any part of the system or disrupt its normal operation. But there is no coverage for loss or damage caused by or resulting from manipulation of a computer system (including electronic data) by any employee, including a temporary or leased employee, or by an entity retained by you or for you to inspect, design, install, modify, maintain, repair or replace that system.
3. The most we will pay under this Limited Coverage – Electronic Data is \$2,500 (unless a higher limit is shown in the Declarations) for all loss or damage sustained in any one policy year, regardless of the number of occurrences of loss or damage or the number of premises, locations or computer systems involved. If loss payment on the first occurrence does not exhaust this amount, then the balance is available for subsequent loss or damage sustained in but not after that policy year. With respect to an occurrence which begins in one policy year and continues or results in additional loss or damage in a subsequent policy year(s), all loss or damage is deemed to be sustained in the policy year in which the occurrence began.
- D. Limited Coverage – Valuable Papers And Records (Other Than Electronic Data)**
1. You may extend the insurance that applies to Your Business Personal Property to apply to the cost to replace or restore the lost information on valuable papers and records for which duplicates do not exist. But this Limited Coverage does not apply to valuable papers and records which exist as electronic data.
 2. If the Ultimate Cover Causes of Loss Form applies, coverage under this Limited Coverage is limited to the "specified causes of loss" as defined in that Form, and Collapse as set forth in that Form.
3. Under this Limited Coverage, the most we will pay to replace or restore the lost information is \$2,500 at each described premises. We will also pay for the cost of blank material for reproducing the records (whether or not duplicates exist), and (when there is a duplicate) for the cost of labor to transcribe or copy the records. The costs of blank material and labor are subject to the applicable Limit of Insurance on Your Business Personal Property and therefore coverage of such costs is not additional insurance.
- E. With respect to the Ultimate Cover Business Income and/or Extra Expense Coverage Forms, the following exclusion is added:**
- Exclusion – Interruption Of Computer Operations**
1. Coverage for Business Income does not apply when a "suspension" of "operations" is caused by destruction or corruption of electronic data, or any loss or damage to electronic data, except as provided below in F., Limited Coverage – Interruption Of Computer Operations.
 2. Coverage for Extra Expense does not apply when action is taken to avoid or minimize a "suspension" of "operations" caused by destruction or corruption of electronic data, or any loss or damage to electronic data, except as provided below in F., Limited Coverage – Interruption Of Computer Operations.
- F. Limited Coverage – Interruption Of Computer Operations**
- This Limited Coverage applies only to the Ultimate Cover Business Income and/or Extra Expense Coverage Forms.
1. Subject to all provisions of this Limited Coverage, you may extend the insurance that applies to Business Income and/or Extra Expense to apply to a "suspension" of "operations" caused by an interruption in computer operations due to destruction or corruption of electronic data due to a Covered Cause of Loss.
 2. With respect to the coverage provided under this Limited Coverage, the Covered Causes of Loss are subject to the following:

- a. If the Ultimate Cover Causes of Loss Form applies, coverage under this Limited Coverage – Interruption Of Computer Operations is limited to the "specified causes of loss" as defined in that Form, and Collapse as set forth in that Form.
 - b. If the Causes of Loss Form is endorsed to add a Covered Cause of Loss, the additional Covered Cause of Loss does not apply to the coverage provided under this Limited Coverage – Interruption Of Computer Operations.
 - c. The Covered Causes of Loss include a virus, harmful code or similar instruction introduced into or enacted on a computer system (including electronic data) or a network to which it is connected, designed to damage or destroy any part of the system or disrupt its normal operation. But there is no coverage for an interruption related to manipulation of a computer system (including electronic data) by any employee, including a temporary or leased employee, or by an entity retained by you or for you to inspect, design, install, maintain, repair or replace that system.
3. The most we will pay under this Limited Coverage -Interruption Of Computer Operations is \$2,500 for the total of all loss sustained and/or expense incurred in any one policy year, regardless of the number of interruptions or the number of premises, locations or computer systems involved. If loss payment relating to the first interruption does not exhaust this amount, then the balance is available for loss or expense sustained or incurred as a result of subsequent interruptions in that policy year. A balance remaining at the end of a policy year does not increase the amount of insurance in the next policy year. With respect to any interruption which begins in one policy year and continues or results in additional loss or expense in a subsequent policy year(s), all loss and expense is deemed to be sustained or incurred in the policy year in which the interruption began.
4. This Limited Coverage – Interruption Of Computer Operations does not apply to loss sustained or expense incurred after the end of the "period of restoration", even if the amount of insurance stated in 3. above has not been exhausted.
- G. Under the Legal Liability Coverage Form, Covered Property does not include electronic data.
 - H. If this policy is endorsed to cover damage to Covered Property or Business Income loss or Extra Expense caused by or related to interruption in utility service, such coverage does not apply to destruction or corruption of (or any loss or damage to) electronic data.
 - I. If this policy is endorsed to cover Business Income loss or Extra Expense related to "suspension" of "operations" due to loss or damage to a "dependent property", such coverage does not apply when the only loss to "dependent property" is destruction or corruption of (or any loss or damage to) electronic data. If the "dependent property" sustains loss or damage to electronic data and other property, coverage under the "dependent property" endorsement will not continue once the other property is repaired, rebuilt or replaced.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

This endorsement modifies insurance provided under the following:
ULTIMATE COVER PROPERTY COVERAGE FORM

MULTIPLE DEDUCTIBLE FORM

(FIXED DOLLAR DEDUCTIBLES)

SCHEDULE *

The Deductibles applicable to any one occurrence are shown below:

Prem. No.	Bldg. No.	Deductible	Covered Causes of Loss **
0001	0001	10000	(2)
0001	0002	10000	(2)
0001	0002	10000	(2)
0002	0001	10000	(2)

* Information required to complete this Schedule, if not shown on this endorsement, will be shown in the Declarations.

** For each deductible listed in this Schedule, enter the number corresponding to the Covered Cause(s) of Loss to which that deductible applies (or enter the description):

- (1) All Covered Causes of Loss
- (2) All Covered Causes of Loss **except** those listed separately
- (3) Water damage
- (4) Lightning
- (5) Windstorm or Hail
- (6) Theft
- (7) "Ice Damming"

The following is added to the DEDUCTIBLE section:

- A. In the event that loss or damage occurs to Covered Property at more than one building location as a result of one occurrence, the largest applicable deductible for that Covered Cause of Loss, shown in the Schedule above or in the Declarations, will apply.
- B. The terms of this endorsement do not apply to any Earthquake Deductible or to any Windstorm or Hail Percentage Deductible provided elsewhere in this policy.

The following is added to the DEFINITIONS section:

"Ice Damming" means water leaking into the interior of the unit, as a result of the weight of snow, ice, or sleet or damage caused by thawing and/or re-freezing of snow, ice or sleet.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**ELITE PROPERTY ENHANCEMENT:
NURSING HOMES / MEDICAL FACILITIES / HOSPITALS**

This endorsement modifies insurance provided under the following:

**PROPERTY COVERAGE FORM
CAUSES OF LOSS FORM
CRIME COVERAGE FORM**

I. Schedule of Coverages and Limits

The following is a summary of increased Limits of Insurance, additional coverages and/or coverage extensions provided by this endorsement. This endorsement is subject to the provisions of your policy.

Coverage Applicable	Limit of Insurance	Page #
Covered Property		
Fine Arts	\$50,000	2
Additional Coverages		
Alternative Key Systems	\$100,000	2
Automated External Defibrillators (AEDs)	\$5,000	3
Earthquake Sprinkler Leakage	\$10,000	3
Lease Cancellation Moving Expenses	\$2,500	3
Pollutant Clean up and Removal	\$100,000	3
Transition to Replacement Premises	Included	3
Coverage Extensions		
Business Income and Extra Expense	\$100,000	4
Civil Authority	Included in BI/EE limit	4
Contingent Business Property	Included in BI/EE limit	4
Ingress or Egress	\$5,000	4
Newly Acquired Premises	\$100,000	5
Emergency Vacating Expense	\$15,000	6
Expediting Expense	\$25,000	6
Garages	\$5,000	6
Money Orders and Counterfeit Paper Currency	\$25,000	7
Non-Owned Detached Trailers	\$5,000	7
Ordinance or Law – Demolition Cost	\$300,000	7
Ordinance or Law – Increased Cost of Construction	\$300,000	7
Personal Property of Residents:		
Residents' Property Personal Effects		
Any One Resident	\$5,000	7
Any One Occurrence	\$25,000	7
Policy Aggregate	\$100,000	7
Residents' Money and Securities		
Any One Resident	\$500	8
Any One Occurrence	\$5,000	8
Policy Aggregate	\$50,000	8
Reward Reimbursement	\$5,000	8
Spoilage	\$50,000	8
Limitations		
Furs	\$5,000	9
Precious Metals	\$5,000	9

II. Conditions

A. Applicability of Coverage

Coverage provided in forms attached to your policy is amended by this endorsement where applicable.

B. Limits of Insurance

1. When coverage is provided by this form and another coverage form attached to this policy, the greater Limits of Insurance will apply. In no instance will multiple limits apply to coverages which may be duplicated within this policy.
2. Limits of Insurance identified in this endorsement are not excess of, or in addition to, Limits of Insurance provided by the **PROPERTY COVERAGE FORM**, the **CAUSES OF LOSS FORM** or the **CRIME COVERAGE FORM** unless otherwise stated.
3. Coverage is considered to be on an occurrence basis (not on a per location basis) unless otherwise stated.

C. Applicability of Exclusions

Specific exclusionary endorsements attached to the policy supersede coverage provisions contained in this coverage enhancement.

D. Requirement for Covered Causes of Loss

Except where a specific Covered Cause of Loss is identified in this coverage enhancement, coverage for the “**losses**” described herein are applicable only for Covered Causes of Loss as designated in the **CAUSES OF LOSS FORM** attached to the policy.

III. Covered Property

A. Section A. Coverage, 1. Covered Property, a. Your Business Personal Property, (d) “Fine Arts” in the **PROPERTY COVERAGE FORM** is amended as follows:

If the total value of “**Fine Arts**” is over \$50,000, they must be listed in a schedule on file with us;

B. Section A. Coverage, 2. Property Not Covered, o. “Fine Arts” in the **PROPERTY COVERAGE FORM** is amended as follows:

“**Fine Arts,**” if the total value of such property is greater than \$50,000, unless such property is listed in a schedule on file with us;

IV. Additional Coverages

The following are added to or amend the **PROPERTY COVERAGE FORM** under Section **A. Coverage, 4. Additional Coverages:**

A. Alternative Key Systems

We will pay for “**loss**” or damage to, or cost to reprogram, “**alternative key systems,**” including card programmers, card-readers, computers, related alarms, transceivers, power supplies and any other electronic or mechanical apparatus needed to make the card keys work. The “**loss**” must be caused by a Covered Cause of Loss and take place at a covered location.

The most we will pay for “**loss**” or damage under this coverage is \$100,000.

B. Automated External Defibrillators

Automated external defibrillators (AEDs) are considered covered property.

The most we will pay for “**loss**” or damage under this coverage is limited to \$5,000 per occurrence, which is in addition to the Business Personal Property Limit stated in the Declarations.

C. Earthquake Sprinkler Leakage

We will pay up to \$10,000 for damages resulting from sprinkler leakage which is caused by earth movement.

D. Lease Cancellation Moving Expenses

We will reimburse you for any moving expenses necessitated by your need to relocate due to the cancellation of the lease at your premises listed in the Declarations. The lease cancellation must occur as a result of a Covered Cause of Loss.

The limit for this coverage will be \$2,500 for all insureds combined. No deductible applies to this coverage.

E. Pollutant Clean Up and Removal

Section **A. Coverage, 4. Additional Coverages, f. Pollutant Clean Up and Removal** is amended as follows:

The Limit of Insurance for this additional coverage for each described premises is increased to \$100,000 for the sum of all covered expenses arising out of a Covered Cause of Loss occurring during each separate 12 month period of this policy.

F. Transition to Replacement Premises

If Covered Property is moved to a new premises from a scheduled premises that is being vacated, the Limit of Insurance applicable to that vacated premises will apply proportionately to both premises as the property is moved. This coverage ends when any one of the following first occurs:

1. 90 days after the move begins;
2. The move is completed; or
3. This policy expires.

V. Coverage Extensions

With the exception of Item **E. Money Orders and Counterfeit Paper Currency** below, the following are added to or amend the **PROPERTY COVERAGE FORM** under Section **A. Coverage, 5. Coverage Extensions**:

A. Business Income and Extra Expense

1. Coverage is extended to include the actual “**loss**” of Business Income you sustain, and

necessary Extra Expense you incur when your covered **“building”** or Business Personal Property listed in the Declarations is damaged by a Covered Cause of Loss.

We pay any Extra Expense you incur:

- a. To continue your normal **“operations”** at the described premises; or
 - b. To continue your normal **“operations”** at replacement premises or temporary locations; including:
 - (1) Relocation expenses; and
 - (2) The costs to equip or operate the replacement premises or temporary locations; or
 - c. To minimize the suspension of your normal **“operations”** if you cannot continue them.
- 2. Civil Authority**

We will pay for the actual **“loss”** of Business Income you sustain, and necessary Extra Expense you incur that is caused by action of civil authority that prohibits access to the described premises due to direct physical **“loss”** of or damage to property, other than at the described premises, caused by or resulting from any Covered Cause of Loss. The coverage for Business Income will begin 72 hours after the time of that action and will apply for a period of up to 3 consecutive weeks after coverage begins. The coverage for Extra Expense will begin immediately after the time of that action and will end:

- a. 3 consecutive weeks after the time of that action; or
- b. When your Business Income coverage ends; whichever comes first.

3. Contingent Business Property

We will pay for the actual **“loss”** of Business Income you sustain, and necessary Extra Expense you incur when Contingent Business Property is damaged by a Covered Cause of Loss. We will reduce the amount of your Business Income **“loss,”** other than Extra Expense, to the extent you can resume **“operations,”** in whole or in part, by using any other available:

- a. Source of materials; or
- b. Outlet for your products.

The most we will pay under these sections **A. 1., 2. and 3.** combined is \$100,000 for any one occurrence.

4. Ingress or Egress Coverage

We will pay for the actual **“loss”** of Business Income you sustain, and necessary Extra Expense you incur due to the necessary suspension of your **“operations”** in the event that ingress or egress is prevented at the described premises as a result of a Covered Cause of Loss. The **“loss”** or damage by a Covered Cause of Loss preventing ingress or egress must occur within one mile of the described premises. This coverage will apply for up to 30 consecutive days from the date when the ingress or egress is denied.

The most we will pay for this coverage is \$5,000 for any one occurrence.

This additional coverage does not apply in the event that access is denied by action of civil

authority. Such coverage is provided subject to Item 2. above.

5. Newly Acquired Premises

We will pay for the actual **“loss”** of Business Income you sustain, and necessary Extra Expense you incur when property at a newly acquired premises is damaged by a Covered Cause of Loss.

Coverage under this extension will end when any of the following first occurs:

- a. This policy expires;
- b. 90 days expire after you acquire the property that would qualify as covered property; or
- c. You report values to us.

We will charge you additional premium for values reported from the date you acquire the property that would qualify as covered property.

The most we will pay under this extension is \$100,000 in any one occurrence at each newly acquired premises. This limit is in addition to the Business Income and Extra Expense limit provided above.

6. The following, when used in this section, are defined as follows:

- a. Business Income means net income (net profit or loss before income taxes) that would have been earned or incurred during the period of restoration and continuing normal operating expenses including payroll.
- b. Extra Expense means necessary expenses you incur during the period of restoration that you would not have incurred if there had been no direct physical **“loss”** or damage to property caused by or resulting from a Covered Cause of Loss.
- c. Contingent Business Property means property operated by others on whom you depend to:
 - (1) Deliver materials or services to you or to others for your account (Contributing Locations);
 - (2) Accept your products or services (Recipient Locations);
 - (3) Manufacture products for delivery to your customers under contract of sale (Manufacturing Locations); or
 - (4) Attract customers to your business (Leader Locations).
- d. Period of restoration means the period of time that:
 - (1) Begins with the date of physical **“loss”** or damage caused by or resulting from any Covered Cause of Loss; and
 - (2) Ends on the date when the property should be repaired, rebuilt or replaced with reasonable speed and similar quality.

Period of restoration does not include any increased period required due to the enforcement of any ordinance or law that:

- (1) Regulates the construction, use or repair, or requires the tearing down of any property; or
- (2) Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of **“pollutants.”**

The expiration date of this policy will not cut short the period of restoration.

B. Emergency Vacating Expense

1. The coverage provided by this policy is extended to apply to the reasonable expenses that you incur in the **“emergency”** vacating of the premises of your facility described in the Declarations, provided that vacating is necessary due to an **“emergency”** situation resulting from a Covered Cause of Loss.
2. We will not pay for any expenses under this extension arising out of:
 - a. A strike, bomb threat or false fire alarm, unless vacating is ordered by a civil authority;
 - b. A planned vacating drill; or
 - c. The vacating of one or more individuals that is solely due to their individual medical condition.
3. The most we will pay in any one occurrence for the evacuation of residents, regardless of the number of residents evacuated is \$15,000. The deductible for emergency vacating expenses is \$1,000 per occurrence.

C. Expediting Expense

The coverage provided by this policy is extended to apply to your reasonable and necessary expense of temporary repairs to your business property or the extra costs of expediting the permanent repair or replacement of your property, whichever is less. These expenses include overtime wages and extra costs for rapid means of transportation. However, we will not pay for the temporary rental of property or the temporary replacement of damaged property.

The most we will pay under this extension is \$25,000.

D. Garages

“Building” coverage is extended to apply to any garage or storage shed located at the premises described in the Declarations.

The most we will pay under this extension is \$5,000.

E. Money Orders and Counterfeit Paper Currency

The Basic Limit of Insurance that is provided for Money Orders and Counterfeit Paper Currency under the **CRIME COVERAGE FORM** is increased to \$25,000.

F. Non-Owned Detached Trailers

You may extend the insurance that applies to your Business Personal Property to apply to “**loss**” or damage to trailers that you do not own, provided that:

1. The trailer is used in your business;
2. The trailer is in your care, custody or control at the premises described in the Declarations;
and
3. You have a contractual responsibility to pay for “**loss**” or damage to the trailer.

We will not pay for any “**loss**” or damage that occurs:

1. While the trailer is attached to any motor vehicle or motorized conveyance, whether or not the motor vehicle or motorized conveyance is in motion;
2. During hitching or unhitching, or when a trailer becomes accidentally unhitched from a motor vehicle or motorized conveyance.

The most we will pay under this extension is \$5,000.

G. Ordinance or Law

Section A. Coverage, 5. Coverage Extensions, j. Ordinance or Law is amended as follows:

1. The Limit of Insurance for demolition costs is increased to \$300,000 in any one occurrence.
2. The Limit of Insurance for increased cost of construction is increased to \$300,000 in any one occurrence.

H. Personal Property of Residents

1. Residents' Property – Personal Effects

- a. The Business Personal Property coverage is extended to apply to the personal effects of the residents of your facility while at a premises described in the Declarations.
- b. (1) The most we will pay for “**loss**” or damage to the property of any one resident is \$5,000.

(2) The most we will pay for “**loss**” or damage in any one occurrence, regardless of the number of residents who had property lost or damaged is \$25,000 subject to the any one resident limit shown in 1.b.(1) above.

(3) The most we will pay for the sum of all such “**loss**” or damage during each separate policy period is \$100,000, regardless of the number of occurrences.
- c. We will not pay for a “**loss**” under this coverage until the amount of “**loss**” exceeds a \$1,000 deductible. We will then pay the amount of “**loss**” in excess of the deductible up to the applicable Limit of Insurance.
- d. Residents' Personal Effects do not include “**money**” or “**securities.**” Such coverage is provided subject to Item 2. below.

2. Residents' Money and Securities

- a. We cover “**money**” and “**securities**” belonging to the residents of your facility while at a covered location. We cover such property against “**loss**” from a Covered Cause of Loss applying to your business personal property at the location. We do not cover any “**loss**” caused by or resulting from forgery, alterations, the giving or surrendering of checks or “**money**” in exchange or purchase, or accounting or arithmetic errors and omissions.
- b. (1) The most we will pay for “**loss**” or damage to the “**money**” and “**securities**” of any one resident is \$500.
 - (2) The most we will pay for “**loss**” or damage in any one occurrence, regardless of the number of residents who had “**money**” and “**securities**” lost or damaged is \$5,000 subject to the any one resident limit in **2.b.(1)** above.
 - (3) The most we will pay for the sum of all such “**loss**” or damage during each separate policy period is \$50,000, regardless of the number of occurrences.
- c. We will not pay for a “**loss**” under this coverage until the amount of “**loss**” exceeds a \$500 deductible. We will then pay the amount of “**loss**” in excess of the deductible up to the applicable Limit of Insurance.

I. Reward Reimbursement

We will pay a reward for information that leads to a criminal conviction in connection with “**loss**” or damage to covered property by a Covered Cause of Loss; provided that the reward is pre-approved by us.

The most we will pay for “**loss**” or damage under this extension is \$5,000 regardless of the number of persons who provide information. No deductible shall apply to this coverage.

This extension does not include arson reward, as arson reward is included in Section 4. **Additional Coverages** of the **PROPERTY COVERAGE FORM**.

J. Spoilage

1. We will pay for direct physical “**loss**” or damage to your perishable business personal property, and perishable personal property of others while at or within 1000 feet of the described premises caused by spoilage due to changes in temperature or humidity resulting from:
 - a. Complete or partial interruption of electrical power to the described premises due to conditions beyond your control; or
 - b. Mechanical breakdown or failure of heating, cooling or humidity control equipment or apparatus at the described premises.
2. Coverage does not apply to:
 - a. The disconnection of any heating, cooling or humidity control equipment or apparatus from the source of power.
 - b. The deactivation of electrical power or current caused by the manipulation of any switch or other device used to control the flow of electrical power or current.
 - c. The inability of an electric utility company or other power source to provide sufficient

power due to:

- (1) Lack of fuel; or
- (2) Governmental order.

d. The inability of a power source at the described premises to provide sufficient power due to insufficient generating capacity to meet demand.

3. The most we will pay for “**loss**” or damage in any one occurrence is \$50,000.

VI. Limitations

A. Section C. **Limitations** in the **CAUSES OF LOSS FORM** is amended as follows:

2. a. The limit for furs, fur garments and garments trimmed with fur is increased to \$5,000.
- b. The limit for jewelry, watches, watch movements, jewels, pearls, precious and semi-precious stones, bullion, gold, silver, platinum and other precious alloys or metals is increased to \$5,000. This Limit of Insurance does not apply to jewelry and watches worth \$100 or less per item.

VII. Definitions

- A. “**Alternative key systems**” means programmable keying systems, such as mechanically or electronically coded key cards.
- B. “**Counterfeit money**” means an imitation of “**money**” that is intended to deceive and to be taken as genuine.
- C. “**Emergency**” means imminent danger arising from an external event or a condition in the facility which would cause loss of life or harm to occupants.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**COLLAPSE – EXCLUSION AND ADDITIONAL COVERAGE
RE-STATED**

This endorsement modifies insurance provided under the following:

CAUSES OF LOSS FORM

I. Section **B. Exclusions, 2.i.** is deleted in its entirety and replaced with the following:

i. Collapse, including any of the following conditions of property or any part of the property:

- (1) An abrupt falling down or caving in;
- (2) Loss of structural integrity, including separation of parts of the property or property in danger of falling down or caving in; or
- (3) Any cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion as such condition relates to (1) or (2) above.

But if collapse results in a Covered Cause of Loss at the described premises, we will pay for the “**loss**” or damage caused by that Covered Cause of Loss.

This exclusion i. does not apply:

- (a) To the extent that coverage is provided under the Additional Coverage – Collapse; or
- (b) To collapse caused by one or more of the following:
 - (i) The “**specified causes of loss**”;
 - (ii) Breakage of building glass;
 - (iii) Weight of rain that collects on a roof; or
 - (iv) Weight of people or personal property.

II. Section **D. Additional Coverage – Collapse** is deleted in its entirety and replaced with the following:

D. Additional Coverage – Collapse

The coverage provided under this Additional Coverage – Collapse, applies only to an abrupt collapse as described and limited in **D.1.** through **D.7.**

- 1. For the purpose of this Additional Coverage – Collapse, abrupt collapse means an abrupt falling down or caving in of a “**building**” or any part of a “**building**” with the result that the “**building**” or part of the “**building**” cannot be occupied for its intended purpose.

2. We will pay for direct physical **“loss”** or damage to Covered Property, caused by abrupt collapse of a **“building”** or any part of a **“building”** that is insured under this Coverage Form or that contains Covered Property insured under this Coverage Form, if such collapse is caused only by one or more of the following:
 - a. **“Building”** decay that is hidden from view, unless the presence of such decay is known to an insured prior to collapse;
 - b. Insect or vermin damage that is hidden from view, unless the presence of such damage is known to an insured prior to collapse;
 - c. Use of defective material or methods in construction, remodeling or renovation if the abrupt collapse occurs during the course of the construction, remodeling or renovation;
 - d. Use of defective material or methods in construction, remodeling or renovation if the abrupt collapse occurs after the construction, remodeling or renovation is complete, but only if the collapse is caused in part by:
 - (1) A cause of loss listed in **2.a.** or **2.b.**;
 - (2) One or more of the **“specified causes of loss”**;
 - (3) Breakage of **“building”** glass;
 - (4) Weight of people or personal property; or
 - (5) Weight of rain that collects on a roof.
3. This Additional Coverage – Collapse does not apply to:
 - a. A **“building”** or any part of a **“building”** that is in danger of falling down or caving in;
 - b. A part of a **“building”** that is standing, even if it has separated from another part of the **“building”**; or
 - c. A **“building”** that is standing or any part of a **“building”** that is standing, even if it shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.
4. With respect to the following property:
 - a. Outdoor radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers;
 - b. Awnings, gutters and downspouts;
 - c. Yard fixtures;
 - d. Outdoor swimming pools;
 - e. Fences;

- f. Piers, wharves and docks;
- g. Beach or diving platforms or appurtenances;
- h. Retaining walls; and
- i. Walks, roadways and other paved surfaces;

if an abrupt collapse is caused by a cause of loss listed in **2.a.** through **2.d.**, we will pay for “**loss**” or damage to that property only if:

- (1) Such “**loss**” or damage is a direct result of the abrupt collapse of a “**building**” insured under this Coverage Form; and
- (2) The property is Covered Property under this Coverage Form.

5. If personal property abruptly falls down or caves in and such collapse is not the result of abrupt collapse of a “**building**,” we will pay for “**loss**” or damage to Covered Property caused by such collapse of personal property only if:
- a. The collapse of personal property was caused by a cause of loss listed in **2.a.** through **2.d.**;
 - b. The personal property which collapses is inside a “**building**”; and
 - c. The property which collapses is not of a kind listed in **4.**, regardless of whether that kind of property is considered to be personal property or real property.

The coverage stated in this Paragraph **5.** does not apply to personal property if marring and/or scratching is the only damage to that personal property caused by the collapse.

6. This Additional Coverage – Collapse, does not apply to personal property that has not abruptly fallen down or caved in, even if the personal property shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.
7. This Additional Coverage – Collapse, will not increase the Limits of Insurance provided in this Coverage Part.
8. The term Covered Cause of Loss includes the Additional Coverage – Collapse, as described and limited in **D.1.** through **D.7.**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**BOILER AND MACHINERY - SEPARATE DEDUCTIBLE
ENDORSEMENT**

This endorsement modifies insurance provided under the following:

PROPERTY COVERAGE FORM

- A.** When any Boiler and Machinery Endorsement is attached to the policy, deductibles apply separately for each applicable coverage as shown in the Boiler and Machinery Endorsement except if:
1. A deductible is shown as COMBINED or included within another deductible for any of the coverages in these endorsements, then we will first subtract the combined deductible amount from the aggregate amount of any “**loss**” to which the combined deductible applies; or
 2. More than one “**covered equipment**” is involved in “**one breakdown**”, then only one deductible, the highest, shall apply for each of the applicable coverages.
- B.** The last sentence in **D. Deductible** does not apply whenever:
1. there is a covered property “**loss**” in the Property Coverage Form; and
 2. a covered boiler and machinery “**loss**” in any Boiler and Machinery Endorsement for the same occurrence.

Instead,:

1. the applicable property “**loss**” deductible will apply to the property “**loss**”; and
2. the applicable boiler and machinery “**loss**” deductible will apply to the boiler and machinery “**loss**” for the same occurrence.

C. DEFINITIONS

For the purpose of this endorsement, the following definitions apply:

1. “Breakdown”

- a.** “**Breakdown**” means the following direct physical loss that causes physical damage to “**Covered Equipment**” and necessitates its repair or replacement:

- (1) Failure of pressure or vacuum equipment; or
- (2) Mechanical failure including rupture or bursting caused by centrifugal force; or
- (3) Electrical failure including arcing;

unless such loss or damage is otherwise excluded within this Policy or any Endorsement forming a part of this Policy.

- b.** “**Breakdown**” does not mean or include:

- (1) Malfunction including but not limited to adjustment, alignment, calibration, cleaning or modification;
 - (2) Defects, erasures, errors, limitations or viruses in **“Computer Equipment”**, **“Data”**, **“Media”** and/or programs including the inability to recognize and process any date or time or provide instructions to **“Covered Equipment”**. However, if a **“Breakdown”** ensues, we will pay the ensuing loss or damage not otherwise excluded;
 - (3) Leakage at any valve, fitting, shaft seal, gland packing, joint or connection;
 - (4) Damage to any vacuum tube, gas tube, or brush;
 - (5) Damage to any structure or foundation supporting the **“Covered Equipment”** or any of its parts;
 - (6) The functioning of any safety or protective device; or
 - (7) The cracking of any part on an internal combustion gas turbine exposed to the products of combustion.
2. **“Computer Equipment”** means your programmable electronic equipment that is used to store, retrieve and process data; and associated peripheral equipment that provides communication including input and output functions such as printing or auxiliary functions such as data transmission. It does not include **“Data”** or **“Media”**.
3. **“Covered Equipment”**
- a. **“Covered Equipment”** means and includes any:
 - (1) Equipment designed and built to operate under internal pressure or vacuum other than weight of contents;
 - (2) For any boiler or fired vessel, the furnace of the **“Covered Equipment”** and the gas passages from there to the atmosphere will be considered as outside the **“Covered Equipment”**;
 - (3) Electrical or mechanical equipment that is used in the generation, transmission or utilization of energy;
 - (4) Communication equipment and **“Computer Equipment”**; or
 - (5) Fiber optic cable.
 - b. **“Covered Equipment”** does not mean or include any:
 - (1) **“Media”**;
 - (2) Part of pressure or vacuum equipment that is not under internal pressure of its contents or internal vacuum;
 - (3) Insulating or refractory material;
 - (4) Non-metallic pressure or vacuum equipment, unless it is constructed and used in accordance with the American Society of Mechanical Engineers (A.S.M.E.) code or a

Code that has been accepted by the National Board of Boiler and Pressure Vessel Inspectors;

- (5) Catalyst;
 - (6) Pressure vessels and piping that are buried below ground and require the excavation of materials to inspect, remove, repair or replace;
 - (7) Structure, foundation, cabinet or compartment supporting or containing the “**Covered Equipment**” or part of the “**Covered Equipment**” including penstock, draft tube or well casing;
 - (8) Vehicle, aircraft, self-propelled equipment or floating vessel, including any “**Covered Equipment**” mounted on or used solely with any vehicle, aircraft, self-propelled equipment or floating vessel;
 - (9) Dragline, power shovel, excavation or construction equipment including any “**Covered Equipment**” mounted on or used solely with any dragline, power shovel, excavation or construction equipment;
 - (10) Elevator or escalator, but not excluding any electrical machine or apparatus mounted on or used with this equipment;
 - (11) Felt, wire, screen, mold, form, pattern, die, extrusion plate, swing hammer, grinding disc, cutting blade, non-electrical cable, chain, belt, rope, clutch plate, brake pad, non-metal part or any part or tool subject to periodic replacement;
 - (12) Astronomical telescope, cyclotron, nuclear reactor, particle accelerator, satellites and/or spacecraft (including satellite or spacecraft contents and/or their launch sites);
 - (13) “**Diagnostic Equipment**”;
 - (14) “**Power Generating Equipment**”;
 - (15) “**Production Machines**”; or
 - (16) Equipment or any part of equipment manufactured by you for sale.
4. “**Data**” means: programmed and recorded material stored on “**Media**” and programming records used for electronic data processing, or electronically controlled equipment.
 5. “**Diagnostic Equipment**” means any machine or apparatus (other than astronomical telescopes, cyclotron, nuclear reactor or particle accelerator) used solely for research, diagnosis, medical, surgical, therapeutic, dental or pathological purposes.
 6. “**Media**” means electronic data processing or storage material such as films, tapes, discs, drums or cells.
 7. “**One Breakdown**” means if an initial “**breakdown**” causes other “**breakdowns**”, all will be considered “**one breakdown**”.

All “**breakdowns**” at any one location that manifest themselves at the same time and are the result of the same cause will be considered “**one breakdown**”. If an initial “**breakdown**” causes other “**breakdowns**”, all will be considered “**one breakdown**”.

8. **“Power Generating Equipment”** means any pressure, mechanical, or electrical equipment, machinery, apparatus used in, or associated with, the generation of electric power, but it does not include emergency power generating equipment less than or equal to 1000kw.
9. **“Production Machines”** means any production or process machine or apparatus that processes, forms, cuts, shapes, or grinds raw materials, materials in process or finished products, including all **“Covered Equipment”** that is used solely with and/or forms an integral part of the production or process or apparatus. But **“Production Machines”** does not include any:
 - a. Pressure vessel or vacuum vessel, other than any cylinder containing a movable plunger or piston;
 - b. Pump, compressor, fan or blower that conveys raw materials, materials in process or finished products;
 - c. Separate enclosed gear set connected by a coupling, clutch or belt; or
 - d. Separate driving electrical or mechanical machine connected by a coupling, clutch or belt.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CONTINUOUS OR REPEATED WATER DAMAGE EXCLUSION

This endorsement modifies insurance provided under the following:

ULTIMATE COVER PROPERTY COVERAGE PART

We will not pay for “**loss**”, damage, or other claim caused in whole or in part, by or resulting from:

- a.** continuous or repeated exposure, seepage, leakage or inundation of water; or
- b.** the presence or condensation of humidity, moisture or vapor;

that occurs or is present over a period of 30 days or more. Such “**loss**”, damage or other claim is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the “**loss**”, damage or other claim.

ULTIMATECOVER PROPERTY COVERAGE PART DECLARATIONS

Policy Number PHPK2544394

Effective Date: 05/01/2023

Expiration Date: 05/01/2024
12:01 a.m., Standard Time

Extension of Declarations is attached

Business Description

Medical Facilities/Hospitals

Description of Premises

Prem. No.	Bldg. No.	Location, Construction and Occupancy	
0001	0001	1 Wickersham St Mangum, OK 73554-9117 HOSPICE FACILITIES	MASONRY NON-COMBUSTIBLE
0001	0002	1 Wickersham St Mangum, OK 73554-9117 HOSPICE FACILITIES	MASONRY NON-COMBUSTIBLE
0002	0001	118 S Louis Tittle Ave Mangum, OK 73554-4441 HOSPICE FACILITIES	MASONRY NON-COMBUSTIBLE
0003	0001	2 Wickersham St Mangum, OK 73554-9117 HOSPICE FACILITIES	FRAME

Limits of Insurance

Insurance applies only for coverage for which a Limit of Insurance is shown.

Property at Specified Premises

Prem. No.	Bldg. No.	Your Business Personal Property	Personal Property of Others	Buildings
0001	0001	BKT #2		
0001	0002	BKT #2		BKT #1
0002	0001	BKT #2		
0003	0001	BKT #2		

Personal Property at Location not Specifically Identified: \$100,000, unless a higher limit is shown on the Additional Coverage Summary Declarations.

Personal Property in Transit: \$50,000, unless a higher limit is shown on the Additional Coverage Summary Declarations.

These declarations are part of the policy declarations containing the Name of the Insured and the policy period.

Applications of Limits

- Specific Blanket - See Form PI-ULTD-006
 Exceptions:

Deductibles

Building \$ Business Personal Property \$ Transit \$ 10,000

SEE MULTIPLE DEDUCTIBLE FORM(S)

Coinsurance

- 80% 90% 100% Agreed Value

Mortgage Holders

Prem. No. Bldg. No. Mortgage Holder Name and Address

SEE SCHEDULE ATTACHED

Forms and Endorsement

Forms and endorsements applying to this Coverage Part and made part of this policy at time of issue:

See Schedule of Forms and Endorsements attached.

Premium

Premium for this Coverage Part \$ 26,013.00

UltimateCover Program Blanket Limits

Policy Number: PHPK2544394

Agent # 2852

ULTIMATECOVER PROPERTY – BLANKET STATEMENT OF VALUES

Blanket No.	Coverage	Limit of Insurance	Co-Insurance
1	Building	\$ 64,400	90%
2	Bus Per Prop	\$ 5,704,090	90%
3	Bus Income-Ext	\$ 9,505,611	90%

These declarations are part of the policy declarations containing the name of the insured and the policy period.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BOILER AND MACHINERY ENDORSEMENT

This endorsement modifies insurance provided under the following:

- Property Coverage Form
- Causes of Loss Form
- Business Income and Extra Expense Coverage Form
- Business Income Coverage Form
- Extra Expenses Coverage Form

SCHEDULE

Coverage Description	Limit of Insurance
Property Damage	\$ 5,768,490
Property Damage and Business Income/Extra Expense	\$
Business Income and Extra Expense	\$ 9,505,611
Business Income	\$
Extra Expense	\$

Sublimits of Insurance applicable to each covered location. These sublimits are part of and not in addition to the Limits of Insurance shown above.

Coverage	Sublimit of Insurance
Ammonia Contamination	\$ 100,000
Water Damage	\$ 100,000
Hazardous Substances	\$ 100,000
Spoilage	\$ 100,000
Expediting Expense	\$ 250,000
Newly Acquired Location Coverage	\$ 1,000,000
Off Premises Service Interruption	
Business Income	\$
Business Income and Extra Expense	\$ 9,505,611
Extra Expense	\$
Spoilage	\$ 25,000
Ordinance or Law	\$ 300,000

Deductibles

Coverage	Deductible
Property Damage	\$ 5,000
Business Income and Extra Expense	72 hours
Business Income	hours
Extra Expense	\$
Spoilage	COMBINED W/PD
Off Premises Service Interruption	72 hours
Ammonia Contamination	COMBINED W/PD
Other (DIAGNOSTIC EQUIP)	\$ 2XPD DED
Premium	\$ 1,348

A. Coverage

For the purposes of this endorsement, the following exclusions and limitations, or parts thereof, are deleted as respects to the Boilers, Pressure Vessels and Machinery and Equipment at the described premises:

- | | |
|---------------------|---|
| Exclusion B.2.a. | Artificially generated electric current, including electric arcing, that disturbs electrical devices, wiring or wires. |
| Exclusion B.2.d.(2) | The word latent is deleted. |
| Exclusion B.2.d.(6) | Mechanical breakdown, including rupture or bursting caused by centrifugal force. |
| Exclusion B.2.e. | Explosion of steam boilers, steam pipes, steam engines, steam turbines owned or leased by your, or operated under your control. |
| Limitation C.1.a. | Steam boilers, steam pipes, steam engines or steam turbines caused by or resulting from a condition or event inside such equipment. |
| Limitation C.1.b. | Hot water boilers or other water heating equipment caused by or resulting from any condition or event inside such boilers or equipment. |

B. Exclusions

As respects the Boiler and Machinery coverage provided by this endorsement, coverage shall not include "**loss**" caused by or resulting from:

1. Damage while any boiler, fired or unfired vessel or electrical steam generator is undergoing a hydrostatic or gas pressure test;
2. Damage while any type of electrical or electronic equipment is undergoing an insulation breakdown test;
3. Damage to or destruction of media, however caused, and regardless of the function of that media;
- 4/ Depletion, deterioration, corrosion, erosion or wear or tear, and other gradually developing conditions. But if "**loss**" or damage otherwise covered by this endorsement ensues, we will pay for such ensuing "**loss**";

C. Limits

The most we will pay under this endorsement for direct "**loss**" to Covered Property is the Property Damage Limit of Insurance shown in the schedule of this endorsement. If Business Income Coverage, Extra Expense Coverage, or Business Income and Extra Expense Coverage is included in the policy to which this endorsement is a part, the most we will pay for those extensions of coverage under this endorsement are the respective Limits of Insurance shown in the schedule of this endorsement.

All losses covered by this endorsement occurring at any one location which manifests themselves at the same time and are the result of the same cause will be considered a single loss. If an initial loss covered by this endorsement causes other losses covered by this endorsement, all will be considered a single loss.

D. Extra Expediting

This endorsement is extended to cover the reasonable extra cost of temporary repair and of expediting repair or replacement of Covered Property as a direct result of loss otherwise covered by this endorsement. The most we will pay under this extension is the amount shown as the Expediting Expense Sublimit in the schedule of this endorsement.

E. Ammonia Contamination

If Covered Property is contaminated by ammonia as a direct result of loss otherwise covered by this endorsement, the most we will pay for this kind of damage, including salvage expense, is the amount shown as the Ammonia Contamination Sublimit in the schedule of this endorsement.

F. Water Damage

If Covered Property is damaged by water as a direct result of loss otherwise covered by this endorsement, the most we will pay for this kind of damage, including salvage expense, is the amount shown as the Water Damage Sublimit in the schedule of this endorsement.

G. Hazardous Substances

If covered Property is contaminated by a hazardous substance as the direct result of loss otherwise covered by this endorsement, the most we will pay for expenses to clean up or dispose of such property is the amount shown as the Hazardous Substances Sublimit in the schedule of this endorsement.

H. Spoilage

If Covered Property spoils from lack of power, light, heat, steam, or refrigeration as a direct result of the Breakdown of the insured's Boilers, Pressure Vessels, Machinery or Equipment, the most we will pay for this kind of damage, including salvage expenses, is the amount shown as the Spoilage Sublimit in the schedule of this endorsement.

I. Newly Acquired Locations

The coverages of this endorsement are extended to the interest of the named insured in Boilers, Pressure Vessels, Machinery and Equipment, not otherwise insured, at newly constructed, acquired, or leased locations within the policy coverage territory and which have been previously undeclared. The most we will pay under this extension for loss or damage at any one location is the amount shown as the Newly Acquired Location Coverage Sublimit in the schedule of this endorsement.

J. Off Premises Service Interruption

If Off Premises Service Interruption Coverage is included in the policy of which this endorsement is a part, the coverage extensions of this endorsement for Business Income and/or Extra Expense and/or Spoilage are further extended to include loss caused by Boilers, Pressure Vessels, Machinery and Equipment, whether or not they are located on Insured's premises, owned by a public utility or other company and used to directly supply electrical power, communications services, heating, gas, water, steam or air conditions to the described premises.

K. Deductibles

There shall be liability under this endorsement only when the amount of loss exceeds the Boiler and Machinery Deductibles shown in the schedule of this endorsement. If no Boiler and Machinery Deductibles are shown, coverage under this endorsement is subject to the policy deductible.

If an hour deductible is shown in the schedule, we will only pay for loss or damage you sustain after the first specified number of hours immediately following the physical loss to the Covered Property.

If a multiplier is shown in the schedule of this endorsement, the deductible is determined by multiplying the One Hundred Percent Average Daily Value (100% ADV) times the multiplier. The 100% ADV will be obtained by dividing the total net profits, fixed charges and expenses for the entire location that would have been earned had no physical loss occurred during the period of interruption of business by the number of working days in that period. No reduction shall be made for net profits, fixed charges and expenses not being earned, or in the number of working days, because of the physical loss or damage or any other scheduled or unscheduled shutdowns during the period of interruptions.

If a percent of loss deductible is indicated in the schedule of this endorsement, we will not be liable for the indicated percentage of loss or damage insured under this endorsement. If the dollar amount of such percentage is less than the indicated minimum deductibles, the minimum deductible will be the applicable deductible.

L. Suspension

If any Boiler, Pressure Vessel, Machinery or Equipment covered by this endorsement is found to be in, or exposed to, a dangerous condition, any of our representatives may immediately suspend the coverage provided by this endorsement for that equipment by written notice mailed or delivered to:

1. Your last known address; or
2. The address where the affected equipment is located.

Once suspended in this way, your insurance can be reinstated only by endorsement.

If we suspend your insurance, you will get a pro rata refund for the affected equipment. But the suspension will be effective even if we have not yet made or offered a refund.

M. Mechanical or Electrical Breakdown

With respect to coverage provided by this endorsement, Mechanical or Electrical Breakdown means a sudden and accidental breakdown of covered Boilers, Pressure Vessels, Machinery and Equipment. At the time breakdown occurs, it must become apparent by physical damage that requires repair or replacement of the affected equipment or part of the affected equipment.

Mechanical or Electrical Breakdown does not mean or include any of the following:

1. Breakdown of any structure or foundation.
2. Breakdown of any boiler setting, insulating or refractory material.
3. Breakdown of a power shovel, dragline, excavator, vehicle, aircraft, floating vessel or structure, well casing, penstock or draft tube.
4. Breakdown of any elevator, crane, hoist, escalator or conveyor, but not including any pressure vessel or electrical equipment used with such a machine.
5. Breakdown of Boilers, Pressure Vessels, Machinery or Equipment manufactured or held for sale by you.
6. Breakdown of catalyst.

7. Breakdown of any oven, stove, furnace, incinerator, pot or kiln.
8. Breakdown of any buried vessel or piping.
9. Breakdown of a felt, wire, screen, die, mold, form, pattern, extrusion plate, swing hammer, grinding disc, cutting blade, chain, cable, belt, rope, clutch plate, brake pad, nonmetallic part or any part or tool subject to frequent, periodic replacement.
10. Breakdown, of any nonmetallic vessel, unless it is constructed and used in accordance with the American Society of Engineers (A.S.M.E.) code.
11. Breakdown of sewer piping, piping forming a part of a fire protection system or water piping other than:
 - a. Feed water piping between any boiler and its feed pump or injector; or
 - b. Boiler condensate return piping; or
 - c. Water piping forming a part of refrigerating and air conditioning vessels and piping used for cooling, humidifying or space heating purposes.
12. Breakdown of a part of a Boiler, Pressure Vessel or Electric Steam Generator that:
 - a. Does not contain steam or water; or
 - b. Is not under pressure of contents of the vessel; or
 - c. Is not under internal vacuum.
13. The functioning of any safety or protective devices.

Hospital Vendor Contract Summary Sheet

1. Existing Vendor New Vendor
2. **Name of Contract:** Continental Casualty Company
3. **Contract Parties:** MRMC/Continental Casualty Company
4. **Contract Type Services:** Service Agreement
5. **Impacted Hospital Departments:** Hospital
6. **Contract Summary:** Under this agreement Continental Casualty Company provides Mangum Regional Medical Center Directors and Officers and Entity Liability Insurance. This insurance provides coverage of personal assets of those who manage the company.
7. **Cost:** \$11,021/year
8. **Prior Cost:** \$11,062/year
9. **Term:** 1-year
10. **Termination Clause:** None
11. **Other:**



700 North Pearl, Suite 300, Dallas, TX 75201
www.cna.com

March 10, 2023

Shelli Barrios
INSURICA INC
3510 24TH AVE NW STE 201
NORMAN, OK 73069-8376

Dear Shelli:

I am pleased to offer the attached quotation for:

Applicant: Mangum City Hospital Authority
Address: 1 Wickersham Drive
Maangum, OK 73554

Account Number: 1177895

Please note that CNA offers a broad array of industry leading products. To learn more about these products, please visit www.cna.com.

Thank you for the opportunity to provide this quotation.

Should you have any questions, please let me know.

Sincerely,

John Hall
Underwriting Consultant
CNA Specialty
Phone : (214) 220-1480| Email : john.hall3@cna.com



NEW QUOTATION FOR INSURANCE

Continental Casualty Company is pleased to offer you the following quote based on the information the applicant has submitted to date.

Named Insured:	Mangum City Hospital Authority 1 Wickersham Drive Maangum, OK 73554
Proposed Policy Period:	From 04/15/2023 to 04/15/2024
If Renewal, Expiring Policy No.:	
Quote Date:	March 10, 2023
Quote Expiration Date:	Sixty (60) days or expiration date of the current coverage, whichever comes first.
Product:	Epack 3 CNA-92840-XX
Insuring Company:	Continental Casualty Company
Commission Payable:	15.0%

This quotation is conditioned upon receipt, review and acceptance of the following information:

If coverage is bound, these conditions must be met prior to issuance of a policy unless otherwise specified and no later than thirty (30) days after the Proposed Policy Period Effective Date.

Conditions

General Conditions

- Properly completed CNA Application - application must be signed and dated by authorized individual

Coverage Specific Conditions

Management Liability

This Quotation expires within sixty (60) days or on the expiration date of the current coverage whichever comes first.

If between the date of the Quotation and the Effective Date of the current insurance contract, there is a material change in the condition of the Applicant or if any notice of claim or circumstance giving rise to a claim is reported prior to the effective date of the proposed insurance contract, then the Applicant must notify the Producer. The Producer as the representative of the above-referenced Applicant will then notify Continental Casualty Company and provide Continental Casualty Company with all the information it may require. Whether or not this Quotation has already been accepted by the Applicant, Continental Casualty Company reserves the right to withdraw this indication as of its effective date or to modify the final terms and conditions of the Quotation upon review of the information or after review of the information received in satisfaction of the aforementioned conditions/subjectivities.



Applicant:
Mangum City Hospital Authority
1 Wickersham Drive
Maangum, OK 73554
CNA Customer Number 1177895

Producer:
INSURICA INC
3510 24TH AVE NW STE 201
NORMAN, OK 73069-8376

OPTION 1

Proposed Policy Period Limits of Liability and Retentions (inclusive of Defense Costs).

Combined Maximum Aggregate Limit of Liability for all liability coverage parts (including defense costs):

Yes

No

Coverage Part	Limit of Liability	Retention	Pending or Prior Date	Annual Premium	Policy Premium
Directors and Officers and Entity Liability Side A Additional Limit Demand Response Costs Sublimit Crisis Event Expenses Sublimit	\$1,000,000 \$1,000,000 \$250,000 \$25,000	\$25,000	4/15/2023	\$6,933	\$6,933
Employment Practices and Third Party Liability Duty to Defend <input checked="" type="checkbox"/> Non Duty to Defend <input type="checkbox"/>	\$1,000,000	\$35,000	4/15/2023	\$4,129	\$4,129
TOTAL PREMIUM FOR COVERAGE PARTS*				\$11,062	\$11,062

*If coverages are purchased on a monoline basis, pricing may change as multi-line discounts may apply

The Policy Premiums shown above do not include Surcharges or Taxes, if applicable.

Surcharges/Taxes: NONE



700 North Pearl, Suite 300, Dallas, TX 75201

Applicant:

Mangum City Hospital Authority
1 Wickersham Drive
Maangum, OK 73554
CNA Customer Number 1177895

Producer:

INSURICA INC
3510 24TH AVE NW STE 201
NORMAN, OK 73069-8376

EXTENDED REPORTING PERIOD

Period
1 Year

Premium
100% of Policy Premium



700 North Pearl, Suite 300, Dallas, TX 75201

Applicant:

Mangum City Hospital Authority
1 Wickersham Drive
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CNA Customer Number 1177895

Producer:

INSURICA INC
3510 24TH AVE NW STE 201
NORMAN, OK 73069-8376

ENDORSEMENTS:

Endorsement Name	Number	Ed.Date	Coverage Part	Option
JOBS ACT EXCLUSION ENDORSEMENT	CNA-92966-XX	01/2019	D&O	1
AMENDATORY ENDORSEMENT - OKLAHOMA	CNA-93281-OK	03/2019	D&O	1
AMENDATORY ENDORSEMENT - OKLAHOMA	CNA-93281-OK	03/2019	EPL	1
BIOMETRICS PRIVACY EXCLUSION ENDORSEMENT	CNA-96392-XX	06/2020	EPL	1
OPIOID EXCLUSION ENDORSEMENT	CNA-93248-XX	10/2019	D&O	1
OPIOID EXCLUSION ENDORSEMENT	CNA-93248-XX	10/2019	EPL	1
SEPARATE RETENTION FOR CLAIMS BROUGHT BY HEALTH CARE PROVIDER ENDORSEMENT	CNA-92993-XX	10/2021	EPL	1
HEALTHCARE ENDORSEMENT (SUBLIMITED REGULATORY CLAIM COVERAGE)	CNA-92969-XX	09/2020	D&O	1
HEALTHCARE ENDORSEMENT (SUBLIMITED REGULATORY CLAIM COVERAGE)	CNA-92969-XX	09/2020	EPL	1
NOTICE OFFER OF TERRORISM COVERAGE DISCLOSURE OF PREMIUM CONFIRMATION OF ACCEPTANCE	CNA-81758-XX	01/2021	GTC	1
CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM ENDORSEMENT	CNA-92970-XX	01/2019	D&O	1
CONDITIONAL RENEWAL ENDORSMENT - OKLAHOMA	CNA-93315-OK	03/2019	GTC	1

About CNA

CNA is one of the largest U.S. commercial property and casualty insurance companies. CNA provides a broad range of standard and specialized property and casualty insurance products and services for businesses and professionals in the U.S., Canada and Europe, backed by more than 120 years of experience and more than \$45 billion of assets. For more information about CNA, visit our website at www.cna.com.

Follow CNA (NYSE: CNA) on: [Facebook](#) | [Twitter](#) | [LinkedIn](#) | [YouTube](#)



Thank you for purchasing EPL coverage from CNA. As a CNA Epack 3 policyholder, you are entitled to a package of services, offered at no additional charge, to help you manage your business risks.

Beyond HRsm

Beyond HRsm is an interactive, web-based platform that helps CNA policyholders train their employees on a variety of employment topics and develop employment policies, practices and procedures.

The Equal Employment Opportunity Commission, courts, and certain state laws have made it clear that employers must take all necessary steps, including periodic training, to prevent certain wrongful employment practices. To assist you in diminishing this risk to your company, CNA's Beyond HRsm provides complimentary training in areas such as preventing harassment, wrongful termination and retaliation. For companies with employees in states where the law requires employers to provide sexual harassment prevention training, Beyond HRsm can assist your company in meeting these requirements by providing training in an interactive web-based format, with the capability to track employee participation through an easy to use, online mechanism. Comparable training and materials may cost hundreds or thousands of dollars if purchased separately.

Beyond HRsm also offers a variety of other features to assist your company in mitigating employment practices risks, such as:

- A searchable database of articles and checklists on important workplace topics.
- Refresher bulletins to support the online training modules.
- A model employment handbook and model policies and forms.
- Webinars and Best practices minutes podcasts on various workplace topics such as disability accommodation, bullying, social media and cyber crime.

Registration is quick and easy. From your web browser, navigate to www.cnabeyondhr.com, click on the "How to Register" link, and follow the instructions. Your CNA policy number will be required to register for the first time.

H. R. HELP LINE

Eligible CNA policyholders can receive human resources consulting advice through the H.R. Help Line, provided by Jackson Lewis, LLP, a national law firm that specializes in employment law. Simply have your human resources representative call the toll-free H. R. Help Line at 1-888-CNA-EPL1 (1-888-262-3751), identify your company as a CNA employment practices policyholder and provide your company's policy number. The H.R. Help Line is serviced by attorneys who do not act as legal counsel to callers, but rather as human resources consultants, providing information regarding risk control strategies. You can begin using the Help Line today by following the enclosed instructions.

We think you will find these services to be valuable to your business. For more details, please go to our website at <http://www.cna.com/html/riskmanagement.html> or contact your insurance representative.....and
Thank You for insuring with CNA.

These services are available at no additional charge to most CNA employment practices liability policyholders.

The McCalmon Group, Inc. and Jackson Lewis, LLP are neither affiliates of CNA, nor an agent or broker. As such, information reported to them is not notice to CNA of any claim or potential claim. Please contact CNA or your insurance agent or broker to report claims or potential claims. Risk Management is your responsibility. H.R. Web Training is not intended to substitute for your own risk management and compliance programs.

CNA Employment Practices Liability policies are underwritten by one of the CNA member property and casualty companies. One or more of the CNA companies provide the products and/or services described. CNA accepts no responsibility for the accuracy or completeness of this material and recommends the consultation with competent legal counsel and/or other professional advisors before applying this material in any particular factual situations. This material is for illustrative purposes and is not intended to substitute for the guidance of retained legal or other professional advisors, or to constitute a contract. Please remember that only the relevant insurance policy can provide the actual terms, coverages, amounts, conditions and exclusions for an insured. All products and services may not be available in all states and may be subject to change without notice. Any references to non-CNA Web sites are



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HOW TO ACCESS THE H.R. HELP LINE

CNA Epack 3 policyholders that purchase EPL receive the benefit of professional risk management consultation provided by Jackson Lewis, a national law firm that specializes in employment practices law.

CNA Epack 3 policyholders are entitled to human resources consulting advice for their Human Resources representative or senior managers, at no additional charge, through a toll-free number at 1-888- CNAEPL1 (1-888-262-3751). They can receive proactive, effective information and strategies to help manage employment practices risks.

Policyholders who have accessed the H. R. Help Line find it to be a useful resource to properly understand and manage sensitive Human Resources issues. The service is of particular value to small businesses that may not have a dedicated Human Resources department. The following five areas appear to generate the most questions and discussions:

- Medical leave issues especially in regard to an employee who is currently on leave and may have a change in job status;
- Proper handling of a reduction in force – a common situation in today’s economy;
- Allegations of unfair treatment or harassment;
- Handling employee disciplinary situations; and
- Unique circumstances that “textbooks” do not address.

The Jackson Lewis attorneys are first and foremost active listeners. They can offer valuable guidance on proper procedures (file documentation, best practices, etc), consideration of potential options, and development of a game plan.

For more information on CNA’s Risk Control products and services, please visit <http://www.cna.com/html/riskmanagement.html>. The H.R. Help Line is not for advice concerning specific legal matters. For these types of issues, we encourage you to speak to your own employment attorney.

Jackson Lewis is neither an affiliate of CNA, nor an agent or broker. As such, information reported to Jackson Lewis is not notice to CNA of any claim or potential claim. Please contact your insurance agent or broker to report claims or potential claims.

These services are available only to CNA policyholders that have employment practices liability coverage with CNA.

CNA accepts no responsibility for the accuracy or completeness of the services described herein or the information supplied by the HR Help Line or Jackson Lewis and recommends the consultation with competent legal counsel and/or other professional advisors before applying the information obtained in any particular factual situations. This material is for illustrative purposes and is not intended to substitute for the guidance of retained legal or other professional advisors, or to constitute a contract. Please remember that only the relevant insurance policy can provide the actual terms, coverages, amounts, conditions and exclusions for an insured. All products and services may not be available in all states and may be subject to change without notice. CNA does not endorse, recommend, or make any representations or warranties as to the accuracy, completeness, effectiveness, suitability, or performance of any of the products, applications, software, or programs identified herein.

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In consideration of the premium, and in reliance upon the application, we agree to provide you with the following coverage subject to the terms and conditions of this policy:

I. PREFACE

A Coverage Part is included within this policy and affords coverage only if the Coverage Part is purchased as indicated by a corresponding limit of liability in the respective Coverage Part Declarations.

The terms and conditions in each Coverage Part apply only to such Coverage Part and will not apply to any other Coverage Part.

If any provision in the General Terms and Conditions is inconsistent with the terms and conditions of any applicable Coverage Part, the terms and conditions of such Coverage Part will control.

Bolded terms in the policy will have the special meaning set forth in the definitions. The terms “we”, “us”, and “our” mean the Insurer named on the General Terms and Conditions Declarations; the terms “you”, “your”, and “yours” mean any insured.

II. SUPPLEMENTARY BENEFITS

A. Mediation Retention Reduction

If, prior to, or within sixty (60) days of the service of suit or the institution of arbitration proceedings, we and the named insured agree to use a non-binding alternative dispute resolution process to resolve any claim reported to us, and such claim is entirely resolved through such process, then we will reduce the Retention applicable to such claim by the lesser amount of fifty percent (50%) of such Retention or ten thousand (\$10,000) dollars.

B. Proceeding Expenses Reimbursement

If we request an insured person's presence at a trial, hearing, deposition, mediation, or arbitration, we will pay up to \$250.00 per day, per insured person for reimbursement of costs and expenses incurred in connection with such presence, subject to a maximum of \$2,500 per claim, per policy period. Such payment will be in addition to the applicable limit of liability and no Retention will apply.

C. Pre-Claim Expenses

In the event a noticed matter later gives rise to a covered claim, then we will credit the pre-claim expenses that you have paid up to ten percent (10%) of the applicable Retention for such claim.

III. DEFINITIONS

Any defined word not defined in the General Terms and Conditions will have the meaning assigned to it in the applicable Coverage Part.

Application means any signed application, including its warranty and attachments, whether ours or that of another insurance carrier, together with any other materials and representations provided to us in connection with the underwriting and negotiating of the terms and conditions of this policy or any other policy of which this policy is an indirect or direct renewal.

Bodily injury means any actual or alleged bodily injury, sickness, disease, death, emotional distress or mental anguish of any natural person.

Change of control means when: (i) the **named insured** merges into another entity and is no longer the surviving entity; (ii) another person(s) or entity(ies) acquires such an ownership interest in the **named insured** to exercise management control; or (iii) the **named insured** emerges from bankruptcy.

Clean-up costs mean any fees, costs, or expenses, including legal and professional fees, incurred in testing for, monitoring, cleaning up, removing, containing, treating, neutralizing, detoxifying, or assessing the effects of pollutants.

Extended reporting period means the additional period of reporting time purchased by an **insured** after termination, cancellation, or non-renewal of this policy within which to report a **claim** subject to the provisions of Section V Extended Reporting Period for Liability Coverage Parts Only.

Financial insolvency means: (i) the appointment by a federal, state or local agency or court of a receiver, conservator, liquidator, trustee, rehabilitator, or similar official, to take control of, supervise, manage, or liquidate an **insured entity** or **outside entity**; (ii) an **insured entity** becoming a debtor in possession under United States bankruptcy law or any equivalent foreign bankruptcy law; or (iii) when an **insured entity** can establish affirmatively it is unable at the present time, or in the future, to pay its debts in the ordinary course of business.

Independent contractor means any natural person working for an **insured entity** in the ordinary course of such **insured entity's** business, and in the capacity of an independent contractor, pursuant to a written agreement for services between such **insured entity** and either (i) such natural person; or (ii) any other entity acting on behalf of such natural person.

Insured entity means the **named insured** or any **subsidiary**, including any such entity as a debtor in possession under United States bankruptcy law.

Insured person will having the meaning designated in the respective Coverage Part.

With respect to any **liability coverage part**, **insured person** will also include: (i) assigns, estates, heir, legal representatives, or assigns of any **insured person** in their capacity as such, provided such **insured person** is deceased or legally incompetent; or (ii) a spouse or domestic partner of an **insured person** in their capacity as such, or due to legal ownership of property identified as potential recovery relief. There will be no coverage afforded under this policy for any act, error or omission of an estate, heir, legal representative, assign, spouse or domestic partner.

Liability coverage part means those Coverage Parts set forth in Item 5 of the General Terms and Conditions Declarations.

Management control means:

- (i) owning or controlling more than fifty-percent (50%) of the outstanding securities, shares or equity ownership representing the right to control an entity as evidenced by the present power to elect, designate or appoint the majority of the board of directors, management committee members or management board members; or
- (ii) having the present right, pursuant to written contract or an organizational document, to elect, designate or appoint the majority of the board of directors, management committee members or management board members of an entity.

Named insured means the entity set forth in Item 1 of the General Terms and Conditions Declarations.

Non-liability coverage part means those Coverage Parts set forth in Item 5 of the General Terms and Conditions Declarations.

Noticed matter means any written notice of circumstance which we have accepted under a **liability coverage part**.

Policy period means the time period from the inception date to the expiration date of this policy set forth in Item 2 of the General Terms and Conditions Declarations, or any such earlier termination or cancellation date. **Policy period** will also include the **extended reporting period**, if purchased.

Pollutants mean any actual or alleged: (i) solid, liquid, gaseous, thermal or radioactive irritant or contaminant, acids, alkalis, chemicals, fumes, smoke, soot, vapor, waste or waste materials to be recycled, reclaimed or reconditioned, or disposed; or (ii) air emission, odor, waste water, oil or oil products, infectious or medical waste, asbestos or asbestos products, or any noise.

Pollution means any actual, or threat of, discharge, emission, release, dispersal, escape of, or treatment, removal or disposal of any **pollutants**. **Pollution** also includes any regulation, order, direction, or request to test, monitor, clean up, remove contain, treat or detoxify or neutralize any **pollutants**.

Pre-claim expenses mean the reasonable and necessary fees, costs, and expenses incurred by an **insured** in responding to or defending a **noticed matter**, on or after the date we accepted the notice of circumstances and prior to the date the **noticed matter** became a **claim**. **Pre-claim expenses** will not include **overhead expenses**, **demand response costs** or any fees, costs, or expenses incurred by an **insured** as a result of any **routine examination or anti-bribery investigation**, examination, or request. We have the right to determine the reasonableness, necessity, and allocation of the **pre-claim expenses** (including the right to apply any applicable **claim exclusions** to the **pre-claim expenses**).

Property damage means any actual or alleged damage to, or destruction of, any tangible property including loss of use or diminution of value.

Related claims mean all **claims** that are based upon, arising from, or are logically or causally connected by the same, or any related or common, or a series of related or common, facts, circumstances, transactions, or wrongful acts.

Responsible person means the Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, the General Counsel, the Risk Manager or such functionally equivalent positions of the **named insured**.

Routine examination means any routine examination, routine inspection, sweep examination, general requests for information, or any other similar reviews, inquiries, or investigations.

Subsidiary means any: (i) entity while under the **management control** of an **insured entity**; or (ii) charitable trust, political action committee or foundation while such entity is controlled by the **named insured**.

IV. LIMIT OF LIABILITY, SUBLIMITS AND RETENTIONS

If Item 6 of the General Terms and Conditions Declarations is elected then the amount indicated in item 6 will be the maximum aggregate amount we will pay for all **loss** regardless of the number of **claims**, parties or requests for coverage under all **liability coverage parts** combined.

If Item 6 of the General Terms and Conditions Declarations is not elected then the amount indicated in Item 2 of the respective **liability coverage part** Declarations will be the maximum aggregate amount we will pay for all **loss** regardless of the number of **claims**, parties or requests for coverage in such Coverage Part.

Defense costs are part of and not in addition to the limit of liability set forth in Item 6 of the General Terms and Conditions Declarations or Item 2 of the respective **liability coverage part** Declarations. Our payment of any **defense costs** will erode and may exhaust the limit of liability.

The respective Declarations for the **non-liability coverage parts** will reflect the maximum amount we will pay for such non-liability coverage.

Coverage Part Declarations will also identify the applicable Retention, if any. Any Retention will be uninsured and your responsibility to pay. If there are two Retentions that apply to the same `claim`, we will only apply the higher Retention.

Any `defense costs` or any sublimited coverage will be part of, and not in addition to, the aggregate limit of liability of that Coverage Part or the combined maximum aggregate limit of the policy.

All premiums, limits, Retentions, `loss` and other amounts under this policy are expressed and payable in United States of America currency unless the parties agree in writing otherwise.

V. EXTENDED REPORTING PERIOD FOR LIABILITY COVERAGE PARTS ONLY

If this policy is terminated, cancelled or non-renewed for any reason other than non-payment of premium or a `change of control`, you have the right to elect an `extended reporting period` for liability coverage parts for the additional period(s) and additional premium set forth in Item 4 of the General Terms and Conditions Declarations.

You must notify us in writing of this election within sixty (60) days after the non-renewal, cancellation, or termination. If you do not elect within this time frame, you will have waived your right to purchase the `extended reporting period`.

A purchased `extended reporting period` will extend to selected Coverage Parts coverage for a period of time but only to `claims` that are:

- (i) first made during the `extended reporting period`;
- (ii) reported to us according to this policy's notice and reporting requirements; and
- (iii) for `wrongful acts` that occurred prior to the date of such termination, cancellation or non-renewal.

The purchased `extended reporting period` becomes part of the `policy period`. Any premium for an `extended reporting period` will be deemed fully earned at the beginning of the `extended reporting period`. There will be no additional limit of liability for the `extended reporting period`.

VI. NOTICE AND REPORTING

A. Reporting a Claim in any Liability Coverage Part

As a condition precedent to our policy obligations, you must provide written notice of a `claim` as soon as practicable after a `responsible person` first becomes aware of such `claim`.

- (i) If the policy has been renewed with us, we will not assert that the notice of a `claim` is untimely unless we have been prejudiced by such late notice.
- (ii) If the policy has not been renewed with us, you must at the very latest, submit written notice of a `claim` no later than:
 - (a) ninety (90) days after the `policy period` terminates or expires, if there is no `extended reporting period`; or
 - (b) the expiration date of the purchased `extended reporting period`.

B. Reporting a Notice of Circumstances in any Liability Coverage Part

- (i) If during the `policy period` you first become aware of circumstances that may give rise to a `claim`, you may elect to submit a written notice of circumstance to us. Such written notice must contain a description of the circumstances, the nature of the `wrongful act`, persons involved and the nature of the relief sought.
- (ii) Any subsequent `claim` that is based upon or arises out of a `noticed matter` will be deemed to have first been made in the `policy period` in which we accepted the notice of circumstances.

- C. Non-liability coverage parts will have their own reporting provisions.
- D. Except with respect to any applicable pre-claim expenses described in Section II Supplementary Benefits paragraph C we will not provide coverage for fees, costs, or expenses incurred prior to the time a claim is noticed, even if such fees, costs, or expenses benefit the defense of a covered claim.

E. Notice Mailing

Written notices of a claim or circumstance should be directed to us at the mailing address or email address indicated in Item 3 of the General Terms and Conditions Declarations. A notice on one Coverage Part will be deemed notice to all Coverage Parts. All other notices should be sent to us at the address or email set forth in Item 3 of the General Terms and Conditions Declarations.

We will send all correspondence to you at the address set forth in Item 1 of the General Terms and Conditions Declarations.

We will consider the effective date of notice to be the date of mailing with sufficient proof of mailing.

VII. RELATED CLAIMS

All related claims will be treated as one claim first made on the date the first of such related claims was first made or deemed made according to the provisions of the applicable Coverage Part of this policy.

VIII. COOPERATION AND CONSENT

You agree:

- (i) to provide us full cooperation, assistance, and any information we may reasonably request when seeking coverage under this policy;
- (ii) to do nothing that may increase our liabilities or prejudice our potential or actual rights of recovery or subrogation;
- (iii) not to incur any loss, or any other costs or expenses for which you are seeking coverage under this policy, or admit any liability or assume any contractual obligation, without our prior written consent; and
- (iv) not to accept or consent to any settlement, or make any offer of settlement, or stipulate to any judgment, without our prior written consent; however, our consent will not be required if you can settle the claim, including all related claims and loss (including defense costs) for an aggregate amount that does not exceed the Retention.

We will:

- (a) have the right to make any reasonable investigation into any claim or noticed matter that we deem necessary or appropriate;
- (b) make any settlement of any claim that we deem reasonable, provided such settlement is made with your consent;
- (c) not withhold written consent unreasonably; and
- (d) not be liable for any loss, or any other costs or expenses for which you are seeking coverage under this policy, or admission of liability, or any contractual obligation unless we have provided prior written consent.

IX. APPLICATION

We have relied upon the truthfulness and accuracy of the statements, representations, and information in the application, which is incorporated into this policy.

If the **application's** statements, representations, and information contain any actual or knowing misrepresentations or omissions which materially affect our acceptance of the risk or the hazard assumed by us under this policy, then we will not cover **loss** in connection with any **claim**:

- (i) against an **insured person** based upon or arising out such misrepresentations or omissions if that **insured person** had actual knowledge of such misrepresentations or omissions;
- (ii) against an **insured entity** based upon or arising out such misrepresentations or omissions if the Chief Executive Officer, Chief Financial Officer or such functionally equivalent positions of the **named insured** had actual knowledge of such misrepresentations or omissions.

The **application** will be considered a separate request for coverage by each **insured person**. We will not rescind or void this policy with respect to any **insured**.

X. CHANGE OF CONTROL

With respect to any **liability coverage part**:

In the event of a **change of control**, the premium will become fully earned as of the effective date. We will not be liable for any **wrongful act** committed, attempted, or allegedly committed or attempted by any **insured** after the effective date of a **change of control**. We will however, continue to provide coverage until the policy is otherwise cancelled, terminated, or expires, but only for **wrongful acts** by any **insureds** prior to the date of a **change of control**. The extended reporting provision in Section V will not apply to a **change of control** event.

If you notify us in writing at least sixty (60) days prior to the **change of control**, we will provide you with proposed additional terms and conditions for run-off coverage subject to an additional premium and payment by you.

Non-liability coverage parts will have specific change of control provisions applicable to such Coverage Part.

XI. SUBSIDIARY

With respect to any **liability coverage part**:

A **subsidiary** and its **insureds** acquired or created before or during the **policy period** will be afforded coverage for a **claim** arising from **wrongful acts** which occur while that **subsidiary** is under the **management control** of an **insured entity**. There will be no acquisition threshold with respect to any **subsidiary**.

If an **insured entity** ceases **management control** of a **subsidiary** during the **policy period**, coverage will continue until the policy is otherwise terminated or cancelled, but coverage will apply to such **subsidiary** and its **insureds** only for **claims** for **wrongful acts** which occurred prior to such cessation.

XII. CANCELLATION OR TERMINATION

This policy may only be cancelled or terminated by one of the following events:

- (i) by us, for nonpayment of premium, in which event we will send you a written notice twenty (20) days prior to the effective date of such cancellation;
- (ii) by the **named insured** for any reason if we receive written notice twenty (20) days prior to the date the policy should be cancelled; or
- (iii) the expiration of the **policy period**.

Any returned premium will be computed on a pro rata basis.

XIII. SUBROGATION AND RECOUPMENT

If we pay any loss or other similar cost or expense under this policy, we reserve all rights to subrogation. We will not subrogate against you. You agree that we have the right to recoup any amount paid to you, or on your behalf, if such amount was not owed under this policy.

Any amounts recovered by subrogation or recoupment, less costs expended for the recovery, will be applied to the limit of liability of the applicable Coverage Part.

XIV. GENERAL POLICY PROVISIONS

The named insured agrees to act on behalf of all insureds with respect to:

- (i) providing or receiving any notice;
- (ii) the payment of any premiums;
- (iii) receiving any applicable return premiums; and
- (iv) agreeing to and acceptance of any endorsements.

This policy, including the application, constitutes the entire contract existing between you and us or any of our agents relating to this insurance.

The provisions of this policy cannot be waived or changed except by written endorsement issued to form a part of this policy. We will not be bound by any assignment of interest under this policy unless this assignment is specifically endorsed to the policy.

XV. REFERENCE TO LAW

Any reference to United States law will also include United States federal, state and local statutory law, and any rules, regulations and amendments of such law or any such equivalent foreign law.

XVI. FINANCIAL INSOLVENCY

Financial insolvency will not impact our obligations, rights or defenses under this policy. We will not object to your efforts to obtain relief or stay from any injunction issued as a result of financial insolvency.

XVII. ACTION AGAINST THE COMPANY

No action may be taken against us unless, as a condition precedent, there has been full compliance with all the terms and conditions of this policy. Further, no person or entity will have any right under this policy to join us as a party to any action against any insured to determine such insured's liability, nor can we be impleaded by the insured or legal representatives of such insured.

XVIII. STATE AMENDATORY INCONSISTENCY STATEMENT

In the event that there is an inconsistency between the terms and conditions of this policy and any state amendatory endorsement, where permitted by law, we will apply the terms and conditions that are most favorable for you.

XIX. TERRITORY

Coverage will apply worldwide. This policy does not provide coverage for any insured, transaction, that part of loss, or other similar cost or expense that is uninsurable under the laws or regulations of the United States concerning trade or economic sanctions.



GENERAL TERMS AND CONDITIONS

IN WITNESS WHEREOF, we have caused this policy to be executed by our Chairman and Secretary, but this policy shall not be binding upon us unless completed by the attachment of the Declarations.

Chairman

Secretary

DIRECTORS AND OFFICERS AND
ENTITY LIABILITY COVERAGE PART

In consideration of the premium and subject to the Declarations and the General Terms and Conditions, the parties agree as follows:

I. INSURING AGREEMENTS

A. Side A

We will pay non-indemnifiable loss on behalf of an insured person arising from a claim against such insured person first made during the policy period.

B. Side B

We will pay loss on behalf of an insured entity arising from a claim against an insured person first made during the policy period but only to the extent the insured entity has indemnified the insured person for such loss.

C. Side C

We will pay loss on behalf of an insured entity arising from a claim against such insured entity first made during the policy period.

II. COVERAGE EXTENSIONS

The following coverage extensions, if subject to a sublimit, are part of, and not in addition to, the aggregate limit of liability set forth in Item 2 of this Coverage Part Declarations.

A. Sublimited Demand Response Costs

We will pay demand response costs on behalf of an insured entity for all demands first received by the insured entity during the policy period. The total amount that we will pay for demand response costs will be the sublimit of liability set forth in Item 4A of this Coverage Part Declarations.

B. Sublimited Crisis Event Expenses

We will pay crisis event expenses on behalf of an insured entity arising from any crisis event first occurring during the policy period. The total amount that we will pay for crisis event expenses will be the sublimit of liability set forth in Item 4B of this Coverage Part Declarations.

C. Side A Additional Limit of Liability

Solely with respect to non-indemnifiable loss, we will pay an additional limit of liability for executives in the amount set forth in Item 3, Side A Additional Limit of Liability of this Coverage Part Declarations, which will be in addition to and not part of the aggregate limit of liability set forth in Item 2 of this Coverage Part Declarations. The Side A Additional Limit of Liability will be excess of any other insurance specifically written as excess of the aggregate limit of liability in Item 2 of this Coverage Part Declarations.

D. Side A Extended Reporting Period Option

In the event that an insured entity does not purchase an extended reporting period prior to the expiration of the time frame indicated in Section V Extended Reporting Period for Liability Coverage Parts Only of the General Terms and Conditions, then the insured person(s) will have the right to purchase an extended reporting period. The insured person(s) must notify us of this election in writing within thirty (30) days after such expiration. Any extended reporting period purchased by any insured person(s) will apply only to claims made against such insured person(s) under the Side A Insuring Agreement. All other terms and conditions of Section V Extended Reporting Period for Liability Coverage Parts Only will apply to the extended reporting period for such insured person(s). There will not be a separate or additional limit of liability for such extended reporting period.

III. DEFINITIONS

Any defined word not defined in this Coverage Part will have the meaning assigned to it in the General Terms and Conditions.

Anti-bribery means any United States law which prohibits direct or indirect bribery or corruption.

Antitrust means any actual or alleged violation of any United States law which prohibits anti-trust, price fixing or price discrimination, restraint of trade or competition, monopolization, or predatory pricing.

Books and records demand means a written request by, or on behalf of, an **insured entity's** securityholder to inspect the **insured entity's** books, records, and stock ledgers pursuant to a statutory right of inspection.

Claim means any:

- (i) written demand (excluding a subpoena) for monetary, non-monetary, injunctive, or declaratory relief including a request for alternative dispute resolution, extradition, or request to toll or waive a statute of limitations;
- (i) civil or criminal proceeding commenced by the earlier of: (a) the return of service of a complaint or indictment upon an **insured**; (b) the filing of an indictment or information with respect to an **insured**; or (c) the arrest or detainment of an **insured**; or
- (ii) a formal administrative or regulatory proceeding evidenced by a formal notice of charges or a formal notice of investigation,

against such **insured** for a **wrongful act**, including any appeal therefrom. **Claim** will also include any **inquiry**. **Claim** will not include a **books and records demand** or any **securityholder derivative demand**.

Unless specifically stated elsewhere in this Coverage Part, a **claim** will be deemed first made on the earliest of the date on which the **claim** is served upon, or first received by, any **insured**, or the applicable notice or order is filed or entered.

Conduct means the: (i) gaining of profit or other advantage to which the **insured** was not legally entitled; or (ii) commission of a deliberate crime, deliberate fraud, or a deliberate dishonest act or omission, or willful violation of any law or regulation, provided such conduct is established by a final non-appealable adjudication (excluding a declaratory action or proceeding by, or against us) in the underlying action.

Contractual liability means your actual or alleged liability voluntarily undertaken by you in any contract or agreement. **Contractual liability** does not include liability that would be imposed upon you in the absence of such contract or agreement.

Crisis event means the:

- (i) death, incapacity, or criminal indictment of the Chief Executive Officer, Chief Financial Officer or such functionally equivalent position of the **named insured**;
- (ii) public announcement that an **insured entity** intends to file for bankruptcy protection; or
- (iii) public announcement of an impending governmental, regulatory, or criminal proceeding against an **insured entity**.

Crisis event does not include any **anti-bribery** investigation, examination, or request, or any **routine examination**.

Crisis event expenses mean the reasonable and necessary fees, costs, and expenses that are incurred by an **insured entity** to minimize potential economic harm in response to a **crisis event**. Such **crisis event expenses** include fees, costs, and expenses to:

- (i) retain an outside law firm, public relations firm, or crisis management firm, to advise the **insured entity**;
- (ii) manage press coverage, publicity and press relationships, advertising and mailing of materials.

DIRECTORS AND OFFICERS AND
ENTITY LIABILITY COVERAGE PART

Crisis event expenses do not include **overhead expenses**, expenses incurred prior to any notice submitted to us, or expenses incurred after one hundred and eighty (180) days from the date the **crisis event** was noticed to us.

Defense costs mean the reasonable and necessary fees, costs, and expenses, incurred by an **insured** in the investigation, defense, or appeal of any covered **claim**, including the premium for appeal, attachment, or similar bonds arising out of a covered judgment. **Defense costs** do not include **demand response costs** or **overhead expenses**.

Demand means any **books and records demand** or any **securityholder derivative demand**.

Demand response costs mean the reasonable and necessary fees, costs, and expenses incurred by an **insured entity** in responding to: (i) a **books and records demand**; or (ii) in connection with the investigation of a **securityholder derivative demand**. **Demand response costs** do not include **overhead expenses**.

Discrimination/harassment means any actual or alleged discrimination against, or harassment of, a third party by an **insured**.

Employee means any natural person, who is a past, present, or future full-time, part-time, seasonal or temporary worker, or volunteer of an **insured entity**. **Employee** does not include any **executive** or independent contractor.

Employment related means any matter relating to the responsibilities, obligations or duties of an employer to any **employee**, or prospective employee, including **wage and hour**, as imposed by United States law or common law.

ERISA means any actual or alleged violation of the Employee Retirement Income Security Act of 1974, (including the Consolidated Omnibus Budget Reconciliation Act of 1985)(COBRA).

Executive means any:

- (i) past, present, or future duly elected or appointed director (including a shadow or de facto director), trustee (excluding a bankruptcy or litigation trustee), advisory board member, officer, governor, or managing member of a management committee of an **insured entity**;
- (ii) past, present, or future In-House General Counsel or Risk Manager, or such functionally equivalent position, of the **named insured**;
- (iii) holder of such functionally equivalent position to those included in paragraph (i) in an **insured entity** organized and operated outside of the United States of America, its territories or possessions; or
- (iv) holder of such functionally equivalent position to those included in paragraph (i) above in an **outside entity** while serving at an **insured entity's** specific request or direction.

Executive does not include any **employee**.

Extradition means the formal process by which an **executive** outside of the United States is surrendered, or requested to surrender, to another country to respond to a criminal accusation. An **extradition** is commenced by an arrest, detainment, or incarceration of the **executive** by any foreign jurisdiction law enforcement authority.

Inadequate consideration means an allegation that the price or consideration paid or proposed to be paid for the acquisition or completion of the acquisition of all or substantially all the ownership interest in or assets, shares or securities of an entity by an **insured**, or of an **insured entity**, is inadequate.

Inquiry means any:

- (i) investigation against an **insured person** for a **wrongful act**, evidenced by a search warrant, subpoena, or target letter, or similar investigatory document; or
- (ii) written request by an **insured entity** of an **insured person** for an interview, meeting, sworn testimony, or documents in connection with a **securityholder derivative demand**.

Inquiry will not include any **anti-bribery investigation**, examination, or request or any **routine examination**.

Insured means any **insured person** or any **insured entity**.



Epack 3

DIRECTORS AND OFFICERS AND
ENTITY LIABILITY COVERAGE PART

Insured person means any employee or executive.

Intellectual property means any actual or alleged misappropriation, violation or infringement of: ideas, confidential information, trade secrets, copyright, trademark, patent, or other intellectual property right.

Loss means the amount you are legally obligated to pay as a result of a claim including compensatory damages, settlements, judgments, pre-judgment and post-judgment interest, claimants' attorney fees and costs attributable to the covered portion of a settlement or imposed as a result of a covered judgment, and defense costs. Loss will include crisis event expenses, pre-claim expenses and demand response costs.

Loss will also include:

- (i) punitive, exemplary, or multiplied damages if such damages are insurable under the law in the jurisdiction which is most favorable to you, provided that such jurisdiction has a substantial relationship to us, you, or to the claim giving rise to such loss;
- (ii) civil fines or penalties assessed against an insured person for an unintentional and non-willful violation of law that are insurable under the law to which this policy is construed, including civil fines or penalties assessed pursuant to 15 U.S.C. §78dd-2(g)(2)(B) (the Foreign Corrupt Practices Act);
- (iii) solely with respect to coverage afforded by the Side A Insuring Agreement, any tax imposed upon an insured person in his/her capacity as such in connection with the financial insolvency of an insured entity.

Loss does not include:

- (a) costs to comply with any order or agreement to provide non-monetary or injunctive relief;
- (b) taxes, fines, or penalties (other than those referenced in (i), (ii) or (iii) above);
- (c) clean-up costs;
- (d) amounts not insurable under the law to which this policy is construed; or
- (e) any amount for which an insured is absolved from payment by reason of any covenant, agreement, or court order.

Non-indemnifiable loss means any loss incurred by an insured person that an insured entity fails or refuses to pay, advance, or indemnify:

- (i) due to financial insolvency; or
- (ii) because such indemnification is not permitted pursuant to law.

Outside entity means any entity exempt from federal income tax pursuant to Sections 501(c)(3),(4),(6),(7), and (10) of the United States Internal Revenue Code, as amended; provided such entity is not an insured entity.

Overhead expenses mean the salaries, wages, fees, overhead, or benefit expenses associated with any insured.

Pending or prior litigation means any action, proceeding, investigation, inquiry, or written demand commenced against you pending on or prior to the date set forth in Item 6 of this Coverage Part Declarations.

Personal injury means any actual or alleged:

- (i) wrongful entry or eviction, or other invasion of the right of private occupancy;
- (ii) libel, slander, or defamation of any person;
- (iii) violation of any person's right of privacy;
- (iv) false arrest or false imprisonment;
- (v) malicious prosecution, malicious use or abuse of process; or
- (vi) violation of any United States law which regulates or governs commercial solicitation, messaging, automatic contract renewals, or anti-spam (including commercial emails and spam, telemarketing, texts, and electronic commerce).

DIRECTORS AND OFFICERS AND
ENTITY LIABILITY COVERAGE PART

Prior notice means any matter, fact, circumstance, situation, transaction, event, or **wrongful act** that has been the subject of any notice accepted under any directors and officers liability policy or comparable policy, coverage section or coverage part of which this Coverage Part is a direct or indirect renewal or replacement.

Product defect means, with respect to any goods or products manufactured, produced, processed, packaged, sold, marketed, distributed, or developed by, or on behalf of, any **insured entity**, any actual or alleged:

- (i) failure, malfunction, or performance failure of such goods or products; or
- (ii) false labeling, false advertising, or misrepresentation in advertising of such goods or products.

Professional services mean the performance of, or failure to perform, services for others for a fee or other remuneration.

Publicly traded securities mean any registered debt or equity securities of an **insured entity** or an **outside entity** that are offered for purchase or sale to the public. **Publicly traded securities** will not include any: (i) unregistered securities; (ii) securities related to a failed undertaking of, or failure to complete, an initial public offering; or (iii) preparation for a public offering, including any road show presentation to potential investors.

Securityholder claim means any **claim** by any owner(s) of an **insured entity's** equity or debt securities brought in such capacity. **Securityholder claim** includes a **securityholder derivative suit**.

Securityholder derivative demand means any written demand by one or more securityholders of an **insured entity** upon the board of directors (or such functionally equivalent management body) of such **insured entity** to commence an investigation or to bring a **securityholder derivative suit**.

Securityholder derivative suit means a lawsuit brought derivatively on behalf of an **insured entity** by one or more securityholders of such **insured entity** against: (i) one or more **executives** of such **insured entity**; or (ii) the **insured entity** as a nominal defendant.

Unfair trade practices mean any actual or alleged violation of United States law or common law which prohibits unfair or deceptive trade or business practices.

Wage and hour means any actual or alleged violation of any United States law or common law which regulates or governs employment wage, pay, or labor requirements or standards, including but not limited to:

- (i) the calculation, recordkeeping, timing or manner of payment of minimum wages, prevailing pay rates, overtime pay, or other compensation alleged to be due and owing, including the failure to compensate for any unpaid vacation pay, off the clock or remote work, or for employer sponsored activities;
- (ii) failure to provide or enforce legally required meal or rest break periods;
- (iii) the classification of any entity or person for wage and hour purposes;
- (iv) garnishments, withholdings, or other deductions from wages;
- (v) use of federal or state tip credits or maintenance and distribution of tip pools; or
- (vi) reimbursement of work-related expenses or tools to any person providing services or labor to or on behalf of an **insured entity**,

or any such similar practices, policies, or procedures.

Whistleblower Activity means the lawful activity of an **insured person**, with respect to any alleged wrongdoing by an **insured**, who causes information to be provided to the attention of, or otherwise assists in an investigation by, a governmental or law enforcement agency, provided such activities are protected by statute with rights and remedies for retaliation recognized under United States law.

Wrongful act means any:

- (i) error, misstatement, misleading statement, act, omission, neglect, or breach of duty committed, attempted or allegedly committed, or attempted, by:
 - (a) an **insured person** in his/her capacity as such; or
 - (b) an **insured entity**; or
- (ii) matter claimed against an **insured person** solely by reason of his/her status as such.

DIRECTORS AND OFFICERS AND
ENTITY LIABILITY COVERAGE PART

IV. COVERAGE PART EXCLUSIONS

We will not cover loss in connection with any claim:

- A. based upon or arising from:
- (i) conduct;
 - (ii) prior notice;
 - (iii) pending or prior litigation;
 - (iv) discrimination/harassment;
 - (v) publicly traded securities;
 - (vi) employment related; provided this exclusion (vi) will not apply to any claim (other than a wage and hour claim) against an insured person; or
 - (vii) pollution; provided this exclusion (vii) will not apply to any:
 - (a) claim for non-indemnifiable loss; or
 - (b) securityholder claim.
- B. against an insured entity that is based upon or arising from:
- (i) antitrust;
 - (ii) contractual liability;
 - (iii) unfair trade practices;
 - (iv) intellectual property;
 - (v) personal injury;
 - (vi) product defect; or
 - (vii) professional services,
- provided these exclusions B will not apply to any securityholder claim.
- C. for:
- (i) property damage;
 - (ii) ERISA;
 - (iii) inadequate consideration; provided this exclusion (iii) will not apply to defense costs; or
 - (iv) bodily injury; provided this exclusion (iv) will not apply to any:
 - (a) any claim for non-indemnifiable loss;
 - (b) any securityholder claim;
 - (c) any actual or alleged emotional distress, mental anguish or humiliation made in connection with any employment related claim against an insured person; or
 - (d) defense costs incurred by an executive in the defense of a claim for any actual or alleged violation of a corporate manslaughter statute by such executive.
- D. brought by, or on behalf of, any insured in any capacity against any insured, or an outside entity against any insured, unless such claim is:
- (i) a securityholder derivative suit or a derivative action brought on behalf of an outside entity against an insured person in his/her capacity for such outside entity;
 - (ii) brought while the insured entity or outside entity is in financial insolvency;
 - (iii) brought by an executive who has not been in his/her insured capacity for at least one (1) year;
 - (iv) for contribution or indemnity arising from a claim otherwise covered under this policy;
 - (v) brought against an insured person by another insured person actively engaged in whistleblower activity;
 - (vi) an employment related claim against an insured person; or
 - (vii) brought in a common law jurisdiction other than the United States or Canada, their territories or possessions.

DIRECTORS AND OFFICERS AND
ENTITY LIABILITY COVERAGE PART

V. SPECIFIC LIMIT OF LIABILITY, SUBLIMITS AND RETENTIONS

The most we will pay for all loss arising from all claims, demands, and crisis events is the aggregate limit of liability set forth in Item 2 of this Coverage Part Declarations.

A single Retention will apply to each claim. There will be no Retention applicable to demand response costs, crisis events, or coverage afforded under the Side A Insuring Agreement.

Item 4 of this Coverage Part Declarations sets forth the maximum amount we will pay for sublimits of liability for demand response costs and crisis event expenses.

VI. REQUEST FOR OPTIONAL SPECIFIC COVERAGES

If you choose to request coverage for demand response costs or crisis event expenses you must submit a written notice to the address located in Item 3 of the General Terms and Conditions Declarations.

With respect to the demand response costs, the notice must include the date the demand was first received, the parties involved, the nature of the demand and the relief sought.

With respect to crisis event expenses, the notice must be sent within sixty (60) days of the crisis event and include the date the crisis event first occurred, the nature of the crisis event and the expenses requested or anticipated.

Should there be a subsequent claim that is based upon or arises out of this noticed demand or crisis event we will consider that claim to have first been made during the policy period in which we received your first written notice.

VII. INDEMNIFICATION

It is agreed that an insured entity will indemnify its insured person to the fullest extent permitted by law.

VIII. DEFENSE COSTS AND ADVANCEMENT

We will pay defense costs on a current basis, but no later than ninety (90) days after we have received any invoice or bill, as well as any additional supporting documentation that we have reasonably requested.

If an insured person makes a written request for indemnification from an insured entity and within sixty (60) days of such request the insured entity fails to respond, or refuses to indemnify the insured person, then we will pay defense costs on behalf of the insured person after receipt of the claim in accordance with the above paragraph. We will continue to pay such defense costs until the insured entity fulfills its indemnification obligations, or the applicable limit of liability has been exhausted whichever occurs first.

We reserve all rights to recoup or recover from an insured entity any amount paid on behalf of an insured person in the event we pay loss that is an indemnification obligation within the Retention.

IX. DEFENSE OF CLAIMS

Subject to the following paragraph, we will have the right and duty to defend any claim even if the allegations in the claim are groundless, false, or fraudulent. Our duty to defend any claim will end, and we will have no further obligation to defend any claim, upon the exhaustion of the applicable limit of liability.

Solely with respect to any employment related claim you will have the duty to defend.

X. ALLOCATION

If we have the duty to defend a `claim` that incurs covered `loss` and uncovered loss because such `claim` includes covered and uncovered parties, or covered and uncovered matters, then the following will apply:

- (i) one hundred percent (100%) of `defense costs` incurred by such `insured` will be considered covered `loss`; and
- (ii) with respect to any loss other than `defense costs` you and we will use our best efforts to determine an allocation between covered `loss` and uncovered loss based on the relative legal and financial exposures of the parties to such matters.

Alternatively, if you have the duty to defend a `claim`, you and we will use our best efforts to determine an allocation between covered `loss` and uncovered loss based on the relative legal and financial exposures of the parties to such matters.

XI. OTHER INSURANCE

This Coverage Part will be excess of, and will not contribute with any valid and collectible insurance policy or Coverage Part that provides coverage or indemnifies `loss` for which this Coverage Part also provides coverage, unless such other insurance is written specifically as excess of the limit of liability of this Coverage Part.

This Coverage Part will be specifically excess of any valid and collectible insurance policy: (i) for environmental liability, cyber liability, professional services liability or employment practices liability; or (ii) written on a duty to defend basis unless such other insurance is written specifically as excess of the limit of liability of this Coverage Part.

With respect to an `executive` serving in his/her capacity as such for an `outside entity`, this Coverage Part will be excess of any insurance or indemnity available to such `insured person` by or on behalf of an `outside entity`.

Notwithstanding the above, this Coverage Part will apply as primary with respect to any personal umbrella or personal directorship liability insurance purchased by an `insured person`.

XII. IMPUTATION

We will only impute the conduct or knowledge of any past, present, or future Chief Executive Officer, Chief Financial Officer, or such functionally equivalent positions of the `named insured` to any `insured entity`.

We will not impute:

- (i) the conduct of any `insured person` with respect to `conduct` exclusion IV A(i) of this Coverage Part;
- (ii) the knowledge possessed by any `executive` with respect to any statements, representations, or information in the `application`; or
- (iii) the failure to provide us with full cooperation, assistance, or information as required, to any other `insured person`, nor will (i), (ii) or (iii) above impair the rights of any other `insured person` under this Coverage Part.

XIII. PRIORITY OF PAYMENTS

The coverage under this Coverage Part is intended principally to benefit the `insured person`. In the event that `loss` under the Side A Insuring Agreement, and any other insuring agreement or coverage extension are due simultaneously, then we will first pay `non-indemnifiable loss` on behalf of the `insured person`. In all other instances we will pay `loss` as it becomes due.

EMPLOYMENT PRACTICES AND
THIRD PARTY LIABILITY COVERAGE PART

In consideration of the premium and subject to the Declarations and the General Terms and Conditions, the parties agree as follows:

I. INSURING AGREEMENT

We will pay **loss** on behalf of the **insureds** arising from a **claim** against such **insureds** first made during the **policy period**.

II. SETTLEMENT RETENTION CREDIT

With respect to the settlement of a **claim**, if you and the claimant consent to the initial settlement offer, as recommended by us, within thirty (30) days of being made aware of such offer by us, we will reduce the applicable Retention for such **claim** by the lesser amount of ten percent (10%) of the Retention or ten thousand dollars (\$10,000) provided the settlement exceeds the Retention and such Retention has been met by the **insured**.

In the event that one **claim** is eligible for both this Settlement Retention Credit and the Mediation Retention Reduction found in Section II A Supplementary Benefits of the General Terms and Conditions, then the **insured entity** will receive only one such benefit.

III. DEFINITIONS

Any defined word not defined in this Coverage Part will have the meaning assigned to it in the General Terms and Conditions.

Antitrust means any actual or alleged violation of any United States law which prohibits antitrust, price fixing or price discrimination, restraint of trade or competition, monopolization, or predatory pricing, including horizontal or other price fixing of wages, hours, salaries, compensation, benefits, or any other terms or conditions of employment.

Applicant means any applicant or prospective applicant for employment with an **insured entity**.

Assumed liability means your voluntary assumption of the liability of others undertaken by you in any oral or written contract or agreement, unless such liability would have attached to you in the absence of such contract or agreement.

Breach means an intentional unauthorized access, intrusion, or control over an **insured's** computer system or network by a third party for some illicit purpose.

Claim means any:

- (i) written demand (excluding a subpoena) for monetary, non-monetary, injunctive, or declaratory relief, including a request to toll or waive a statute of limitations;
- (ii) written request for arbitration, mediation, or other alternative dispute resolution; or
- (iii) civil, administrative, or regulatory proceeding (excluding an audit), including an **EEOC proceeding** or proceeding by the Office of Federal Contract Compliance Programs,

by or on behalf of an **employee, applicant, or third party**, in their capacity as such, against an **insured** for a **wrongful act**.

Claim will not include any criminal proceeding, criminal administrative or regulatory proceeding, criminal investigation, or labor or grievance arbitration or proceeding pursuant to a collective bargaining agreement or similar agreement.

Unless specifically stated elsewhere in this Coverage Part, a **claim** will be deemed first made on the earliest of the date on which the **claim** is served upon, or first received by, any **insured**.

EMPLOYMENT PRACTICES AND
THIRD PARTY LIABILITY COVERAGE PART

Defense costs mean the reasonable and necessary fees, costs, and expenses, including the cost of expert consultants and witnesses, incurred by an **insured** in the investigation, defense, or appeal of any covered **claim**, including the premium for appeal, attachment, or similar bonds arising out of a covered judgment. **Defense costs** include diversity sensitivity training costs. **Defense costs** do not include overhead expenses.

Discrimination means any alleged or actual violation of any United States law or common law which prohibits discrimination.

Diversity sensitivity training costs mean the reasonable and necessary costs incurred by an **insured entity** for any training, reeducation, sensitivity, or protected class development programs which the **insured entity** is obligated to establish by reason of a judgment, settlement, or alternative dispute resolution process in a covered **claim**.

EEOC proceeding means any investigative proceeding before the Equal Employment Opportunity Commission, or an adjudicatory or investigative proceeding before any similar federal, state, or local government body whose purpose is to address any **wrongful employment practice**.

Employee means any natural person, who is a past, present, or future full-time, part-time, seasonal or temporary worker, volunteer, intern, or **independent contractor** of an **insured entity**.

Employment related benefits mean perquisites, fringe benefits, deferred compensation, or payments (including insurance premiums and benefit claim payments) in connection with an employee benefit plan, **stock benefits** (or the equivalent value thereof), and any other payment to or for the benefit of an **employee** arising out of the employment relationship. **Employment related benefits** will not include salary, wages, commissions, or non-deferred cash incentive compensation.

ERISA means any actual or alleged violation of the Employee Retirement Income Security Act of 1974, (including the Consolidated Omnibus Budget Reconciliation Act of 1985)(COBRA).

Executive means any:

- (i) past, present, or future duly elected or appointed director, trustee (excluding a bankruptcy or litigation trustee), officer, governor, or managing member of a management committee of an **insured entity**;
- (ii) past, present, or future In-House General Counsel, Risk Manager, or Director of Human Resources, or such functionally equivalent position, of the **named insured**; or
- (iii) holder of such functionally equivalent position to those included in paragraphs (i) and (ii) above in any **insured entity** formed or organized outside of the United States, its territories or possessions.

Executive does not include any **employee**.

Harassment means any actual or alleged sexual harassment or other unlawful harassment, including bullying, quid pro quo sexual harassment, or hostile work environment.

Insured means any **insured person** or any **insured entity**.

Insured person means any **executive** or **employee**.

Invasion of privacy means any actual or alleged failure by an **insured** to secure an **employee's personal information** from unauthorized use or disclosure resulting in injury to such **employee**; provided **invasion of privacy** does not include unauthorized use or disclosure caused by a **breach**.

Loss means the amount that you are legally obligated to pay as a result of a **claim** including awards, settlements, compensatory damages (including back pay and front pay), judgments, pre-judgment and post-judgment interest, and claimants' attorney fees and costs attributable to the covered portion of a settlement or imposed as a result of a covered judgment, and **defense costs**.

EMPLOYMENT PRACTICES AND
THIRD PARTY LIABILITY COVERAGE PART

Loss will also include:

- (i) punitive, exemplary, or multiplied damages if such damages are insurable under the law in the jurisdiction which is most favorable to you; provided that such jurisdiction has a substantial relationship to us, you, or to the **claim** giving rise to such **loss**;
- (ii) liquidated damages awarded pursuant to the Age Discrimination in Employment Act, the Family Medical Leave Act, or the Equal Pay Act;
- (iii) **pre-claim expenses**.

Loss does not include:

- (a) costs to comply with any order or agreement to provide non-monetary relief or injunctive relief, or any accommodation under any United States law or common law which prohibits discrimination based on disability;
- (b) taxes, fines or penalties (other than those referenced in (i) above);
- (c) **clean-up costs**;
- (d) compensation earned by the claimant in the course of employment but unpaid by the **insured**, including salary, wages, commissions, severance, bonus, carried interest, or incentive compensation;
- (e) amounts not insurable under the law to which this policy is construed;
- (f) any amount for which an **insured** is absolved from payment by reason of any covenant, agreement, or court order;
- (g) future salary, wages, or commissions of a claimant who is hired, promoted, or reinstated to employment pursuant to a settlement of, order in, or other resolution of any **claim**; or
- (h) **employment related benefits**.

NLRA means any actual or alleged violation of the National Labor Relations Act, or similar law governing employees' rights and employers' duties with respect to unions, bargaining, strikes, boycotts, picketing, lockouts, or collective activities.

OSHA means any actual or alleged violation of the Occupational Safety and Health Act of 1970, or similar law governing workplace safety and health.

Overhead expenses mean the salaries, wages, fees, overhead, or benefit expenses associated with any **insured**.

Pending or prior litigation means any action, proceeding, investigation, inquiry, or written demand commenced against you pending on or prior to the date set forth in Item 4 of this Coverage Part Declarations.

Personal information means any nonpublic personal information relating to an identified or identifiable natural person.

Prior notice means any matter, fact, circumstance, situation, transaction, event, or **wrongful act** that has been the subject of any notice accepted under any employment practices liability policy or comparable policy, coverage section, or coverage part of which this Coverage Part is a direct or indirect renewal or replacement.

Responsible person will also mean the Director of Human Resources or such functionally equivalent position of the **named insured**.

Retaliation means any actual or alleged retaliatory act by an **insured** against an **employee** arising from such **employee's**:

- (i) **whistleblower activity**;
- (ii) participation, assistance, testimony, or cooperation in any internal or external proceeding or investigation regarding violations of law by an **insured**; or
- (iii) exercise of his/her rights, refusal to violate any law, or opposition to any unlawful practice or activity.

EMPLOYMENT PRACTICES AND
THIRD PARTY LIABILITY COVERAGE PART

Stock benefits mean any:

- (i) offering, plan, or agreement between an insured entity and any employee which grants stock, stock warrants, or stock options of an insured entity to any such employee, including grants of stock options, restricted stock, stock warrants, performance stock shares, or any other compensation or incentive granted in the form of securities of the insured entity; or
- (ii) payment or instrument in the amount or value of which is derived from the value of securities of the insured entity, including stock appreciation rights or phantom stock plans or arrangements.

Stock benefits will not include employee stock ownership plans or employee stock purchase plans.

Third party means any natural person who is not an employee or executive.

Third party wrongful act means any discrimination or harassment of a third party committed, attempted, or allegedly committed or attempted by an insured in such capacity.

Wage and hour means any actual or alleged violation of any United States law which regulates or governs employment wage, pay, or labor requirements or standards (except for the Equal Pay Act) including but not limited to:

- (i) the calculation, recordkeeping, timing or manner of payment of minimum wages, prevailing pay rates, overtime pay or other compensation alleged to be due and owing, including the failure to compensate for any unpaid vacation pay, off the clock or remote work, or for employer sponsored activities;
- (ii) failure to provide or enforce legally required meal or rest break periods;
- (iii) the classification of any entity or person for wage and hour purposes;
- (iv) garnishments, withholdings, or other deductions from wages;
- (v) use of federal or state tip credits or maintenance and distribution of tip pools; or
- (vi) reimbursement of work-related expense or tools to any person providing services or labor to or on behalf of an insured entity,

or any such similar practices, policies or procedures.

WARN means any actual or alleged violation of the Workers' Adjustment and Retraining Notification Act, or similar law governing employer notice requirements in advance of lay-offs or facility closings.

Whistleblower activity means the lawful activity by an employee, with respect to any alleged wrongdoing by an insured, who causes information to be provided to the attention of, or otherwise assists in an investigation by, a governmental or law enforcement agency, provided such activities are protected by statute with rights and remedies for retaliation recognized under United States law.

Worker benefits mean any actual or alleged violation of any United States law governing workers' compensation, unemployment insurance, social security, or disability benefits.

Workplace tort means any:

- (i) negligent hiring, training, supervision, or evaluation of employees;
- (ii) failure to adopt or enforce adequate workplace or employment policies and procedures;
- (iii) false imprisonment, false arrest, detention, or malicious prosecution;
- (iv) libel, slander, defamation, or humiliation;
- (v) invasion of privacy; or
- (vi) wrongful infliction of emotional distress.

Wrongful act means: (i) any wrongful employment practice but only with respect to any employee or any applicant; or (ii) any third party wrongful act but only with respect to any third party. A wrongful act includes any actual or alleged conduct that takes place via electronic communication, including social media and internet websites.

EMPLOYMENT PRACTICES AND
THIRD PARTY LIABILITY COVERAGE PART

Wrongful employment decision means any:

- (i) actual or constructive wrongful dismissal, discharge, or termination of employment;
- (ii) wrongful deprivation of career opportunity, demotion, failure to grant tenure, failure to train, failure to employ or promote, or failure to advance to the status of partner or equity partner;
- (iii) employment related misrepresentation, including inducement to become or remain employed based on an erroneous job description; or
- (iv) wrongful discipline of employees.

Wrongful employment practice means any employment related:

- (i) breach of any written employment contract or agreement, including any written contract or agreement concerning severance payments or contractual obligation arising out of any employee handbook, personnel manual, policy statement, or other representation;
 - (ii) discrimination;
 - (iii) harassment;
 - (iv) retaliation;
 - (v) workplace tort; or
 - (vi) wrongful employment decision,
- committed, attempted, or allegedly committed or attempted by an insured in such capacity.

IV. COVERAGE PART EXCLUSIONS

We will not cover loss in connection with any claim:

A. based upon or arising from:

- (i) assumed liability;
- (ii) prior notice;
- (iii) pending or prior litigation;
- (iv) wage and hour; provided this exclusion (iv) will not apply to any claim on account of retaliation;
- (v) antitrust; provided this exclusion (v) will not apply to any claim on account of retaliation; or
- (vi) pollution; provided this exclusion (vi) will not apply to any claim on account of retaliation.

B. for:

- (i) property damage;
- (ii) bodily injury; provided this exclusion (ii) will not apply to any actual or alleged emotional distress, mental anguish or humiliation when made in connection with any claim;
- (iii) worker benefits, ERISA (except for Section 510), OSHA, WARN, or NLRA; provided these exclusions (iii) will not apply to any claim on account of retaliation; or
- (iv) any breach of any written employment contract or agreement, including any severance agreement or golden parachute agreement, or any compensation agreement payable upon the termination of any employee; provided this exclusion (iv) will not apply to:
 - (a) defense costs, or
 - (b) liability that would be imposed in the absence of such employment contract or agreement.

V. SPECIFIC LIMIT OF LIABILITY, SUBLIMITS AND RETENTIONS

The most we will pay for all loss arising from all claims is the aggregate limit of liability set forth in Item 2 of this Coverage Part Declarations

A single Retention will apply to each claim.

EMPLOYMENT PRACTICES AND
THIRD PARTY LIABILITY COVERAGE PART

VI. DEFENSE COSTS

We will pay `defense costs` on a current basis, but no later than ninety (90) days after we have received any invoice or bill, as well as any additional supporting documentation that we have reasonably requested.

VII. DEFENSE OF CLAIMS

A. Duty to Defend Coverage

If you have elected duty to defend coverage as indicated in Item 5 of the Declarations for this Coverage Part, then we will have the right and duty to defend any `claim` even if the allegations in the `claim` are groundless, false, or fraudulent. Our duty to defend any `claim` will end, and we will have no further obligation to defend any `claim` upon the exhaustion of the applicable limit of liability.

B. Non-Duty to Defend Coverage

If you have elected non-duty to defend coverage as indicated in Item 5 of the Declarations for this Coverage Part, then you will have the duty to defend any `claim` covered under this Coverage Part.

C. Regardless of your Item 5 election you will have the duty to defend any `claim` alleging a `wage and hour` violation, or any `claim` alleging both a `wage and hour` violation and a `wrongful employment practice`.

VIII. ALLOCATION

If we have the duty to defend a `claim` that incurs covered `loss` and uncovered loss because such `claim` includes covered and uncovered parties, or covered and uncovered matters, then the following will apply:

- (i) one hundred percent (100%) of `defense costs` incurred by such `insured` will be considered covered `loss`; and
- (ii) with respect to any loss other than `defense costs` you and we will use our best efforts to determine an allocation between covered `loss` and uncovered loss based on the relative legal and financial exposures of the parties to such matters.

Alternatively, if you have the duty to defend a `claim`, you and we will use our best efforts to determine an allocation between covered `loss` and uncovered loss based on the relative legal and financial exposures of the parties to such matters.

IX. OTHER INSURANCE

A. This Coverage Part will be excess of, and will not contribute with any valid and collectible insurance policy that provides coverage or indemnifies `loss` for which this Coverage Part also provides coverage, unless such other insurance is written specifically as excess of the limit of liability of this Coverage Part.B. Coordination of Coverage Provision

Any `loss` otherwise covered by both this policy and any employment practices liability policy or Coverage Part issued by us or any affiliate ("EPL Coverage") will be covered first under such EPL Coverage subject to such EPL Coverage limit of liability, retention and coinsurance percentage. Any remaining `loss` otherwise covered by this policy that is not paid under such EPL Coverage will then be covered under this policy subject to the applicable Limit of Liability and Retention. Provided, however, that the Retention applicable to such `loss` under this policy will be reduced by the amount of `loss` otherwise covered by this policy that is paid by an `insured` as the retention under such EPL Coverage.

EMPLOYMENT PRACTICES AND
THIRD PARTY LIABILITY COVERAGE PART

X. IMPUTATION

We will only impute the conduct or knowledge of any past, present, or future Chief Executive Officer, Chief Financial Officer, Director of Human Resources, or such functionally equivalent positions of the named insured to any insured entity.

We will not impute:

- (i) the knowledge possessed by any executive with respect to any statements, representations, or information in the application; or
- (ii) the failure to provide us with full cooperation, assistance, or information as required, to any other insured person, nor will (i) or (ii) above impair the rights of any other insured person under this Coverage Part.



JOBS ACT EXCLUSION ENDORSEMENT

In consideration of the premium, the Directors and Officers and Entity Liability Coverage Part of the policy is amended as follows:

I. Section III, Definitions is amended to include the following definition:

JOBS Act Offering means any conduct that is governed by the Jumpstart Our Business Startups Act of 2012, including any actual or alleged advertisement, solicitation, crowdfunding, offering, distribution, issuance, sale, purchase, or transaction of securities.

II. Section IV, Coverage Part Exclusions is amended to include the following exclusion:

We will not cover loss in connection with any claim based upon or arising from any JOBS Act Offering; provided this exclusion will not apply to any claim involving: (i) securities related to a failed undertaking of, or failure to complete, an initial public offering; or (ii) preparation for a public offering, including any road show presentation to potential investors.

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy, unless another effective date is shown below, and expires concurrently with said Policy.



AMENDATORY ENDORSEMENT - OKLAHOMA

In consideration of the premium, Section III, Definitions of the Directors & Officers and Entity Liability Coverage Part is amended as follows:

I. The following new paragraph is added to the definition of *defense costs*:

Defense costs also do not include salaries of our officers or employees and adjusting expenses, or other expenses incurred by us in the ordinary course of our business.

II. With respect to punitive damages the following new paragraph is added:

Notwithstanding anything to the contrary, any coverage of punitive damages will be provided to the extent allowed by Oklahoma law.

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy, unless another effective date is shown below, and expires concurrently with said Policy.



AMENDATORY ENDORSEMENT - OKLAHOMA

In consideration of the premium, Section III, Definitions of the Employment Practices Liability Coverage Part is amended as follows:

I. The following new paragraph is added to the definition of *defense costs*:

Defense costs also do not include salaries of our officers or employees and adjusting expenses, or other expenses incurred by us in the ordinary course of our business.

II. With respect to punitive damages the following new paragraph is added:

Notwithstanding anything to the contrary, any coverage of punitive damages will be provided to the extent allowed by Oklahoma law.

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy, unless another effective date is shown below, and expires concurrently with said Policy.



BIOMETRICS PRIVACY EXCLUSION ENDORSEMENT

In consideration of the premium, the Employment Practices and Third Party Liability Coverage Part is amended as follows:

I. Section III, Definitions is amended to add the following definition:

Biometrics privacy means any actual or alleged violation of any United States law or any similar common law pertaining to biometric privacy that governs or relates to the collection, use, safeguarding, handling, storage, retention, or destruction of biometric identifiers, biometric data, or biometric information.

II. Paragraph A of Section IV, Coverage Part Exclusions is amended to add the following exclusion:

We will not cover **loss** in connection with any **claim** based upon or arising from **biometrics privacy**; provided this exclusion will not apply to any **claim** on account of **retaliation**.

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy, unless another effective date is shown below, and expires concurrently with said Policy.

OPIOID EXCLUSION ENDORSEMENT

In consideration of the premium, solely with respect to the Directors & Officers and Entity Liability Coverage Part Coverage Part(s), Section IV, Coverage Part Exclusions is amended to add the following exclusion:

We will not cover *loss* in connection with any *claim* based upon or arising out of the sale, distribution, use, misuse, addiction to, prescription for, dependency upon, guidelines for reporting, and/or diversion prevention with respect to any opioid, opiate or any narcotic drug, narcotic medication or narcotic substance of any type, nature or kind including any *claim* based on or arising out of any actual or alleged:

- (i) liability under, non-compliance with, or violation of, any federal, state, local, tribal or foreign act, statute, regulation, ordinance, requirement, law, or common law of any opioid, opiate or any narcotic drug, narcotic medication or narcotic substance of any type, nature or kind;
- (ii) leasing, licensing, handling, marketing, branding, promoting, diverting, disposing, or labeling of any opioid, opiate or any narcotic drug, narcotic medication or narcotic substance of any type, nature or kind;
- (iii) improper warning or failure to warn including any warning of the adverse or addictive properties of any opioid, opiate or any narcotic drug, narcotic medication or narcotic substance of any type, nature or kind;
- (iv) suspicious orders or orders of interest monitoring, rebates, chargebacks, or other similar data sharing concerning any opioid, opiate or any narcotic drug, narcotic medication or narcotic substance of any type, nature or kind;
- (v) communications with manufacturers, or distributors of, opioids, opiates or any narcotic drugs, narcotic medications or narcotic substances of any type, nature or kind with respect to guidelines relating to litigation, investigation, enforcement activity, or settlements related to any opioid, opiate or any narcotic drug, narcotic medication or narcotic substance of any type, nature or kind;
- (vi) lobbying or advocacy on behalf of any opioid, opiate or any narcotic drug, narcotic medication or narcotic substance of any type, nature or kind manufacturers or distributors; or
- (vii) research projects, data metrics, benchmarking data, publications, or dissemination of any such information, relating to any opioid, opiate or any narcotic drug, narcotic medication or narcotic substance of any type, nature or kind,

by any *insured* or by anyone for whose acts the *insured* is liable.

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy, unless another effective date is shown below, and expires concurrently with said Policy.

OPIOID EXCLUSION ENDORSEMENT

In consideration of the premium, solely with respect to the Employment Practices Liability Coverage Part Coverage Part(s), Section IV, Coverage Part Exclusions is amended to add the following exclusion:

We will not cover **loss** in connection with any **claim** based upon or arising out of the sale, distribution, use, misuse, addiction to, prescription for, dependency upon, guidelines for reporting, and/or diversion prevention with respect to any opioid, opiate or any narcotic drug, narcotic medication or narcotic substance of any type, nature or kind including any **claim** based on or arising out of any actual or alleged:

- (i) liability under, non-compliance with, or violation of, any federal, state, local, tribal or foreign act, statute, regulation, ordinance, requirement, law, or common law of any opioid, opiate or any narcotic drug, narcotic medication or narcotic substance of any type, nature or kind;
- (ii) leasing, licensing, handling, marketing, branding, promoting, diverting, disposing, or labeling of any opioid, opiate or any narcotic drug, narcotic medication or narcotic substance of any type, nature or kind;
- (iii) improper warning or failure to warn including any warning of the adverse or addictive properties of any opioid, opiate or any narcotic drug, narcotic medication or narcotic substance of any type, nature or kind;
- (iv) suspicious orders or orders of interest monitoring, rebates, chargebacks, or other similar data sharing concerning any opioid, opiate or any narcotic drug, narcotic medication or narcotic substance of any type, nature or kind;
- (v) communications with manufacturers, or distributors of, opioids, opiates or any narcotic drugs, narcotic medications or narcotic substances of any type, nature or kind with respect to guidelines relating to litigation, investigation, enforcement activity, or settlements related to any opioid, opiate or any narcotic drug, narcotic medication or narcotic substance of any type, nature or kind;
- (vi) lobbying or advocacy on behalf of any opioid, opiate or any narcotic drug, narcotic medication or narcotic substance of any type, nature or kind manufacturers or distributors; or
- (vii) research projects, data metrics, benchmarking data, publications, or dissemination of any such information, relating to any opioid, opiate or any narcotic drug, narcotic medication or narcotic substance of any type, nature or kind,

by any **insured** or by anyone for whose acts the **insured** is liable.

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy, unless another effective date is shown below, and expires concurrently with said Policy.



SEPARATE RETENTION FOR CLAIMS BROUGHT BY HEALTH CARE PROVIDER ENDORSEMENT

In consideration of the premium, solely for purposes of coverage provided under this endorsement, the Employment Practices and Third Party Liability Coverage Part is amended as follows:

I. Section III, Definitions is amended to add the following definition:

- **Health care provider** means an **insured person** who is licensed to practice medicine in any state and maintains a professional practice, including a doctor of medicine or osteopathy, podiatrist, dentist, veterinarian, chiropractor, clinical psychologist, optometrist, or a clinical social worker.

II. Section V, Specific Limit of Liability, Sublimits and Retentions is amended to add the following:

Solely with respect to any **claim** brought by a **health care provider**, the Retention for each **claim** will be \$75,000. If there are two Retentions that apply to the same **claim**, we will only apply the higher Retention.

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy, unless another effective date is shown below, and expires concurrently with said Policy.

HEALTHCARE ENDORSEMENT
(Sublimited Regulatory Claim Coverage)

In consideration of the premium, the Directors and Officers and Entity Liability and Employment Practices Coverage Parts of the policy are amended as follows:

I. Section III, Definitions of the General Terms and Conditions is amended as follows:

A. The definition `pre-claim expenses` is amended to include the following:

Provided in the event a `noticed matter` gives rise to a `regulatory claim`, `pre-claim expenses` will not include fees, costs, or expenses incurred by an `insured` in defending or responding to such `noticed matter`.

B. The definition of `pollutants` is amended to include `nuclear materials`.

II. The Directors and Officers and Entity Liability Coverage Part of the policy is amended as follows:

A. The following Insuring Agreement is added to Section I, Insuring Agreements:

Regulatory Claim Coverage

We will pay `defense costs` on behalf of an `insured` arising from a `regulatory claim` against such `insured` first made during the `policy period`.

B. Section III, Definitions is amended as follows:

1. Solely with respect to a `regulatory claim`, the definition of `claim` is deleted and replaced with the following:

`Claim` means any:

- (i) written demand (excluding a subpoena) for monetary, non-monetary, injunctive, or declaratory relief including a request for alternative dispute resolution;
- (ii) civil or criminal proceeding, (including a `qui tam` or relator proceeding) commenced by the earlier of: (a) the return of service of a complaint or indictment upon an `insured`; (b) the filing of an indictment or information with respect to an `insured`; or (c) the arrest or detention of an `insured`; or
- (ii) a formal administrative or regulatory proceeding or investigation evidenced by: (a) notice of charges or investigation; (b) service of subpoena, search warrant or similar document requesting witness testimony of an `insured person` who has been identified as a target of such investigation; (c) receipt of a target letter or civil investigative demand by an `insured person` identified as a target of such investigation, of, or against, an `insured` for a `regulatory wrongful act`, including any appeal therefrom. `Claim` will not include `inquiry, books and record demand` or any `securityholder derivative demand`.

Unless specifically stated elsewhere in this endorsement, a `claim` will be deemed first made on the earliest of the date on which the `claim` is served upon, or first received by, any `insured`, or the applicable notice or order is filed or entered.

2. The definition of `loss` is amended as follows:

`Loss` will also include `health care fines, penalties and taxes` subject to the applicable sublimit of liability.

The paragraph which begins with `loss` does not include is deleted and replaced with the following:

`Loss` does not include:

- (a) costs to comply with any order or agreement to provide non-monetary or injunctive relief;
- (b) taxes, fines or penalties (other than those referenced in (i), (ii) or (iii) above and health care fines, penalties and taxes);
- (c) clean-up costs;
- (d) amounts not insurable under the law to which this policy is construed;
- (e) any amount for which an insured is absolved from payment by reason of any covenant, agreement, or court order; or
- (f) the return of funds which were received directly or indirectly from any federal, state or local governmental agency and any interest, fines or penalties arising out of the return of such funds.

3. The following definitions are added:

Cyber event means any actual or alleged:

- (i) exploit;
- (ii) unauthorized access or use;
- (iii) network impairment, or
- (iv) failure to implement, maintain, or comply with federal, state or local law, statute or regulation, or an insured entity's internal written policies and procedures, with respect to protected information.

Excess benefit transaction taxes mean those taxes imposed by the Internal Revenue Service, pursuant to Section 4958 (a)(2) of the Internal Revenue Code, upon an insured person as a result of such **insured person's** participation in an excess benefit transaction as defined in Section 4958(c) of the Internal Revenue Code ("the Code").

Exploit means the breach of, or unauthorized or unlawful access to, any network, resulting in denial of service, delay to a network, or infection of a network through malware, spyware, virus or any such similar unauthorized code, application or software.

Government entity means any federal, state, or local governmental agency, regulatory or administrative agency or entity, or any such foreign equivalent.

Health care fines, penalties and taxes mean the following civil fines or penalties and taxes:

- (i) taxes or penalties imposed against an insured entity, (or its insured persons) that is a not-for-profit entity or organization exempt from federal income taxation pursuant to section 501(c)(3) of the Code assessed pursuant to the following provisions of the Code:
 - (a) Section 4911 (tax on excess expenditures to influence legislation);
 - (b) Section 4940 (a) (tax on net investment income of tax-exempt foundations);
 - (c) Section 4941 (taxes on self-dealing);
 - (d) Section 4942 (taxes on failure to distribute income);
 - (e) Section 4943 (taxes on excess business holding);
 - (f) Section 4944 (taxes on investments which jeopardize charitable purpose);
 - (g) Section 4945 (taxes on taxable expenditures);
 - (h) Section 6652 (c) (1) (A) and (B) (penalties for failure to file certain information returns or registration statements);
 - (i) Section 6655 (a)(1) (penalties for failure to pay estimated income tax); and
 - (j) Section 6656 (a) and (b) (penalties for failure to make deposit of taxes), but only if such insured entity or its insured persons relied upon a written "more likely than not" or "will" opinion of a duly licensed tax attorney, certified public account, or accounting firm or a tax return prepared by a certified public account or accounting firm duly appointed by the Board of Trustees of such insured entity in advance of the conduct that gave rise to the fines or penalties ("IRC Fines");
- (ii) excess benefit transaction taxes, provided these do not include the twenty-five (25%) excise tax assessed against any "disqualified person" or the two hundred percent (200%)

- tax assessed for failure to correct an “excise benefit transaction”, as set forth in Section 4958 of the Code;
- (iii) civil fines or penalties imposed for violations of the Emergency Medical Treatment and Active Labor Act, 42 U.S.C. 1396dd et seq., and any similar state or local statute (“EMTALA Fines”);
- (iv) civil fines or penalties imposed for violations of the privacy provisions of Health Insurance Portability and Accountability Act of 1996 and any similar state or local statute (“HIPAA Fines”).

Network means any computer, program, database, server, mainframe, software, hardware, mobile devices, applications, storage or back-up devices, or such similar components of a digital telecommunication network that is owned or operated by, or on behalf of, or for the benefit of the insured entity. **Network** does not include the internet, telephone company networks, electrical grids, or other public infrastructure network.

Network impairment means the disruption, theft, modification, destruction or damage to any network, that results in the impairment of the network to such an extent that the insured entity is substantially unable to conduct normal and customary business operations

Nuclear materials mean any nuclear or radioactive substance or hazardous properties resulting from any nuclear reaction, nuclear radiation or radioactive contamination.

Protected information means nonpublic proprietary and confidential information of a third-party entity, or any nonpublic personal information relating to an identified or identifiable natural person.

Regulatory claim means a claim brought by or on behalf of a government entity arising out of a regulatory wrongful act. **Regulatory claim** does not include routine examinations.

Regulatory wrongful act means a wrongful act arising out of any insured’s alleged or actual violation of: (i) the Federal False Claims Act or any similar common law; (ii) Ethics in Patient Referral Act 1989 (“Stark Law”) or any similar common law; or (iii) any United States law which prohibits kickbacks, self-referrals, or healthcare fraud and abuse.

III. Section III, Definitions of both the Directors and Officers and Entity Liability Coverage Part and the Employment Practices and Third Party Liability Coverage Part are amended as follows:

A. The definition of **insured person** is deleted and replaced with the following:

Insured person means any employee, executive, independent contractor any duly constituted committee member, member of the faculty or staff or a medical director.

B. The following definitions are added:

Abuse or molestation means any actual, alleged, attempted, proposed or threatened sexual molestation, abuse, assault, or battery, whether or not intentional, of any natural person.

Billing and collection services mean billing or collection of fees for any services performed by an insured.

Insurance company operations mean any of the following services or activities:

- (i) the refusal to offer, issue or renew, or any cancellation of, any insurance contract;
- (ii) any actual or alleged lack of good faith or unfair dealing in the handling of any claim or obligation under any insurance contract;
- (iii) the brokering or underwriting of insurance policies or risks;
- (iv) any actual or alleged conduct of any Insured in the negotiation, placement or maintenance of any insurance contract;
- (v) any failure to collect or pay premiums, commissions, brokerage charges, fees or taxes;
- (vi) or any commingling or mishandling of funds with respect to any insurance contract;

- (vii) any actuarial determination including without limitation opinions as to reserve adequacy or pricing adequacy;
- (viii) the offering or sale of shares of any unit investment trust or management investment company or of variable annuity plans, including any diminution of assets in connection with said offering or sale of shares.

Insurance contract means any policy or agreement of insurance, reinsurance or indemnity, (including but not limited to any policy or agreement of insurance, reinsurance or indemnity that is administered by a third party administrator) including, but not limited to, bonds, annuities, endowments, health care plans or health care products, dental plans or dental products, life insurance plans or life insurance products, disability plans or disability products, pension contracts and risk management self-insurance programs, pools or similar programs. **Insurance contract** will also include any policy or program of stop loss or provider excess insurance, reinsurance or self-insurance (including any captive insurance arrangement).

Managed care activity means any of the following services or activities performed by, or on behalf of, a managed care organization:

- (i) handling, adjustment, payment of claims or determination of coverage benefits;
- (ii) process of evaluating the appropriateness, necessity or cost of **medical services**;
- (iii) providing quality assurance, or reviewing costs, of **medical services**;
- (iv) establishing **medical services** provider networks;
- (v) development of, implementation of, administration of, establishment of, protocols, guidelines and procedures for:
 - (a) managed care network for **medical services** providers;
 - (b) quality assurance reviews;
 - (c) health and wellness education;
 - (d) clinical parameters;
 - (e) financial incentive plans;
 - (f) triage for payment authorization for **medical services**.

Managed care organization means any **insured entity** that is a health maintenance organization, preferred provider organization, or any similar entity which provides, or arranges to provide, **medical services** to members of such entity pursuant to a written contract.

Medical review and provider selection process claim means any **claim** brought by or on behalf of an independent contractor of **medical services** for a **wrongful act** occurring as part of the evaluation, credentialing, disciplining, selecting, contracting, privileging or peer review of such independent contractor of **medical services** in such capacity, provided such **wrongful act** is not committed by or on behalf of a managed care organization.

Medical services mean the furnishing of medicine, pharmaceutical-related, health-related or medical-related services, care or treatment to a natural person.

IV. Section IV, Coverage Part Exclusions of the Directors and Officers and Entity Liability Coverage Part is amended as follows:

A. Exclusion C(iv) is deleted and replaced with the following:

- (iv) based upon or arising from **bodily injury**; provided this exclusion (iv) will not apply to any:
 - (a) **claim for non-indemnifiable loss**;
 - (b) **securityholder claim**;
 - (c) **actual or alleged emotional distress, mental anguish or humiliation made in connection with any employment related claim (other than an abuse or molestation claim) against an insured person**;
 - (d) **defense costs** incurred by an **executive** in the defense of a **claim** for any actual or alleged violation of a corporate manslaughter statute by such **executive**

B. Exclusion D is amended by adding the following:

brought by, or on behalf of, any insured in any capacity against any insured, or an outside entity against any insured.

C. The following exclusions are added:

- We will not cover loss in connection with any medical review and provider selection process claim.
- We will not cover loss in connection with any claim based upon or arising from any:
 - (a) managed care activity;
 - (b) insurance company operations;
 - (c) billing and collection services, provided this exclusion (c) will not apply to any regulatory claim;
 - (d) cyber event, provided this exclusion (d) will not apply to any claim for non-indemnifiable loss; OR
 - (e) abuse or molestation (this exclusion (e) will apply regardless of the legal theory or basis upon which an insured is alleged to be liable, including but not limited to assertions of improper or negligent employment, continued employment, investigation, failure to investigate, supervision, or failure to supervise).

V. Section V, Specific Limit of Liability, Sublimits and Retentions of the Directors and Officers and Entity Liability Coverage Part is amended by adding the following:

- The most we will pay for all health care fines, penalties and taxes, including defense costs, in connection with all claims for IRC Fines is \$100,000, such sublimited coverage will be part of, and not in addition to, the Aggregate Limit of Liability set forth in Item 2 of this Coverage Part.
- The most we will pay for all health care fines, penalties and taxes, including defense costs, in connection with all claims for excess benefit transaction taxes is \$100,000, such sublimited coverage will be part of, and not in addition to, the Aggregate Limit of Liability set forth in Item 2 of this Coverage Part.
- The most we will pay for all health care fines, penalties and taxes, including defense costs, in connection with all claims for EMTALA Fines is \$100,000, such sublimited coverage will be part of, and not in addition to, the Aggregate Limit of Liability set forth in Item 2 of this Coverage Part.
- The most we will pay for all health care fines, penalties and taxes, including defense costs, in connection with all claims for HIPAA Fines is \$25,000, such sublimited coverage will be part of, and not in addition to, the Aggregate Limit of Liability set forth in Item 2 of this Coverage Part.
- The most we will pay for all defense costs arising from all regulatory claims is \$100,000, such sublimited coverage will be part of, and not in addition to, the Aggregate Limit of Liability set forth in Item 2 of this Coverage Part.
- A separate Retention of \$25,000 will apply to each regulatory claim.
- A separate coinsurance percentage of 20 percent will apply to all defense costs for each regulatory claim. The coinsurance percentage will apply in excess of any Retention and will be uninsured and your responsibility to pay. Our liability will apply only to the remaining percent of all such defense costs.

VI. Section IX, Defense of Claims of the Directors and Officers and Entity Liability Coverage Part is amended to include the following:

With respect to any regulatory claim you will have the duty to defend.

VII. Section IV, Coverage Part Exclusions of the Employment Practices and Third Party Liability Coverage Part is amended as follows:

A. Exclusion B(ii) *bodily injury* is deleted.

B. The following exclusions are added:

- We will not cover *loss* in connection with any *claim* based upon or arising from *bodily injury*, provided this exclusion will not apply to any actual or alleged emotional distress, mental anguish or humiliation when made in connection with any *claim* brought by an *employee*.
- We will not cover *loss* in connection with any *medical review and provider selection process claim*.
- We will not cover *loss* in connection with any *claim* based upon or arising from any:
 - (a) *managed care activity*;
 - (b) *insurance company operations*;
 - (c) *billing and collection services*; **or**
 - (d) *abuse or molestation* (this exclusion (d) will apply regardless of the legal theory or basis upon which an *insured* is alleged to be liable, including but not limited to assertions of improper or negligent employment, continued employment, investigation, failure to investigate, supervision, or failure to supervise).

VIII. The Other Insurance Sections of both the Directors and Officers and Entity Liability Coverage Part and the Employment Practices and Third Party Liability Coverage Part are amended to include the following:

In addition to the above, this Coverage Part will be excess of and will not contribute with any valid and collectible managed care errors and omissions insurance policy, medical professional liability or professional liability insurance policy.

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy, unless another effective date is shown below, and expires concurrently with said Policy.

HEALTHCARE ENDORSEMENT
(Sublimited Regulatory Claim Coverage)

In consideration of the premium, the Directors and Officers and Entity Liability and Employment Practices Coverage Parts of the policy are amended as follows:

I. Section III, Definitions of the General Terms and Conditions is amended as follows:

A. The definition `pre-claim expenses` is amended to include the following:

Provided in the event a `noticed matter` gives rise to a `regulatory claim`, `pre-claim expenses` will not include fees, costs, or expenses incurred by an `insured` in defending or responding to such `noticed matter`.

B. The definition of `pollutants` is amended to include `nuclear materials`.

II. The Directors and Officers and Entity Liability Coverage Part of the policy is amended as follows:

A. The following Insuring Agreement is added to Section I, Insuring Agreements:

Regulatory Claim Coverage

We will pay `defense costs` on behalf of an `insured` arising from a `regulatory claim` against such `insured` first made during the `policy period`.

B. Section III, Definitions is amended as follows:

1. Solely with respect to a `regulatory claim`, the definition of `claim` is deleted and replaced with the following:

`Claim` means any:

- (i) written demand (excluding a subpoena) for monetary, non-monetary, injunctive, or declaratory relief including a request for alternative dispute resolution;
- (ii) civil or criminal proceeding, (including a `qui tam` or relator proceeding) commenced by the earlier of: (a) the return of service of a complaint or indictment upon an `insured`; (b) the filing of an indictment or information with respect to an `insured`; or (c) the arrest or detention of an `insured`; or
- (ii) a formal administrative or regulatory proceeding or investigation evidenced by: (a) notice of charges or investigation; (b) service of subpoena, search warrant or similar document requesting witness testimony of an `insured person` who has been identified as a target of such investigation; (c) receipt of a target letter or civil investigative demand by an `insured person` identified as a target of such investigation, of, or against, an `insured` for a `regulatory wrongful act`, including any appeal therefrom. `Claim` will not include `inquiry, books and record demand` or any `securityholder derivative demand`.

Unless specifically stated elsewhere in this endorsement, a `claim` will be deemed first made on the earliest of the date on which the `claim` is served upon, or first received by, any `insured`, or the applicable notice or order is filed or entered.

2. The definition of `loss` is amended as follows:

`Loss` will also include `health care fines, penalties and taxes` subject to the applicable sublimit of liability.

The paragraph which begins with `loss` does not include is deleted and replaced with the following:

`Loss` does not include:

- (a) costs to comply with any order or agreement to provide non-monetary or injunctive relief;
- (b) taxes, fines or penalties (other than those referenced in (i), (ii) or (iii) above and health care fines, penalties and taxes);
- (c) clean-up costs;
- (d) amounts not insurable under the law to which this policy is construed;
- (e) any amount for which an insured is absolved from payment by reason of any covenant, agreement, or court order; or
- (f) the return of funds which were received directly or indirectly from any federal, state or local governmental agency and any interest, fines or penalties arising out of the return of such funds.

3. The following definitions are added:

Cyber event means any actual or alleged:

- (i) exploit;
- (ii) unauthorized access or use;
- (iii) network impairment, or
- (iv) failure to implement, maintain, or comply with federal, state or local law, statute or regulation, or an insured entity's internal written policies and procedures, with respect to protected information.

Excess benefit transaction taxes mean those taxes imposed by the Internal Revenue Service, pursuant to Section 4958 (a)(2) of the Internal Revenue Code, upon an insured person as a result of such **insured person's** participation in an excess benefit transaction as defined in Section 4958(c) of the Internal Revenue Code ("the Code").

Exploit means the breach of, or unauthorized or unlawful access to, any network, resulting in denial of service, delay to a network, or infection of a network through malware, spyware, virus or any such similar unauthorized code, application or software.

Government entity means any federal, state, or local governmental agency, regulatory or administrative agency or entity, or any such foreign equivalent.

Health care fines, penalties and taxes mean the following civil fines or penalties and taxes:

- (i) taxes or penalties imposed against an insured entity, (or its insured persons) that is a not-for-profit entity or organization exempt from federal income taxation pursuant to section 501(c)(3) of the Code assessed pursuant to the following provisions of the Code:
 - (a) Section 4911 (tax on excess expenditures to influence legislation);
 - (b) Section 4940 (a) (tax on net investment income of tax-exempt foundations);
 - (c) Section 4941 (taxes on self-dealing);
 - (d) Section 4942 (taxes on failure to distribute income);
 - (e) Section 4943 (taxes on excess business holding);
 - (f) Section 4944 (taxes on investments which jeopardize charitable purpose);
 - (g) Section 4945 (taxes on taxable expenditures);
 - (h) Section 6652 (c) (1) (A) and (B) (penalties for failure to file certain information returns or registration statements);
 - (i) Section 6655 (a)(1) (penalties for failure to pay estimated income tax); and
 - (j) Section 6656 (a) and (b) (penalties for failure to make deposit of taxes), but only if such insured entity or its insured persons relied upon a written "more likely than not" or "will" opinion of a duly licensed tax attorney, certified public account, or accounting firm or a tax return prepared by a certified public account or accounting firm duly appointed by the Board of Trustees of such insured entity in advance of the conduct that gave rise to the fines or penalties ("IRC Fines");
- (ii) excess benefit transaction taxes, provided these do not include the twenty-five (25%) excise tax assessed against any "disqualified person" or the two hundred percent (200%)

- tax assessed for failure to correct an “excise benefit transaction”, as set forth in Section 4958 of the Code;
- (iii) civil fines or penalties imposed for violations of the Emergency Medical Treatment and Active Labor Act, 42 U.S.C. 1396dd et seq., and any similar state or local statute (“EMTALA Fines”);
- (iv) civil fines or penalties imposed for violations of the privacy provisions of Health Insurance Portability and Accountability Act of 1996 and any similar state or local statute (“HIPAA Fines”).

Network means any computer, program, database, server, mainframe, software, hardware, mobile devices, applications, storage or back-up devices, or such similar components of a digital telecommunication network that is owned or operated by, or on behalf of, or for the benefit of the insured entity. **Network** does not include the internet, telephone company networks, electrical grids, or other public infrastructure network.

Network impairment means the disruption, theft, modification, destruction or damage to any network, that results in the impairment of the network to such an extent that the insured entity is substantially unable to conduct normal and customary business operations

Nuclear materials mean any nuclear or radioactive substance or hazardous properties resulting from any nuclear reaction, nuclear radiation or radioactive contamination.

Protected information means nonpublic proprietary and confidential information of a third-party entity, or any nonpublic personal information relating to an identified or identifiable natural person.

Regulatory claim means a claim brought by or on behalf of a government entity arising out of a regulatory wrongful act. **Regulatory claim** does not include routine examinations.

Regulatory wrongful act means a wrongful act arising out of any insured’s alleged or actual violation of: (i) the Federal False Claims Act or any similar common law; (ii) Ethics in Patient Referral Act 1989 (“Stark Law”) or any similar common law; or (iii) any United States law which prohibits kickbacks, self-referrals, or healthcare fraud and abuse.

III. Section III, Definitions of both the Directors and Officers and Entity Liability Coverage Part and the Employment Practices and Third Party Liability Coverage Part are amended as follows:

- A. The definition of **insured person** is deleted and replaced with the following:

Insured person means any employee, executive, independent contractor any duly constituted committee member, member of the faculty or staff or a medical director.

- B. The following definitions are added:

Abuse or molestation means any actual, alleged, attempted, proposed or threatened sexual molestation, abuse, assault, or battery, whether or not intentional, of any natural person.

Billing and collection services mean billing or collection of fees for any services performed by an insured.

Insurance company operations mean any of the following services or activities:

- (i) the refusal to offer, issue or renew, or any cancellation of, any insurance contract;
- (ii) any actual or alleged lack of good faith or unfair dealing in the handling of any claim or obligation under any insurance contract;
- (iii) the brokering or underwriting of insurance policies or risks;
- (iv) any actual or alleged conduct of any Insured in the negotiation, placement or maintenance of any insurance contract;
- (v) any failure to collect or pay premiums, commissions, brokerage charges, fees or taxes;
- (vi) or any commingling or mishandling of funds with respect to any insurance contract;

- (vii) any actuarial determination including without limitation opinions as to reserve adequacy or pricing adequacy;
- (viii) the offering or sale of shares of any unit investment trust or management investment company or of variable annuity plans, including any diminution of assets in connection with said offering or sale of shares.

Insurance contract means any policy or agreement of insurance, reinsurance or indemnity, (including but not limited to any policy or agreement of insurance, reinsurance or indemnity that is administered by a third party administrator) including, but not limited to, bonds, annuities, endowments, health care plans or health care products, dental plans or dental products, life insurance plans or life insurance products, disability plans or disability products, pension contracts and risk management self-insurance programs, pools or similar programs. **Insurance contract** will also include any policy or program of stop loss or provider excess insurance, reinsurance or self-insurance (including any captive insurance arrangement).

Managed care activity means any of the following services or activities performed by, or on behalf of, a managed care organization:

- (i) handling, adjustment, payment of claims or determination of coverage benefits;
- (ii) process of evaluating the appropriateness, necessity or cost of **medical services**;
- (iii) providing quality assurance, or reviewing costs, of **medical services**;
- (iv) establishing **medical services** provider networks;
- (v) development of, implementation of, administration of, establishment of, protocols, guidelines and procedures for:
 - (a) managed care network for **medical services** providers;
 - (b) quality assurance reviews;
 - (c) health and wellness education;
 - (d) clinical parameters;
 - (e) financial incentive plans;
 - (f) triage for payment authorization for **medical services**.

Managed care organization means any **insured entity** that is a health maintenance organization, preferred provider organization, or any similar entity which provides, or arranges to provide, **medical services** to members of such entity pursuant to a written contract.

Medical review and provider selection process claim means any **claim** brought by or on behalf of an independent contractor of **medical services** for a **wrongful act** occurring as part of the evaluation, credentialing, disciplining, selecting, contracting, privileging or peer review of such independent contractor of **medical services** in such capacity, provided such **wrongful act** is not committed by or on behalf of a managed care organization.

Medical services mean the furnishing of medicine, pharmaceutical-related, health-related or medical-related services, care or treatment to a natural person.

IV. Section IV, Coverage Part Exclusions of the Directors and Officers and Entity Liability Coverage Part is amended as follows:

A. Exclusion C(iv) is deleted and replaced with the following:

- (iv) based upon or arising from **bodily injury**; provided this exclusion (iv) will not apply to any:
 - (a) **claim for non-indemnifiable loss**;
 - (b) **securityholder claim**;
 - (c) **actual or alleged emotional distress, mental anguish or humiliation made in connection with any employment related claim (other than an abuse or molestation claim) against an insured person**;
 - (d) **defense costs** incurred by an **executive** in the defense of a **claim** for any actual or alleged violation of a corporate manslaughter statute by such **executive**

B. Exclusion D is amended by adding the following:

brought by, or on behalf of, any insured in any capacity against any insured, or an outside entity against any insured.

C. The following exclusions are added:

- We will not cover loss in connection with any medical review and provider selection process claim.
- We will not cover loss in connection with any claim based upon or arising from any:
 - (a) managed care activity;
 - (b) insurance company operations;
 - (c) billing and collection services, provided this exclusion (c) will not apply to any regulatory claim;
 - (d) cyber event, provided this exclusion (d) will not apply to any claim for non-indemnifiable loss; OR
 - (e) abuse or molestation (this exclusion (e) will apply regardless of the legal theory or basis upon which an insured is alleged to be liable, including but not limited to assertions of improper or negligent employment, continued employment, investigation, failure to investigate, supervision, or failure to supervise).

V. Section V, Specific Limit of Liability, Sublimits and Retentions of the Directors and Officers and Entity Liability Coverage Part is amended by adding the following:

- The most we will pay for all health care fines, penalties and taxes, including defense costs, in connection with all claims for IRC Fines is \$100,000, such sublimited coverage will be part of, and not in addition to, the Aggregate Limit of Liability set forth in Item 2 of this Coverage Part.
- The most we will pay for all health care fines, penalties and taxes, including defense costs, in connection with all claims for excess benefit transaction taxes is \$100,000, such sublimited coverage will be part of, and not in addition to, the Aggregate Limit of Liability set forth in Item 2 of this Coverage Part.
- The most we will pay for all health care fines, penalties and taxes, including defense costs, in connection with all claims for EMTALA Fines is \$100,000, such sublimited coverage will be part of, and not in addition to, the Aggregate Limit of Liability set forth in Item 2 of this Coverage Part.
- The most we will pay for all health care fines, penalties and taxes, including defense costs, in connection with all claims for HIPAA Fines is \$25,000, such sublimited coverage will be part of, and not in addition to, the Aggregate Limit of Liability set forth in Item 2 of this Coverage Part.
- The most we will pay for all defense costs arising from all regulatory claims is \$100,000, such sublimited coverage will be part of, and not in addition to, the Aggregate Limit of Liability set forth in Item 2 of this Coverage Part.
- A separate Retention of \$25,000 will apply to each regulatory claim.
- A separate coinsurance percentage of 20 percent will apply to all defense costs for each regulatory claim. The coinsurance percentage will apply in excess of any Retention and will be uninsured and your responsibility to pay. Our liability will apply only to the remaining percent of all such defense costs.

VI. Section IX, Defense of Claims of the Directors and Officers and Entity Liability Coverage Part is amended to include the following:

With respect to any regulatory claim you will have the duty to defend.

VII. Section IV, Coverage Part Exclusions of the Employment Practices and Third Party Liability Coverage Part is amended as follows:

A. Exclusion B(ii) *bodily injury* is deleted.

B. The following exclusions are added:

- We will not cover *loss* in connection with any *claim* based upon or arising from *bodily injury*, provided this exclusion will not apply to any actual or alleged emotional distress, mental anguish or humiliation when made in connection with any *claim* brought by an *employee*.
- We will not cover *loss* in connection with any *medical review and provider selection process claim*.
- We will not cover *loss* in connection with any *claim* based upon or arising from any:
 - (a) *managed care activity*;
 - (b) *insurance company operations*;
 - (c) *billing and collection services*; **or**
 - (d) *abuse or molestation* (this exclusion (d) will apply regardless of the legal theory or basis upon which an *insured* is alleged to be liable, including but not limited to assertions of improper or negligent employment, continued employment, investigation, failure to investigate, supervision, or failure to supervise).

VIII. The Other Insurance Sections of both the Directors and Officers and Entity Liability Coverage Part and the Employment Practices and Third Party Liability Coverage Part are amended to include the following:

In addition to the above, this Coverage Part will be excess of and will not contribute with any valid and collectible managed care errors and omissions insurance policy, medical professional liability or professional liability insurance policy.

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy, unless another effective date is shown below, and expires concurrently with said Policy.

IMPORTANT INFORMATION

NOTICE - OFFER OF TERRORISM COVERAGE; DISCLOSURE OF PREMIUM

THIS NOTICE DOES NOT FORM A PART OF THE POLICY, GRANT ANY COVERAGE OR CHANGE THE TERMS AND CONDITIONS OF ANY COVERAGE UNDER THE POLICY.

As used herein, 1) "we" means the insurer listed on the Declarations or the Certificate of Insurance, as applicable; and 2) "you" means the first person or entity named on the Declarations or the Certificate of Insurance, as applicable. You are hereby notified that under the Terrorism Risk Insurance Act, as extended and reauthorized ("Act"), you have a right to purchase insurance coverage of losses arising out of acts of terrorism, as defined in Section 102(1) of the Act, subject to all applicable policy provisions. The Terrorism Risk Insurance Act established a federal program within the Department of the Treasury, under which the federal government shares, with the insurance industry, the risk of loss from future terrorist attacks.

This Notice is designed to alert you to coverage restrictions and to certain terrorism provisions in the policy. If there is any conflict between this Notice and the policy (including its endorsements), the provisions of the policy (including its endorsements) apply.

CHANGE IN THE DEFINITION OF A CERTIFIED ACT OF TERRORISM

The Act applies when the Secretary of the Treasury certifies that an event meets the definition of an act of terrorism. Originally, the Act provided that to be certified, an act of terrorism must cause losses of at least five million dollars and must have been committed by an individual or individuals acting on behalf of any foreign person or foreign interest to coerce the government or population of the United States. However, the 2007 re-authorization of the Act removed the requirement that the act of terrorism must be committed by or on behalf of a foreign interest, and now certified acts of terrorism may encompass, for example, a terrorist act committed against the United States government by a United States citizen, when the act is determined by the federal government to be "a certified act of terrorism."

In accordance with the Act, we are required to offer you the ability to purchase coverage for losses resulting from an act of terrorism that is certified under the federal program. The other provisions of this policy, including nuclear, war or military action exclusions, will still apply to such an act.

DISCLOSURE OF FEDERAL PARTICIPATION IN PAYMENT OF TERRORISM LOSSES

The Department of the Treasury will pay a share of terrorism losses insured under the federal program. Beginning in 2020, the federal share equals 80% of that portion of the amount of such insured losses that exceeds the applicable insurer retention.

LIMITATION ON PAYMENT OF TERRORISM LOSSES

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year (January 1 through December 31), the Treasury shall not make any payment for any portion of the amount of such losses that exceeds \$100 billion.

Further, this coverage is subject to a limit on our liability pursuant to the federal law where, if aggregate insured losses attributable to terrorist acts certified under the Act exceed \$100 billion in a calendar year (January 1 through December 31) and we have met our insurer deductible under the Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion. In such case, insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

CONFIRMATION OF ACCEPTANCE OF COVERAGE

In accordance with the Act, we offered you coverage for losses resulting from an act of terrorism that is certified under the federal program. This notice confirms that you have chosen to accept our offer of coverage for certified



acts of terrorism. The policy's other provisions, including nuclear, war or military action exclusions, will still apply to such an act. The premium charge for terrorism coverage, if any, is shown separately on the Declarations or the Certificate of Insurance, as applicable.



CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM
ENDORSEMENT

SCHEDULE

Directors and Officers and Entity Liability

Solely with respect to any Coverage Part set forth in the Schedule, it is understood and agreed as follows:

Whenever used in this endorsement, 1) "we" means the insurer listed on the Declarations or the Certificate of Insurance, as applicable; and 2) "you" means the first person or entity named on the Declarations or the Certificate of Insurance, as applicable.

A. Cap on Certified Terrorism Losses

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in consultation with the Secretary of Homeland Security and the Attorney General of the United States, to be an act of terrorism pursuant to the Terrorism Risk Insurance Act, as extended and reauthorized (the "Act"). The criteria contained in the Act for a "certified act of terrorism" include the following:

1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

If aggregate insured losses attributable to terrorist acts certified under the Act exceed \$100 billion in a calendar year (January 1 through December 31) and we have met our insurer deductible under the Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

B. Application of Exclusions

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any loss which would otherwise be excluded under this Policy, such as losses excluded by the Nuclear Hazard Exclusion or the War And Military Action Exclusion.

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy, unless another effective date is shown below, and expires concurrently with said Policy.



CONDITIONAL RENEWAL ENDORSEMENT – OKLAHOMA

Wherever used in this endorsement: 1) Insurer means “we”, “us”, “our” or the “Company” as those terms are defined in the policy; and 2) Named Insured means the first person or entity named on the declarations page; and 3) “Insured(s)” means all persons or entities afforded coverage under the policy.

Any cancellation, non-renewal or termination provision(s) in the Epack 3 policy are amended to add the following:

CONDITIONAL RENEWAL

- I. The Insurer shall give to the Named Insured at the last address known to the Insurer, written notice of premium increase, change in deductible, reduction in limits or coverage at least forty-five (45) days prior to the expiration date of the policy. If the Insurer fails to provide such notice, the premium, deductible, limits and coverage provided to the Named Insured prior to the change shall remain in effect until notice is given or until the effective date of replacement coverage obtained by the Named Insured, whichever first occurs. If notice is given by mail, said notice shall be deemed to have been given on the day said notice is mailed. If the Named Insured elects not to renew, any earned premium for the period of extension of the terminated policy shall be calculated pro rata at the lower of the current or previous year's rate. If the Named Insured accepts the renewal, the premium increase, if any, and other changes shall be effective the day following the prior policy's expiration or anniversary date.
- II. Proof of mailing of notice of cancellation, or of nonrenewal or of premium or coverage changes, to the Named Insured at the address shown in the policy, shall be sufficient proof of notice.
- III. This subsection shall not apply to:
 - A. changes in a rate or plan filed with or approved by the Insurance Commissioner or filed pursuant to the Property and Casualty Competitive Loss Rating Act and applicable to an entire class of business; or
 - B. changes based upon the altered nature or extent of the risk insured; or
 - C. changes in policy forms with or approved by the Insurance Commissioner and applicable to an entire class of business.

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy, unless another effective date is shown below, and expires concurrently with said Policy.

PREMIUM FINANCE AGREEMENT-PROMISSORY NOTE

150 North Field Drive, Suite 190, Lake Forest, Illinois 60045

Phone 877-226-5456 www.bankdirectcapital.com

Quote
26 Item 18.

Agent/Broker/Producer (Name and Address)
INSURICA of Central Oklahoma
3510 24th Ave NW, Ste 201
Norman, OK 73069

Telephone Number: 405-321-2700 Agency Code:18452INSURIC

Insured (Name and Address as shown on the policy(ies) including all insureds covered by the policies below)
Mangum City Hospital Authority
1 Wickersham Street
Mangum, OK 73554

Telephone Number: 580-782-3353

Creditor: AFCO Credit Corporation			Federal Truth In Lending Disclosures		
(A) Total Premiums	(B) Down Payment	(C) Amount Financed (The amount of credit provided to you or on your behalf)	(D) FINANCE CHARGE (The dollar amount the credit will cost you)	(E) Total of Payments (The amount you will have paid after you have made all payments as scheduled)	(F) ANNUAL PERCENTAGE RATE (The cost of your credit as a yearly rate)
\$72,329.64	\$12,482.19	\$59,847.45	* \$3,114.95	\$62,962.40	11.2%
Your PAYMENT SCHEDULE will be: Monthly			*Includes a non-refundable service charge of \$10.00	If the borrower under this Agreement is a consumer, you will receive an Itemization of the Amount Financed	
No. of Payments		Amount of Payments	When Payments are Due		
10		\$6,296.24	On the 21st day of the month, beginning 5/21/2024		
<p>Security: You are giving a security interest in any and all unearned or return premium(s) and dividends which may become due under the policy(ies) being purchased.</p> <p>Late Charge: You will be charged 5% of the payment, subject to a minimum charge of \$5.00 on any payment received more than 5 days after the due date.</p> <p>Cancellation Charge: You will be charged a cancellation charge of \$25.00 if AFCO cancels any insurance policy in accordance with the terms of this Agreement.</p> <p>Prepayment: If you voluntarily prepay in full prior to the last installment due date you will not be charged a prepayment fee and you may be entitled to a refund of part of the finance charge.</p> <p>See Above and on the last page of this document for any additional information about non-payment default, any repayment in full before the scheduled date, and prepayment refunds and penalties.</p>					

SCHEDULE OF POLICIES

Policy Prefix and Numbers	Effective Date of Policy/Inst.	Name of Insurance Company and Address of General or policy Issuing Agent or Intermediary	Type of Coverage	Months Covered	Premium \$
H003788 Audit= N Min Ernd= 0% AddCxlDays= 10	4/21/2024	MedPro RRG Risk Retention Group PO Box 28300 New York, NY 10087	PROFESSIONAL LIABILITY Ref. Tax/Fee: Non-Ref. Tax/Fee:	12	\$59,165.00 \$0.00 \$0.00

In consideration of the payment(s) to be made by AFCO CREDIT CORPORATION ("AFCO") to the above insurance company(ies) ("Insurer(s)", either directly or through your or their agents, representatives, or producer, the above-named insured ("Insured") (jointly and severally if more than one):

- PROMISE OF PAYMENT:** Promises to pay to the order of AFCO at the above address or any address AFCO may designate, the Total of Payments in accordance with the Payment Schedule set forth in the above Truth-in-Lending Disclosures as well as any other sums due pursuant to this Agreement. No additional authority, acts, approvals or licenses are or will be necessary as a prerequisite to the enforceability of this Agreement. AFCO may, at its option, pay loan proceeds to any agent, broker, general agent, managing general agent or insurer set forth herein. Payments to AFCO are deemed made only upon receipt in good funds. Checks are accepted, subject to collection.
- SECURITY INTEREST AND POWER OF ATTORNEY:** Irrevocably appoints AFCO as Attorney-In-Fact with full authority to affect cancellation of the policies covered hereby or any substitution, rewrite or renewal thereof in accordance with the provisions herein, to receive all sums assigned to AFCO or in which it has granted AFCO a security interest. AFCO may execute and deliver on behalf of the Insured all documents, forms and notices relating to the policies covered hereby in furtherance of this Agreement. The Power of Attorney is coupled with an interest and the powers given herein may be exercised by the Attorney-In-Fact, or its successors and assigns.
- RECEIPT OF AGREEMENT AND PRIVACY NOTICE:** Acknowledges that it has received a copy of all pages of this Agreement and if the borrower is a consumer, the Insured acknowledges that he has received a copy of AFCO's Privacy Statement.

NOTICE: 1. DO NOT SIGN THIS AGREEMENT BEFORE YOU READ IT OR IF IT CONTAINS ANY BLANK SPACE. 2. YOU ARE ENTITLED TO A COMPLETELY FILLED-IN COPY OF THIS AGREEMENT. 3. UNDER THE LAW, YOU HAVE THE RIGHT TO PAY OFF IN ADVANCE THE FULL AMOUNT AND UNDER CERTAIN CONDITIONS TO OBTAIN A PARTIAL REFUND OF THE SERVICE CHARGE.

INSURED AGREES TO THE TERMS SET FORTH ABOVE AND ON ALL PAGES OF THIS AGREEMENT

_____ INSURED'S NAME	_____ SIGNATURE OF THE INSURED OR AUTHORIZED REPRESENTATIVE	_____ TITLE	_____ DATE
_____ INSURED'S NAME	_____ SIGNATURE OF THE INSURED OR AUTHORIZED REPRESENTATIVE	_____ TITLE	_____ DATE

AGENT/BROKER/PRODUCER WARRANTIES AND REPRESENTATIONS

The undersigned warrants and agrees: 1. The policies listed in the Schedule of Policies are in full force and effect, and the information and the premiums are correct. 2. The Insured has received a copy of this Agreement, has authorized this transaction and recognizes the security interest assigned herein. 3. To hold in trust for AFCO any payments made or credited to the Insured through or to the undersigned, directly or indirectly, actually or constructively by the insurance companies, their representatives or AFCO and to pay the monies as well as any unearned commissions to AFCO upon demand to satisfy the outstanding indebtedness of the Insured. 4. Any lien the undersigned has or may acquire in the return premiums arising out of the listed insurance policies is subordinate to AFCO's lien or security interest therein. 5. The policies comply with AFCO's eligibility requirements. 6. No audit or reporting form policies, policies subject to retrospective rating or minimum earned premium are included. 7. The deposit or provision premiums are not less than anticipated premiums to be earned for the full term of the policies. 8. The policies can be cancelled by the Insured and the unearned premiums will be computed on the standard short-rate or pro-rata table. 9. A proceeding in bankruptcy, receivership, or insolvency has not been instituted by or against the named Insured borrower. 10. That it has received the down payment and any other sums due as required by the Agreement and is holding same or they are attached to this Agreement. 11. No additional authority, acts, approvals or licenses are or will be necessary as a prerequisite to the enforceability of this Agreement. 12. AFCO will rely upon these representations in determining whether to accept this Agreement.

THE UNDERSIGNED FURTHER WARRANTS THAT IT HAS RECEIVED THE DOWN PAYMENT AND ANY OTHER SUMS DUE AS REQUIRED BY THE AGREEMENT AND IS HOLDING SAME OR THEY ARE ATTACHED TO THIS AGREEMENT

_____ AGENT OR BROKER	_____ SIGNATURE OF AGENT OR BROKER	_____ TITLE	_____ DATE
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(4) ASSIGNMENT OF SECURITY INTEREST AND POWER OF ATTORNEY: The Insured assigns and hereby gives a security interest to AFCO as collateral for the total amount payable in this Agreement and any other past, present or future extension of credit: (a) any and all unearned premiums or dividends which may become payable for any reason under all insurance policies financed by AFCO, (b) loss payments which reduce the unearned premiums, subject to any mortgagee or loss payee interests and (c) any interest in any state and relating to any financed policy. If any circumstances exist in which all premiums related to any policy could become fully earned in the event of any loss, AFCO shall assign its loss-payee with respect to such policy. AFCO at its option may enforce payment of this debt without recourse to the security given to AFCO. The Insured irrevocably appoints AFCO as its attorney in fact with full authority to (i) cancel all insurance financed by AFCO for the reason set forth in paragraph 13, whether pursuant to this or any other agreement, (ii) receive all sums hereby assigned to AFCO and (iii) execute and deliver on the Insured's behalf all documents, instruments of payment, forms and notices of any kind relating to the insurance in furtherance of this Agreement.

(5) WARRANTY OF ACCURACY: The Insured (i) warrants that all listed insurance policies have been issued to it and are in full force and effect and that it has not and will not assign any interest in the policies except for the interest of mortgagees and loss payees; (ii) authorizes AFCO to insert or correct on this Agreement, if omitted or incorrect, the insurer's name, the policy numbers, and the due date of the first installment and to correct any obvious errors; and (iii) authorizes AFCO to correct or remedy any error or omission in the completion of this Agreement. In the event of any such change, correction or insertion, or of any change in Blocks (A) thru (F), or in the Federal Truth-In-Lending Disclosures or in the Itemization of the Amount Financed Disclosures the Insured will be notified at the address shown hereon.

(6) REPRESENTATION OF SOLVENCY: The Insured represents that it is not insolvent or the subject of any insolvency proceeding.

(7) ADDITIONAL PREMIUMS: The money paid by AFCO is only for the premium as determined at the time the insurance policy is issued. AFCO's payment shall not be applied by the insurance company to pay for any additional premiums owed by the Insured resulting from any type of misclassification of the risk. The Insured shall pay to the insurer any additional premiums or any other sums that become due for any reason. The Insured agrees that, in the event the total premiums are greater than that shown hereon, or if the Insured requests additional premiums be added or additional premiums financed, this Agreement may be amended to reflect the actual premiums and the Insured will either (i) pay the difference in premium due or (ii) pay any required additional down payment and any additional finance charge permitted by law. In such event AFCO will forward the Insured a revision notice showing all information required by law. If AFCO assigns the same account number to any additional extension or extensions of credit, (i) this Agreement and any agreement or agreements identified by such account number shall be deemed to comprise a single and indivisible loan transaction, (ii) any default with respect to any component of such transaction shall be deemed a default with respect to all components of such transaction and (iii) any unearned premiums relating to any component of such transaction may be collected and applied by AFCO to the totality of such transaction.

(8) SPECIAL INSURANCE POLICIES: If the insurance policy is auditable or is a reporting form policy or is subject to retrospective rating, then the Insured promises to pay to the insurance company the earned premium computed in accordance with the policy provisions which is in excess of the amount of premium advanced by AFCO which the insurance company retains.

(9) FIRST NAMED INSURED: If the insurance policy provides that the first named insured in the policy shall be responsible for payment of premiums and shall act on behalf of all other insureds regarding the policy, then the same shall apply to this Agreement and the Insured represents that it is authorized to sign on behalf of all insureds. If not, then all insureds' names must be shown on this Agreement unless a separate agreement appoints an insured to act for the others.

(10) FINANCE CHARGE: The finance charge shown in Block D begins to accrue as of the earliest policy effective date, unless otherwise indicated in the Schedule of Policies, and shall continue to accrue until the balance due AFCO is paid in full or until such other date as required by law, notwithstanding any cancellation of coverage. If AFCO issues a Notice of Cancellation, AFCO may recalculate the total finance charge payable pursuant to this Agreement, and the Insured agrees to pay interest, on the Amount Financed set forth herein, from the first effective date of coverage, at the highest lawful rate of interest.

(11) AGREEMENT BECOMES A CONTRACT: This Agreement becomes a binding contract when AFCO mails the Insured its written acceptance and is not a contract until such time. The Insured agrees that (i) this Agreement may be transmitted by facsimile, E-mail or other electronic means to AFCO, (ii) any such transmitted Agreement shall be deemed a fully enforceable duplicate original document and (iii) such Agreement, when accepted by AFCO, shall constitute a valid and enforceable contract.

(12) DEFAULT AND DISHONORED CHECK CHARGES: If the Insured is late in making a loan payment to AFCO by more than the number of days specified by law the Insured will pay to AFCO a delinquency charge equal to the maximum charge permitted by law. If a check is dishonored, AFCO may re-present the check electronically and collect a service fee not to exceed the lesser of \$25 or the amount permitted by law.

(13) CANCELLATION: AFCO may cancel all insurance policies financed by AFCO after giving statutory notice and the full balance due to AFCO shall be immediately payable if the Insured does not pay any installment according to the terms of this or any other Agreement with AFCO. Payment of unearned premiums shall not be deemed to be payment of installments to AFCO, in full or in part.

(14) CANCELLATION CHARGES: If AFCO cancels any insurance policy in accordance with the terms of this Agreement the Insured will pay AFCO a cancellation charge, if permitted, up to the limit specified by law.

(15) MONEY RECEIVED AFTER NOTICE OF CANCELLATION: Any payments made to AFCO after mailing of AFCO's Notice of Cancellation may be credited to the Insured's account without affecting the acceleration of this Agreement and without any liability or obligation to request reinstatement of a canceled policy. In the event that AFCO requests, on the Insured's behalf, reinstatement of the policy, such request does not guarantee that coverage will be reinstated. Any money AFCO receives from an insurance company shall be credited to the amount due AFCO with any surplus paid over to whomever it is entitled. No refund of less than \$1 shall be made. In case of a deficiency, the Insured shall remain liable and pay the same with interest as set forth above.

(16) ATTORNEY FEES - COLLECTION EXPENSE: If, for collection, this Agreement is referred to an attorney and/or other party who is not a salaried employee of AFCO, the Insured agrees to pay any reasonable attorney fees and costs as well as other reasonable collection expenses, as permitted by law or granted by the court.

(17) PREPAYMENT AND REFUND CREDITS: The Insured may voluntarily prepay the full amount due and under certain conditions be entitled to receive a partial refund of the FINANCE CHARGE computed in accordance with the method prescribed by law, after deducting any fully earned charge permitted by law. AFCO may retain an additional non-refundable service charge as indicated on Page 1 of this Agreement. Any minimum or fully earned fees will be deducted as permitted by law. The Insured agrees that any refunds may be applied against any debts owed AFCO.

(18) INSURANCE AGENT OR BROKER: The insurance agent or broker named in this Agreement is the Insured's agent, not AFCO's and AFCO is not legally bound by anything the agent or broker represents to the Insured orally or in writing. AFCO has not participated in the choice, placement, acquisition or underwriting of any financed insurance. Any disclosures made by the agent are made in its capacity as the Insured's agent and AFCO makes no representations with respect to the accuracy of any such disclosures.

(19) NOT A CONDITION OF OBTAINING INSURANCE: This Agreement is not required as a condition of obtaining insurance coverage.

(20) SUCCESSORS AND ASSIGNS: All legal rights given to AFCO shall benefit AFCO's successors and assigns. The Insured will not assign this Agreement and/or the policies without AFCO's written consent except for the interest of mortgagees and loss payees.

(21) LIMITATION OF LIABILITY - CLAIMS AGAINST AFCO: The Insured hereby irrevocably waives and releases AFCO from any claims, lawsuits and causes of action which may be related to any prior loans and/or to any act or failure to act prior to the time that this Agreement becomes a binding contract, pursuant to paragraph 11. AFCO's liability for breach of any of the terms of this Agreement or the wrongful exercise of any of its powers shall be limited to the amount of the principal balance outstanding, except in the event of gross negligence or willful misconduct. Any claims against AFCO shall be litigated exclusively in the Supreme Court of the State of New York, County of New York.

(22) DISCLOSURE: The insurance company or companies and their agents, any intermediaries and the insurance agent or broker named in this Agreement and their successors are authorized and directed to provide AFCO with full and complete information regarding all financed insurance policy or policies, including, without limitation, the status and calculation of unearned premiums.

(23) ENTIRE DOCUMENT - GOVERNING LAW - ENFORCEMENT VENUE: This document is the entire agreement between AFCO and the Insured and can only be changed in a writing signed by both parties except as stated in paragraph (5). The laws of the state indicated in the Insured's address as set forth herein will govern this Agreement. AFCO may, at its option, prosecute any action to enforce its rights hereunder in the Supreme Court of the State of New York, County of New York, and the Insured (i) waives any objection to such venue and (ii) will honor any order issued by or judgment entered in such Court.

(24) WAIVER OF SOVEREIGN IMMUNITY: The Insured hereby certifies that it is empowered to enter into this Agreement without any restrictions and that the individual signing it has been fully empowered to do so. To the extent that the Insured either possesses or claims sovereign immunity for any reason, such sovereign immunity is expressly waived and the Insured agrees to be subject to the jurisdiction of the laws and courts set forth in the preceding paragraphs.

ADDENDUM TO PREMIUM FINANCE AGREEMENT – PROMISSORY NOTE

SCHEDULE OF POLICIES


Policy Prefix and Numbers	Effective Date of Policy/Inst.	Name of Insurance Company and Address of General or policy Issuing Agent or Intermediary	Type of Coverage	Months Covered	Premium \$
REF #12258864A Audit= N Min Ernd= 25% AddCxlDays= 10	4/21/2024	Coalition Insurance Company CRC Group 21550 Oxnard St Ste 400 Woodland Hills, CA 91367	CYBER LIABILITY Ref. Tax/Fee: Non-Ref. Tax/Fee:	12	\$11,999.00 \$743.94 \$421.70
Audit= Min Ernd= AddCxlDays=			Ref. Tax/Fee: Non-Ref. Tax/Fee:		
Audit= Min Ernd= AddCxlDays=			Ref. Tax/Fee: Non-Ref. Tax/Fee:		
Audit= Min Ernd= AddCxlDays=			Ref. Tax/Fee: Non-Ref. Tax/Fee:		
Audit= Min Ernd= AddCxlDays=			Ref. Tax/Fee: Non-Ref. Tax/Fee:		
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Audit= Min Ernd= AddCxlDays=			Ref. Tax/Fee: Non-Ref. Tax/Fee:		
Audit= Min Ernd= AddCxlDays=			Ref. Tax/Fee: Non-Ref. Tax/Fee:		

Recurring ACH Debit Authorization Form

Please complete this fillable digital form to have your payments automatically debited from your account listed below. Email the completed form to your Agent/Broker with your signed PFA. Or email directly to BankDirect Capital Finance ("BDCF") at payments@bankdirectcapital.com. If you need to print this form, please fax to 877.226.5297.

Name: Mangum City Hospital Authority
 Address: 1 Wickersham Street Mangum, OK 73554
 Phone: 580-782-3353
 BDCF Quote or Account # 2611783.1

Account Holder Name:	_____	
Bank Name:	_____	
Account Type:	Checking <input type="checkbox"/>	Savings <input type="checkbox"/>
Routing Number:	_____	
Account Number:	_____	
Account Holder Email Address:	_____	



ROUTING NUMBER: 000000186
ACCOUNT NUMBER: 000000529000

PLEASE ATTACH A VOIDED CHECK FOR ACCOUNT VERIFICATION & CONFIRMATION PURPOSES. It is agreed that you hereby authorize BankDirect to initiate an automatic debit to the financial account indicated (and authorize said financial institution to honor such debit) for any and all installments due under the BankDirect quote or account number listed above. It is further agreed that any additional fees, including but not limited to, late fees, non-sufficient funds fees and cancellations fee, will also be charged and debited from the indicated account should they accrue during the term of the loan. The debited installment amount is subject to change in the event of the financing of an additional premium or the crediting of an endorsement refund to the original PFA which has been processed to your existing account. You further understand, agree and affirm that: (1) the information you have provided above is correct and accurate; (2) you are authorized to enter into this agreement and are the signer on the above account; (3) funds will be available to cover the amount of the existing obligation on the payment due date or the business day prior to the due date should the due date fall on a weekend or holiday; (4) this authorization will remain in full force and effect until either (a) you request termination of this agreement by providing BankDirect written notice of the desire to terminate automatic ACH debit fifteen (15) days prior to desired termination date at the address or email below and/or (b) you receive written notification from BankDirect of termination resulting from the rejection of an ACH debit due to NSF or a closed account. BankDirect reserves the right to remove this ACH Debit Authorization at its sole discretion should an ACH debit be returned as unpaid for any reason, but BankDirect reserves its right to reestablish future ACH debits based on this authorization unless this authorization has been terminated as outlined above; (5) You may authorize changes to the bank account to be debited, authorize the extension of this document to additional BankDirect accounts or quotes, and authorize its use to ACH debit for the Down Payment on the indicated quote or account or any subsequent authorized quote or account, provided that authorization is granted in writing (an email request is deemed an acceptable notification in writing). You are authorizing BankDirect to act upon such request, without the necessity of an additional ACH Debit Authorization form; (6) Please check below if you wish for BankDirect to initiate an ACH Debit for the Down Payment on your quote/account. Do not provide this authorization if you have or intend to send the Down Payment directly to your authorized Insurance Agent. You hereby grant to your authorized Insurance Agent a limited attorney-in-fact to authorize BankDirect to initiate an ACH Debit for your Down Payment, either through use of the check box below or with their written instruction to BankDirect (an email request from your Insurance Agent to BankDirect is deemed an acceptable notification in writing).

 * **INCLUDE DOWN PAYMENT.** By checking this box, you authorize BankDirect to initiate an ACH debit for your down payment and you are *
 * **confirming you have not issued, nor do you intend to issue, the down payment directly to your authorized Insurance Agent.** *

Authorized & Agreed to by:

BY: _____
 Authorized Signatory of Account Holder Printed Name & Title Date

150 North Field Drive, Suite 190, Lake Forest, IL. 60045
 P: 877.226.5456 F: 877-226-5297
payments@bankdirectcapital.com



FUNDING BREAKDOWN BY POLICY

Date: 3/19/2024

Insured Name: Mangum City Hospital Authority

Quote#: 2611783.1

Producer: INSURICA of Central Oklahoma

Policy Number	Policy Type	Insurance Company	Down Payment Amount	Funding Amount
H003788	PROFESSIONAL	MedPro RRG Risk Retention Group	\$8,874.75	\$50,290.25
REF #12258864A	CYBER LIABILITY	Coalition Insurance Company	\$3,607.44	\$9,557.20
Totals:			\$12,482.19	\$59,847.45

Please indicate any special instructions:

Please email executed contracts to BankDirect Capital Finance at: pfa@bankdirectcapital.com

PREMIUM FINANCE AGREEMENT-PROMISSORY NOTE

150 North Field Drive, Suite 190, Lake Forest, Illinois 60045

Phone 877-226-5456 www.bankdirectcapital.com

Quote
26 Item 18.

Agent/Broker/Producer (Name and Address)
INSURICA of Central Oklahoma
3510 24th Ave NW, Ste 201
Norman, OK 73069

Telephone Number: 405-321-2700 Agency Code:18452INSURIC

Insured (Name and Address as shown on the policy(ies) including all insureds covered by the policies below)
Mangum City Hospital Authority
1 Wickersham Street
Mangum, OK 73554

Telephone Number: 580-782-3353

Creditor: AFCO Credit Corporation			Federal Truth In Lending Disclosures		
(A) Total Premiums	(B) Down Payment	(C) Amount Financed (The amount of credit provided to you or on your behalf)	(D) FINANCE CHARGE (The dollar amount the credit will cost you)	(E) Total of Payments (The amount you will have paid after you have made all payments as scheduled)	(F) ANNUAL PERCENTAGE RATE (The cost of your credit as a yearly rate)
\$67,818.26	\$17,452.76	\$50,365.50	* \$2,621.50	\$52,987.00	11.2%
Your PAYMENT SCHEDULE will be: Monthly			*Includes a non-refundable service charge of \$10.00		If the borrower under this Agreement is a consumer, you will receive an Itemization of the Amount Financed
No. of Payments		Amount of Payments	When Payments are Due		
10		\$5,298.70	On the 21st day of the month, beginning 5/21/2024		
<p>Security: You are giving a security interest in any and all unearned or return premium(s) and dividends which may become due under the policy(ies) being purchased.</p> <p>Late Charge: You will be charged 5% of the payment, subject to a minimum charge of \$5.00 on any payment received more than 5 days after the due date.</p> <p>Cancellation Charge: You will be charged a cancellation charge of \$25.00 if AFCO cancels any insurance policy in accordance with the terms of this Agreement.</p> <p>Prepayment: If you voluntarily prepay in full prior to the last installment due date you will not be charged a prepayment fee and you may be entitled to a refund of part of the finance charge.</p> <p>See Above and on the last page of this document for any additional information about non-payment default, any repayment in full before the scheduled date, and prepayment refunds and penalties.</p>					

SCHEDULE OF POLICIES

Policy Prefix and Numbers	Effective Date of Policy/Inst.	Name of Insurance Company and Address of General or policy Issuing Agent or Intermediary	Type of Coverage	Months Covered	Premium \$
H003788 Audit= N Min Ernd= 25% AddCxlDays= 10	4/21/2024	MedPro RRG Risk Retention Group PO Box 28300 New York, NY 10087	PROFESSIONAL LIABILITY Ref. Tax/Fee: Non-Ref. Tax/Fee:	12	\$59,165.00 \$0.00 \$0.00

In consideration of the payment(s) to be made by AFCO CREDIT CORPORATION ("AFCO") to the above insurance company(ies) ("Insurer(s)", either directly or through your or their agents, representatives, or producer, the above-named insured ("Insured") (jointly and severally if more than one):

- PROMISE OF PAYMENT:** Promises to pay to the order of AFCO at the above address or any address AFCO may designate, the Total of Payments in accordance with the Payment Schedule set forth in the above Truth-in-Lending Disclosures as well as any other sums due pursuant to this Agreement. No additional authority, acts, approvals or licenses are or will be necessary as a prerequisite to the enforceability of this Agreement. AFCO may, at its option, pay loan proceeds to any agent, broker, general agent, managing general agent or insurer set forth herein. Payments to AFCO are deemed made only upon receipt in good funds. Checks are accepted, subject to collection.
- SECURITY INTEREST AND POWER OF ATTORNEY:** Irrevocably appoints AFCO as Attorney-In-Fact with full authority to affect cancellation of the policies covered hereby or any substitution, rewrite or renewal thereof in accordance with the provisions herein, to receive all sums assigned to AFCO or in which it has granted AFCO a security interest. AFCO may execute and deliver on behalf of the Insured all documents, forms and notices relating to the policies covered hereby in furtherance of this Agreement. The Power of Attorney is coupled with an interest and the powers given herein may be exercised by the Attorney-In-Fact, or its successors and assigns.
- RECEIPT OF AGREEMENT AND PRIVACY NOTICE:** Acknowledges that it has received a copy of all pages of this Agreement and if the borrower is a consumer, the Insured acknowledges that he has received a copy of AFCO's Privacy Statement.

NOTICE: 1. DO NOT SIGN THIS AGREEMENT BEFORE YOU READ IT OR IF IT CONTAINS ANY BLANK SPACE. 2. YOU ARE ENTITLED TO A COMPLETELY FILLED-IN COPY OF THIS AGREEMENT. 3. UNDER THE LAW, YOU HAVE THE RIGHT TO PAY OFF IN ADVANCE THE FULL AMOUNT AND UNDER CERTAIN CONDITIONS TO OBTAIN A PARTIAL REFUND OF THE SERVICE CHARGE.

INSURED AGREES TO THE TERMS SET FORTH ABOVE AND ON ALL PAGES OF THIS AGREEMENT

_____ INSURED'S NAME	_____ SIGNATURE OF THE INSURED OR AUTHORIZED REPRESENTATIVE	_____ TITLE	_____ DATE
_____ INSURED'S NAME	_____ SIGNATURE OF THE INSURED OR AUTHORIZED REPRESENTATIVE	_____ TITLE	_____ DATE

AGENT/BROKER/PRODUCER WARRANTIES AND REPRESENTATIONS

The undersigned warrants and agrees: 1. The policies listed in the Schedule of Policies are in full force and effect, and the information and the premiums are correct. 2. The Insured has received a copy of this Agreement, has authorized this transaction and recognizes the security interest assigned herein. 3. To hold in trust for AFCO any payments made or credited to the Insured through or to the undersigned, directly or indirectly, actually or constructively by the insurance companies, their representatives or AFCO and to pay the monies as well as any unearned commissions to AFCO upon demand to satisfy the outstanding indebtedness of the Insured. 4. Any lien the undersigned has or may acquire in the return premiums arising out of the listed insurance policies is subordinate to AFCO's lien or security interest therein. 5. The policies comply with AFCO's eligibility requirements. 6. No audit or reporting form policies, policies subject to retrospective rating or minimum earned premium are included. 7. The deposit or provision premiums are not less than anticipated premiums to be earned for the full term of the policies. 8. The policies can be cancelled by the Insured and the unearned premiums will be computed on the standard short-rate or pro-rata table. 9. A proceeding in bankruptcy, receivership, or insolvency has not been instituted by or against the named Insured borrower. 10. That it has received the down payment and any other sums due as required by the Agreement and is holding same or they are attached to this Agreement. 11. No additional authority, acts, approvals or licenses are or will be necessary as a prerequisite to the enforceability of this Agreement. 12. AFCO will rely upon these representations in determining whether to accept this Agreement.

THE UNDERSIGNED FURTHER WARRANTS THAT IT HAS RECEIVED THE DOWN PAYMENT AND ANY OTHER SUMS DUE AS REQUIRED BY THE AGREEMENT AND IS HOLDING SAME OR THEY ARE ATTACHED TO THIS AGREEMENT

_____ AGENT OR BROKER	_____ SIGNATURE OF AGENT OR BROKER	_____ TITLE	_____ DATE
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(4) ASSIGNMENT OF SECURITY INTEREST AND POWER OF ATTORNEY: The Insured assigns and hereby gives a security interest to AFCO as collateral for the total amount payable in this Agreement and any other past, present or future extension of credit: (a) any and all unearned premiums or dividends which may become payable for any reason under all insurance policies financed by AFCO, (b) loss payments which reduce the unearned premiums, subject to any mortgagee or loss payee interests and (c) any interest in any state and relating to any financed policy. If any circumstances exist in which all premiums related to any policy could become fully earned in the event of any loss, AFCO shall assign its loss-payee with respect to such policy. AFCO at its option may enforce payment of this debt without recourse to the security given to AFCO. The Insured irrevocably appoints AFCO as its attorney in fact with full authority to (i) cancel all insurance financed by AFCO for the reason set forth in paragraph 13, whether pursuant to this or any other agreement, (ii) receive all sums hereby assigned to AFCO and (iii) execute and deliver on the Insured's behalf all documents, instruments of payment, forms and notices of any kind relating to the insurance in furtherance of this Agreement.

(5) WARRANTY OF ACCURACY: The Insured (i) warrants that all listed insurance policies have been issued to it and are in full force and effect and that it has not and will not assign any interest in the policies except for the interest of mortgagees and loss payees; (ii) authorizes AFCO to insert or correct on this Agreement, if omitted or incorrect, the insurer's name, the policy numbers, and the due date of the first installment and to correct any obvious errors; and (iii) authorizes AFCO to correct or remedy any error or omission in the completion of this Agreement. In the event of any such change, correction or insertion, or of any change in Blocks (A) thru (F), or in the Federal Truth-In-Lending Disclosures or in the Itemization of the Amount Financed Disclosures the Insured will be notified at the address shown hereon.

(6) REPRESENTATION OF SOLVENCY: The Insured represents that it is not insolvent or the subject of any insolvency proceeding.

(7) ADDITIONAL PREMIUMS: The money paid by AFCO is only for the premium as determined at the time the insurance policy is issued. AFCO's payment shall not be applied by the insurance company to pay for any additional premiums owed by the Insured resulting from any type of misclassification of the risk. The Insured shall pay to the insurer any additional premiums or any other sums that become due for any reason. The Insured agrees that, in the event the total premiums are greater than that shown hereon, or if the Insured requests additional premiums be added or additional premiums financed, this Agreement may be amended to reflect the actual premiums and the Insured will either (i) pay the difference in premium due or (ii) pay any required additional down payment and any additional finance charge permitted by law. In such event AFCO will forward the Insured a revision notice showing all information required by law. If AFCO assigns the same account number to any additional extension or extensions of credit, (i) this Agreement and any agreement or agreements identified by such account number shall be deemed to comprise a single and indivisible loan transaction, (ii) any default with respect to any component of such transaction shall be deemed a default with respect to all components of such transaction and (iii) any unearned premiums relating to any component of such transaction may be collected and applied by AFCO to the totality of such transaction.

(8) SPECIAL INSURANCE POLICIES: If the insurance policy is auditable or is a reporting form policy or is subject to retrospective rating, then the Insured promises to pay to the insurance company the earned premium computed in accordance with the policy provisions which is in excess of the amount of premium advanced by AFCO which the insurance company retains.

(9) FIRST NAMED INSURED: If the insurance policy provides that the first named insured in the policy shall be responsible for payment of premiums and shall act on behalf of all other insureds regarding the policy, then the same shall apply to this Agreement and the Insured represents that it is authorized to sign on behalf of all insureds. If not, then all insureds' names must be shown on this Agreement unless a separate agreement appoints an insured to act for the others.

(10) FINANCE CHARGE: The finance charge shown in Block D begins to accrue as of the earliest policy effective date, unless otherwise indicated in the Schedule of Policies, and shall continue to accrue until the balance due AFCO is paid in full or until such other date as required by law, notwithstanding any cancellation of coverage. If AFCO issues a Notice of Cancellation, AFCO may recalculate the total finance charge payable pursuant to this Agreement, and the Insured agrees to pay interest, on the Amount Financed set forth herein, from the first effective date of coverage, at the highest lawful rate of interest.

(11) AGREEMENT BECOMES A CONTRACT: This Agreement becomes a binding contract when AFCO mails the Insured its written acceptance and is not a contract until such time. The Insured agrees that (i) this Agreement may be transmitted by facsimile, E-mail or other electronic means to AFCO, (ii) any such transmitted Agreement shall be deemed a fully enforceable duplicate original document and (iii) such Agreement, when accepted by AFCO, shall constitute a valid and enforceable contract.

(12) DEFAULT AND DISHONORED CHECK CHARGES: If the Insured is late in making a loan payment to AFCO by more than the number of days specified by law the Insured will pay to AFCO a delinquency charge equal to the maximum charge permitted by law. If a check is dishonored, AFCO may re-present the check electronically and collect a service fee not to exceed the lesser of \$25 or the amount permitted by law.

(13) CANCELLATION: AFCO may cancel all insurance policies financed by AFCO after giving statutory notice and the full balance due to AFCO shall be immediately payable if the Insured does not pay any installment according to the terms of this or any other Agreement with AFCO. Payment of unearned premiums shall not be deemed to be payment of installments to AFCO, in full or in part.

(14) CANCELLATION CHARGES: If AFCO cancels any insurance policy in accordance with the terms of this Agreement the Insured will pay AFCO a cancellation charge, if permitted, up to the limit specified by law.

(15) MONEY RECEIVED AFTER NOTICE OF CANCELLATION: Any payments made to AFCO after mailing of AFCO's Notice of Cancellation may be credited to the Insured's account without affecting the acceleration of this Agreement and without any liability or obligation to request reinstatement of a canceled policy. In the event that AFCO requests, on the Insured's behalf, reinstatement of the policy, such request does not guarantee that coverage will be reinstated. Any money AFCO receives from an insurance company shall be credited to the amount due AFCO with any surplus paid over to whomever it is entitled. No refund of less than \$1 shall be made. In case of a deficiency, the Insured shall remain liable and pay the same with interest as set forth above.

(16) ATTORNEY FEES - COLLECTION EXPENSE: If, for collection, this Agreement is referred to an attorney and/or other party who is not a salaried employee of AFCO, the Insured agrees to pay any reasonable attorney fees and costs as well as other reasonable collection expenses, as permitted by law or granted by the court.

(17) PREPAYMENT AND REFUND CREDITS: The Insured may voluntarily prepay the full amount due and under certain conditions be entitled to receive a partial refund of the FINANCE CHARGE computed in accordance with the method prescribed by law, after deducting any fully earned charge permitted by law. AFCO may retain an additional non-refundable service charge as indicated on Page 1 of this Agreement. Any minimum or fully earned fees will be deducted as permitted by law. The Insured agrees that any refunds may be applied against any debts owed AFCO.

(18) INSURANCE AGENT OR BROKER: The insurance agent or broker named in this Agreement is the Insured's agent, not AFCO's and AFCO is not legally bound by anything the agent or broker represents to the Insured orally or in writing. AFCO has not participated in the choice, placement, acquisition or underwriting of any financed insurance. Any disclosures made by the agent are made in its capacity as the Insured's agent and AFCO makes no representations with respect to the accuracy of any such disclosures.

(19) NOT A CONDITION OF OBTAINING INSURANCE: This Agreement is not required as a condition of obtaining insurance coverage.

(20) SUCCESSORS AND ASSIGNS: All legal rights given to AFCO shall benefit AFCO's successors and assigns. The Insured will not assign this Agreement and/or the policies without AFCO's written consent except for the interest of mortgagees and loss payees.

(21) LIMITATION OF LIABILITY - CLAIMS AGAINST AFCO: The Insured hereby irrevocably waives and releases AFCO from any claims, lawsuits and causes of action which may be related to any prior loans and/or to any act or failure to act prior to the time that this Agreement becomes a binding contract, pursuant to paragraph 11. AFCO's liability for breach of any of the terms of this Agreement or the wrongful exercise of any of its powers shall be limited to the amount of the principal balance outstanding, except in the event of gross negligence or willful misconduct. Any claims against AFCO shall be litigated exclusively in the Supreme Court of the State of New York, County of New York.

(22) DISCLOSURE: The insurance company or companies and their agents, any intermediaries and the insurance agent or broker named in this Agreement and their successors are authorized and directed to provide AFCO with full and complete information regarding all financed insurance policy or policies, including, without limitation, the status and calculation of unearned premiums.

(23) ENTIRE DOCUMENT - GOVERNING LAW - ENFORCEMENT VENUE: This document is the entire agreement between AFCO and the Insured and can only be changed in a writing signed by both parties except as stated in paragraph (5). The laws of the state indicated in the Insured's address as set forth herein will govern this Agreement. AFCO may, at its option, prosecute any action to enforce its rights hereunder in the Supreme Court of the State of New York, County of New York, and the Insured (i) waives any objection to such venue and (ii) will honor any order issued by or judgment entered in such Court.

(24) WAIVER OF SOVEREIGN IMMUNITY: The Insured hereby certifies that it is empowered to enter into this Agreement without any restrictions and that the individual signing it has been fully empowered to do so. To the extent that the Insured either possesses or claims sovereign immunity for any reason, such sovereign immunity is expressly waived and the Insured agrees to be subject to the jurisdiction of the laws and courts set forth in the preceding paragraphs.

ADDENDUM TO PREMIUM FINANCE AGREEMENT – PROMISSORY NOTE


SCHEDULE OF POLICIES

Policy Prefix and Numbers	Effective Date of Policy/Inst.	Name of Insurance Company and Address of General or policy Issuing Agent or Intermediary	Type of Coverage	Months Covered	Premium \$
REF #12258864A Audit= N Min Ernd= 25% AddCxlDays= 10	4/21/2024	Lloyds of London CRC Group 21550 Oxnard St Ste 400 Woodland Hills, CA 91367	CYBER LIABILITY Ref. Tax/Fee: Non-Ref. Tax/Fee:	12	\$7,500.00 \$489.00 \$664.26
Audit= Min Ernd= AddCxlDays=			Ref. Tax/Fee: Non-Ref. Tax/Fee:		
Audit= Min Ernd= AddCxlDays=			Ref. Tax/Fee: Non-Ref. Tax/Fee:		
Audit= Min Ernd= AddCxlDays=			Ref. Tax/Fee: Non-Ref. Tax/Fee:		
Audit= Min Ernd= AddCxlDays=			Ref. Tax/Fee: Non-Ref. Tax/Fee:		
Audit= Min Ernd= AddCxlDays=			Ref. Tax/Fee: Non-Ref. Tax/Fee:		
Audit= Min Ernd= AddCxlDays=			Ref. Tax/Fee: Non-Ref. Tax/Fee:		
Audit= Min Ernd= AddCxlDays=			Ref. Tax/Fee: Non-Ref. Tax/Fee:		
Audit= Min Ernd= AddCxlDays=			Ref. Tax/Fee: Non-Ref. Tax/Fee:		
Audit= Min Ernd= AddCxlDays=			Ref. Tax/Fee: Non-Ref. Tax/Fee:		

Recurring ACH Debit Authorization Form

Please complete this fillable digital form to have your payments automatically debited from your account listed below. Email the completed form to your Agent/Broker with your signed PFA. Or email directly to BankDirect Capital Finance ("BDCF") at payments@bankdirectcapital.com. If you need to print this form, please fax to 877.226.5297.

Name: Mangum City Hospital Authority
 Address: 1 Wickersham Street Mangum, OK 73554
 Phone: 580-782-3353
 BDCF Quote or Account # 2624133.1

Account Holder Name:	_____		
Bank Name:	_____		
Account Type:	Checking <input type="checkbox"/>	Savings <input type="checkbox"/>	
Routing Number:	_____		
Account Number:	_____		
Account Holder Email Address:	_____		

PLEASE ATTACH A VOIDED CHECK FOR ACCOUNT VERIFICATION & CONFIRMATION PURPOSES. It is agreed that you hereby authorize BankDirect to initiate an automatic debit to the financial account indicated (and authorize said financial institution to honor such debit) for any and all installments due under the BankDirect quote or account number listed above. It is further agreed that any additional fees, including but not limited to, late fees, non-sufficient funds fees and cancellations fee, will also be charged and debited from the indicated account should they accrue during the term of the loan. The debited installment amount is subject to change in the event of the financing of an additional premium or the crediting of an endorsement refund to the original PFA which has been processed to your existing account. You further understand, agree and affirm that: (1) the information you have provided above is correct and accurate; (2) you are authorized to enter into this agreement and are the signer on the above account; (3) funds will be available to cover the amount of the existing obligation on the payment due date or the business day prior to the due date should the due date fall on a weekend or holiday; (4) this authorization will remain in full force and effect until either (a) you request termination of this agreement by providing BankDirect written notice of the desire to terminate automatic ACH debit fifteen (15) days prior to desired termination date at the address or email below and/or (b) you receive written notification from BankDirect of termination resulting from the rejection of an ACH debit due to NSF or a closed account. BankDirect reserves the right to remove this ACH Debit Authorization at its sole discretion should an ACH debit be returned as unpaid for any reason, but BankDirect reserves its right to reestablish future ACH debits based on this authorization unless this authorization has been terminated as outlined above; (5) You may authorize changes to the bank account to be debited, authorize the extension of this document to additional BankDirect accounts or quotes, and authorize its use to ACH debit for the Down Payment on the indicated quote or account or any subsequent authorized quote or account, provided that authorization is granted in writing (an email request is deemed an acceptable notification in writing). You are authorizing BankDirect to act upon such request, without the necessity of an additional ACH Debit Authorization form; (6) Please check below if you wish for BankDirect to initiate an ACH Debit for the Down Payment on your quote/account. Do not provide this authorization if you have or intend to send the Down Payment directly to your authorized Insurance Agent. You hereby grant to your authorized Insurance Agent a limited attorney-in-fact to authorize BankDirect to initiate an ACH Debit for your Down Payment, either through use of the check box below or with their written instruction to BankDirect (an email request from your Insurance Agent to BankDirect is deemed an acceptable notification in writing).

 * **INCLUDE DOWN PAYMENT.** By checking this box, you authorize BankDirect to initiate an ACH debit for your down payment and you are *
 * **confirming you have not issued, nor do you intend to issue, the down payment directly to your authorized Insurance Agent.** *

Authorized & Agreed to by:

BY: _____
 Authorized Signatory of Account Holder Printed Name & Title Date

150 North Field Drive, Suite 190, Lake Forest, IL. 60045
 P: 877.226.5456 F: 877-226-5297
payments@bankdirectcapital.com



FUNDING BREAKDOWN BY POLICY

Date: 3/19/2024

Insured Name: Mangum City Hospital Authority

Quote#: 2624133.1

Producer: INSURICA of Central Oklahoma

Policy Number	Policy Type	Insurance Company	Down Payment Amount	Funding Amount
H003788	PROFESSIONAL	MedPro RRG Risk Retention Group	\$14,791.25	\$44,373.75
REF #12258864A	CYBER LIABILITY	Lloyds of London	\$2,661.51	\$5,991.75
Totals:			\$17,452.76	\$50,365.50

Please indicate any special instructions:

Please email executed contracts to BankDirect Capital Finance at: pfa@bankdirectcapital.com

Hospital Vendor Contract Summary Sheet

1. Existing Vendor New Vendor

2. **Name of Contract:** Oklahoma Department of Health Greer County
3. **Contract Parties:** Oklahoma Department of Health/MRMC

4. **Contract Type Services:** Service Contract

5. **Impacted Hospital Departments:** Xray

6. **Contract Summary:** MRMC will provide Chest X-Ray services to patients designated to receive such services from the Greer County Health Department. The Greer County Health Department will provide a \$30.00 payment per view PA or Lateral.

7. **Cost:**

8. **Prior Cost:** none

9. **Term:** 1 year

10. **Termination Clause:** 30-day Written Notice

11. **Other:**

MANGUM REGIONAL MEDICAL CENTER
GREER COUNTY HEALTH DEPARTMENT
TB X-RAY AGREEMENT

THIS AGREEMENT, ENTERED INTO BETWEEN THE GREER COUNTY HEALTH DEPARTMENT (GCHD) AND MANGUM REGIONAL MEDICAL CENTER (MRMC), IS FOR THE PURPOSE OF PROVIDING X-RAY SERVICES FOR PATIENTS DESIGNATED TO RECEIVE SUCH SERVICES FROM THE GREER COUNTY HEALTH DEPARTMENT. THIS AGREEMENT IS MADE PURSUANT TO AUTHORITY IN TITLE 63, SECTION 206.1, OKLAHOMA STATUES 1970 SUPPLEMENT.

IT IS AGREED THAT THE MANGUM REGIONAL MEDICAL CENTER WILL PROVIDE THE SERVICES SPECIFIED IN THE AGREEMENT:

- A. X-RAYS TO BE TAKEN AND PROCESSED **(BUT NOT READ)**.
- B. DISK/FILM TO BE PICKED UP BY GCHD TO MAIL TO THE GENERAL COMMUNICABLE DISEASE DIVISION, OSDH.
 - 2. WILL MAINTAIN PATIENTS RECORDS IN A MANNER THAT IS HIPAA COMPLIANT.
 - 3. WILL PROVIDE THE SERVICES WITHOUT DISTINCTION AS TO THE PATIENTS RACE, COLOR OR NATIONAL ORIGIN.

IT IS FURTHER AGREED THAT UPON RECEIPT OF THE SERVICES SET FORTH MANGUM REGIONAL MEDICAL CENTER WILL BE PAID AT THE RATE OF **\$30.00 PER VIEW OF PA or LATERAL X-RAYS**. PAYMENT SHALL BE MADE UPON RECEIPT OF INVOICES EACH MONTH INDICATING THE DATE OF SERVICES RENDERED, NAME OF PATIENT SERVICES RENDERED FOR, AS WELL AS TYPE AND NUMBER OF X-RAYS TAKEN.

THIS AGREEMENT COVERS THE PERIOD OF JULY 1, 2024 TO JUNE 30, 2025. THIS AGREEMENT MAY BE CANCELLED BY EITHER PARTY UPON THIRTY (30) DAYS WRITTEN NOTICE.

Incorporated herein in its entirety, and made a part of this contract, is the Business Associate Agreement signed between the Parties.

APPROVED:



MANGUM REGIONAL MEDICAL CENTER

DATE

BRANDIE COMBS, REGIONAL DIRECTOR
GREER COUNTY HEALTH DEPARTMENT

DATE

Greer County Health Department
PO Box 1/2100 N Louis Tittle Ave
Mangum OK 73554
580-782-5531 580-782-5438 Fax

Hospital Vendor Contract Summary Sheet

1. Existing Vendor New Vendor
2. **Name of Contract:** Data Center Warehouse
3. **Contract Parties:** MRMC/Data Center Warehouse
4. **Contract Type Services:** Credit Agreement
5. **Impacted Hospital Departments:** IT Department
6. **Contract Summary:** This is to set up payment terms between Mangum Regional Medical Center and Data Center Warehouse who provides IT supplies.
7. **Cost:**
8. **Prior Cost:**
9. **Term:**
10. **Termination Clause:**
11. **Other:**



Credit Application

1. Company Information

Name	DBA	
Federal ID	Date Established	
Ownership Type	Incorporation Date	
Account Executive	Incorporation State	
Telephone #	Fax	

2. Company Officers

CEO/President	Telephone #	
CFO/Treasurer	Telephone #	
Accounts Payable	Telephone #	
	Accounts Payable E-mail	

3. Shipping & Billing Addresses

Shipping	Billing	
City	City	
State / Zip	State / Zip	

4. Type of Credit

Net 30
 Credit Card
 Pre Pay
 Wire / ACH

For Credit Card Only Proceed to Section 8

5. General Information

Credit Line Requested	# of Employees	
Annual Sales	Dunn & Bradstreet #	

6. Bank Information

Bank Name (1)	Bank Name (2)	
Street	Street	
City	City	
State / Zip	State / Zip	
Telephone #	Telephone #	
Contact	Contact	
Account #	Account #	
Account Type	Account Type	
Other	Other	

7. Trade References

Name	Name	
Street	Street	
City	City	
State / Zip	State / Zip	
Telephone #	Telephone #	
Fax #	Fax #	
Contact	Contact	
Credit Line	Credit Line	
Name	Name	
Street	Street	
City	City	
State / Zip	State / Zip	
Telephone #	Telephone #	
Fax #	Fax #	
Contact	Contact	
Credit Line	Credit Line	

8. Terms and Conditions

This credit application and agreement is submitted by the undersigned authorized representative of a customer (hereafter Customer) to Data Center Warehouse, LLC (hereafter Data Center Warehouse), to obtain trade credit and shipment of products from Data Center Warehouse. Customer agrees to make payment in full to Data Center Warehouse for all amounts due according to Data Center Warehouse’s invoice(s). In the event Data Center Warehouse should commence any action to collect any amounts owing by Customer or any Guarantor, or otherwise seeks to enforce this agreement against Customer or any Guarantor, Customer and any Guarantor consent to jurisdiction and venue in Orange County, California Superior Court and agree to pay reasonable attorneys’ fees, court and other expenses incurred by Data Center Warehouse, whether or not a lawsuit is filed, and including any and all related fees and costs of appeals. This agreement is not transferable or assignable without prior written consent of Data Center Warehouse. This agreement shall become effective upon acceptance by Data Center Warehouse. Customer and Customer’s authorized representative signing this agreement hereby represent and warrant that the information provided in this application and in any and all additional documents, financial statements or other information furnished by Customer to Data Center Warehouse is true and correct in all material respects and contains all information necessary so that this application is not materially misleading. Customer acknowledges that Data Center Warehouse is relying on the accuracy of the information provided by Customer. Customer warrants that it is submitting this document on its own behalf; that it is not acting in concert with any other entity; and is not establishing an account with Data Center Warehouse for any other purpose other than the purchase of computer hardware for its customers and/or its own use. Customer hereby grants Data Center Warehouse a security interest in any and all goods purchased by Customer from Data Center Warehouse, and in the accounts receivable and proceeds from accounts receivable attributable to Customer’s resale of such goods, to secure any and all obligations of Customer to Data Center Warehouse, including but not limited to, any obligation of payment. Customer agrees to execute any additional documents necessary to perfect or continue any security interest related to this application. Customer also agrees to notify Data Center Warehouse promptly and in writing in the event that any of the information provided to Data Center Warehouse in or in connection with this credit application materially changes. The person signing this agreement represents and warrants that he or she is authorized by Customer to sign this agreement and to bind Customer to its terms. Neither Customer nor any of its Affiliates (i) is, or is controlled by, a “restricted party” within the meaning of the Anti-Terrorism Laws, (ii) has received funds or other property from, or engaged in any other transaction with, a restricted party, or (iii) is the subject of any action or investigation under any Anti-Terrorism Law. Customer and its Affiliates are in compliance with the Anti-Terrorism Laws. Neither Customer nor any of its Affiliates, or any of their respective officers, directors, employees, agents or other representatives, has taken any action that violates or will violate the Foreign Corrupt Practices Act (FCPA), or any similar law to the extent applicable. Customer shall not: (i) conduct any business or engage in any transaction or dealings with any “restricted person” including the making or receiving any contribution of funds, goods or services to or for the benefit of any restricted person, (ii) deal in, or otherwise engage in any transaction relating to, any property or interests in property blocked pursuant to Executive Order No. 13224, or (iii) engage in or conspire to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in Executive Order No. 13224, the USA PATRIOT Act, the OFAC Sanction Programs, or any other Anti-Terrorism Law.

DATED AT (CITY, STATE) _____, AS OF THIS _____ DAY OF _____ 20____

SIGNED BY _____ NAME AND TITLE _____



Mangum Regional Medical Center

2023

Annual Infection Control Risk Assessment

and

Annual Infection Control Program Evaluation

Annual Infection Control Risk Assessment

Hospital Name: Mangum Regional Medical Center

Date of Report: 02 / 27 / 2024

PURPOSE

- Provides a basis for infection surveillance, prevention, and control activities.
- Identifies at-risk populations/procedures in the Hospital.
- Assists in focusing surveillance efforts on targeted goals.
- Aids in meeting regulatory and other requirements.
- Provides a basis for developing the Infection Control Plan.
- Identify gaps in infection prevention measures/processes.
- Communication Tool-Provide leadership and patient care providers with known and potential risks which can directly affect the patients we serve.
- Identify infections with the highest probability and potential for harm; life threatening, loss of function, loss of community trust, loss of Hospital good will, financial threat, legal and/or regulatory issues.
- Identify environmental issues/concerns.
- Evaluation of the Hospital's preparedness to eliminate or mitigate the harm or risk of harm.
- The identified risks of greatest importance and urgency are then selected and prioritized.

Assessment Process

1. Convene a team (e.g., Administrator, Department Leads, Plant Ops, Clinical Personnel, EVS, and frontline staff) to conduct the risk assessment.
2. Identify potential risk factors in each of the following categories:
 - Geography/Weather of Area Served
 - Population & Community Served

- Communication
 - Employees
 - Environment of Care
 - Risk for Infections
 - Emergency Preparedness and Management
 - Education
 - Treatment and Care Practices
 - Other areas identified by the Hospital
3. Assess and score each potential risk factor based on the following:
 - a. **Potential impact** of the event/condition on patients and personnel, determined by evaluating the potential for patient illness, injury, infection, death, need for admission as an inpatient; the potential for personnel illness, injury, infection, shortage; potential to impact the Hospital's ability to function/remain open; and degree of clinical and financial impact.
 - b. **Probability of the event/condition occurring** determined by evaluating the risk of the potential threat actually occurring. Information regarding historical data, infection surveillance data, the scope of services provided by the Hospital, and the environment of the surrounding area (topography, interstate roads, chemical plants, railroad, ports, etc.) are considered when determining this score.
 - c. **Hospital's preparedness** to deal with the event/condition determined by considering policies and procedures already in place, staff experience and response to actual situations, and available services and equipment.
 4. After risk scores are assigned in the three assessment groups, total the numbers in each group to provide a numerical risk level for each event/ condition.
 5. Rank the events/conditions from the highest to lowest score in the table provided. Select the risks with the highest scores for priority focus for developing the annual Infection Control and Prevention Plan (ICPP). NOTE: Some events/conditions with a lower score may be selected because they are a regulatory requirement.
 6. The Infection Control Risk Assessment (ICRA), ICPP, and the Annual Infection Control Program Evaluation should be reviewed and approved by the Hospital's Infection Control and Quality Assurance and Performance Improvement Committees and forwarded to the Medical Staff and Governing Board for review and approval. The ICRA and ICPP should be reviewed annually (and sooner if circumstances change).
 7. The following personnel conducted or assisted in the development of the ICRA:

Name & Title	Department	Name & Title	Department	Name & Title	Department	Name & Title	Department	Name & Title	Department
Meghan Smith RN	IP/EH	Ivy Bowden, BSN RN <u>April Summerlin</u> BSN, RN, CIC	IP Consultant	Nicholas Walker, BSN RN	CCO	Melissa Tunstall Emergency Prep Manager	Emergency Preparedness	Mark Champman	Plant Ops

8. The ICRA was shared with others to solicit comments and feedback.
9. How to compute the numerical risk level of each item:
 - a. Enter a number value for each question in the Risk Grid based on the information and data collected (e.g., med = 2).
 - b. Each question should have a numeric value.
 - c. Once all the questions are answered add the numeric values for each question for the total Numeric Risk Level Score (e.g., 3 + 2 +1 = 6).
 - d. A numerical risk level of nine (9) is identified as the highest perceived potential risk.
 - e. Based on the Risk Assessment the Infection Preventionist and Hospital can determine the top three (3) most problematic infection control risks to the Hospital, patients, and/or staff. The Risk Assessment will help guide the IP and the team to establish goals in a collaborative manner. The team will develop goals and measurable objectives to combat these risks and implement plans to ensure the success of the Infection Control Program.
10. Establish time to review risk assessment goals, objectives, strategies, and progress on a routine schedule (e.g., monthly). Document progress, successes, failures, and readjustments to strategies to ensure objectives are successfully met.
11. Ensure initial and ongoing revisions, progress, and action plans of the ICRA are submitted concurrently and reviewed by the appropriate Hospital committees (Infection Control, Quality Assurance & Performance Improvement, Med Staff, and Governing Board).

HOSPITAL DEMOGRAPHICS

Mangum Regional Medical Center is ~~located~~located at 1 Wickersham Dr. Mangum, Oklahoma 73554 Greer County. The hospital is an 18-bed hospital. The hospital maintains an Emergency Department, outpatient, and inpatient services for acute, observation, and skilled levels of care. The hospital employs 68 employees. The medical staff is comprised of 10 providers and/or practitioners which includes Physicians, Nurse Practitioners, and Physician Assistants. Medical specialties include (Infectious Disease, Wound, Pulmonary, etc.). Health care service lines include nursing, respiratory, lab, radiology, dietary, therapy, wound care, telemedicine, and outpatient senior mental health services.

GEOGRAPHY/TOPOGRAPHY/~~WEATHER~~ OF WEATHER OF THE AREA SERVED

Geographical & Environmental Factors	Characteristics That Increase Risk	Characteristics That Decrease Risk
1. Mangum, OK- Greer County is a rural area with farming and livestock. 2. Towns include Granite, Willow and Mangum. 3. Nearby- Blair, Duke, Lone Wolf, Hollis, Olustee, Altus, Elk City, Reed, Brinkman, Erick, Sayre. 4. Altus Air Force Base 5. Mangum Brick Plant 6. Rattle Snake Festival- every April 7. Quartz Mountain, Lake Altus-Lugart, Hollis 8. Geography ranges from flat lands to mountains. Many hiking trails with wildlife present.	1. Rural, two-lane roads. 2. Interstate/major highway access is 30 miles/29 minutes away. 3. Large tractors and farm equipment utilizing public access roads. 4. Weather/natural events: drought, high winds, and wildfires (Mangum Fire of 7/15/22). 5. Lack of public transportation. 6. Rural phone and internet service providers. 7. Lack of dependable cellular phone and internet service. 8. 152 miles to major medical services in Oklahoma City.	1. Low crime rate. 2. Low probability for chemical, mass casualty, and hazardous events. 3. Community resources: local police and fire departments, first responders. 4. Appendix 1 Hazard and Vulnerability Assessment performed 2023 by EP Appendix 2 Building Risk Assessment performed 2023 by EP

Event/Condition	What is potential impact of event/condition on patients & staff?				What is probability of event/condition occurring?				What is Hospital's preparedness to deal with this event/condition?				Numerical Risk Level
	High (3)	Med (2)	Low (1)	None (0)	High (3)	Med (2)	Low (1)	None (0)	None (3)	Poor (2)	Fair (1)	Good (0)	
Weather		2				2						0	4
Wildlife Exposure		2				2						0	4

POPULATION & COMMUNITY SERVED

Population Served	Characteristics That Increase Risk	Characteristics That Decrease Risk
1. Total Population in 2021: 2,677 2. Median age group is 38.3 years.	1. Rising unemployment rate of 3.1% for August 2022. 2. Tobacco abuse of 39.6% compared to 23.3% of OK. 3. Poverty rate of 18.74%	1. 80.4% pop. with health coverage. 2. One local pharmacy, Puckett's

<p>3. Age greater than 65years: 20 %</p> <p>4. Veteran Status: 4.8% - 130 total registered: 104 males, 26 females.</p> <p>5. Foreign born population: 1.57%.</p> <p>6. Language other than English spoken at home: Spanish 4.1%.</p> <p>7. High School Graduate: 83.5%</p> <p>8. Bachelors: 11.3%.</p> <p>9. Median Per Capita income: \$40,431</p> <p>10. Median Household income: \$55,351 with average 2.3 persons/household.</p>	<p>4. 13.2% pop. without health insurance.</p> <p>5. Teen birth rate of 3.2% (24.1% in OK).</p> <p>6. Declining employment.</p> <p>7. 25.6% OK pop. with mental illness (national rate: 19.86%).</p> <p>8. Suicide rate of 27.5-39.2/100k (22/100k in OK).</p> <p>9. 14.3% adults admit to binge drinking (14.5% in OK).</p> <p>10. 41% of adults are obese.</p> <p>11. 40.1% do not engage in physical exercise (33.4% in OK).</p> <p>12. Poor diet choices: 24.2% get recommended daily serving of vegetables.</p> <p>13. Unintentional Injury Death rate/100k pop: 96 (Greer) 76 (OK).</p> <p>14. Housing availability: 1434 housing units; 77% occupied; of those occupied 63% by owner.</p> <p>15. Limited EMS available.</p> <p>16. 41.31% of Greer County in an “Severe” drought (Drought.gov).</p> <p>17. Extreme heat; 113 degrees at highest.</p>	<p>3. Clinics/Free clinics located in Hollis and Altus: Shortgrass.</p> <p>4. Two Primary Care Clinics: Mangum Family Medicine and JCMH Family Care Clinic of Mangum.</p> <p>5. One mental health/substance abuse facility: Red Rock in Elk City.</p> <p>6. One local nursing home: Mangum Skilled Nursing and Rehab.</p> <p>7. Hospitals nearby: Hobart (Elk View), Elk City (GPRMC), Altus (JCMH).</p> <p>8. Greer County Health Department in Mangum.</p> <p>9. #Healthier OK health initiative. Oklahoma Health Improvement Plan (OHIP).</p>
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Event/Condition	What is potential impact of event/condition on patients & staff?				What is probability of event/condition occurring?				What is Hospital’s preparedness to deal with this event/condition?				Numerical Risk Level
	Risk Level	High (3)	Med (2)	Low (1)	None (0)	High (3)	Med (2)	Low (1)	None (0)	None (3)	Poor (2)	Fair (1)	
People with chronic conditions	3					2						0	5
Access to specialty providers. (cardiology, nephrology, etc)	3					2						0	5

COMMUNICATION

Hospital Communications Internal/External	Characteristics That Increase Risk	Characteristics That Decrease Risk
1. Current communication system: Phone, IT, interfacility communication; faxes, email, mail, cell phones, two-way radios. 2. Alternate communication Emergency contact list/phone tree.	1. Communication failure due to weather/natural events. 2. Frequent equipment breakdown. 3. Areas with poor to no cellular service. 4. Lack of copper line to ensure phones work when server is down.	5. Appendix 3: List of Disaster Contacts and Emergency Response Partners available for use. 6. Back-up communication systems to consist of: two-way radios, EMS scanner, employee cell phones. 7. Internal & emergency contact lists. 8. Emergency Preparedness coordinator in-house. 9. Practice drills performed on a regular basis to assess communication systems and development of action plans to address failures. 10. MERC contact and communications and regional planning group. 11. Fiber-optic phone lines underground. 12. Scanners to communicate with emergency partners. 13. Dedicated phone line to call Air-Evac team. 14. Consider use of runners in case of internal communication failures

Event/Condition	What is potential impact of event/condition on patients & staff?				What is probability of event/condition occurring?				What is Hospital's preparedness to deal with this event/condition?				Numerical Risk Level	
	Risk Level	High (3)	Med (2)	Low (1)	None (0)	High (3)	Med (2)	Low (1)	None (0)	None (3)	Poor (2)	Fair (1)		Good (0)
Weather			1				1					1		3
Poor internet/phone service			1				1						0	2

EMPLOYEES

Employees	Characteristics That Increase Risk	Characteristics That Decrease Risk
Number of employees:	1. Failure of staff to adhere to infection control standards & safe practices.	1. Staff training upon hire; CAUDI,CLABSI, MDRO, HAI prevention, bloodborne pathogens

<p>68 employees 10 providers Variable agency nurses</p>	<ol style="list-style-type: none"> 2. Mask and PPE fatigue resulting in decreased vigilance of masking while in Hospital. 3. Vaccine hesitancy and declinations to obtain Covid or Influenza vaccines. 4. General lack of knowledge regarding infection prevention and rationales for protocols. 5. Moderate to low rates of community spread of Covid-19. 6. Temporary agency staffing for nursing with relatively few “core” staff nurses to provide continuity and consistency. 	<ol style="list-style-type: none"> 2. Annual infection control and prevention training 3. Surveillance activities to monitor PPE and handwashing compliance. 4. Employee illness plan & policy to comply with current CDC isolation guidelines. 5. Employee tracking of illness with mandatory isolation per CDC guidelines for infectious disease. 6. Effective screening program for employee immunizations and required HCW testing in place prior to beginning shifts. 7. Hepatitis B vaccination offered free of charge. 8. Annual influenza vaccine clinic. Vaccine is offered free of charge to all employees.
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Event/Condition	What is potential impact of event/condition on patients & staff?				What is probability of event/condition occurring?				What is Hospital’s preparedness to deal with this event/condition?				Numerical Risk Level
	High (3)	Med (2)	Low (1)	None (0)	High (3)	Med (2)	Low (1)	None (0)	None (3)	Poor (2)	Fair (1)	Good (0)	Total
PPE Fatigue	3					2						0	4

ENVIRONMENT OF CARE

Environment	Characteristics That Increase Risk	Characteristics That Decrease Risk
<ol style="list-style-type: none"> 1. Biohazard waste management program. 2. Routine upgrades/maintenance to facility. 3. Trained EVS staff. 4. Facility uses EPA & Hospital-approved cleaners and disinfectants. 	<ol style="list-style-type: none"> 1. Overall lack of knowledge by staff on cleaning/disinfecting and best practices. 2. Failure of staff to adhere to established cleaning policies. 3. Decreased space available for equipment storage. 4. General age of hospital building and lack of infrastructure. 5. Lack of official tag-out process for malfunctioning equipment. 6. Nursing workstations in hallways. 7. Lab housed in separate facility external to hospital presenting multiple safety issues as lab staff must cross parking lot to 	<ol style="list-style-type: none"> 1. Daily reporting to EVS staff of maintenance issues in patient rooms (clipboard at nurses’ station). 2. Plant Ops dept. to care for and manage the Hospital’s physical, mechanical, and structural environment. 3. Environment of care rounding every quarter with

<p>5. Appropriate storage areas for dirty and clean items.</p> <p>6. Appropriate infection prevention measures implemented with construction/renovations activities.</p> <p>7. Appropriate area for high-risk areas (biohazard storage area, dirty utility, etc.)</p>	<p>access hospital. These include exposure to icy conditions, high winds/tornados, snow/rain, etc. as well as exposure to potentially dangerous community members such as disgruntled patients (ED) and family members, patients who left AMA, and those members responsible for local crimes such as drugs and theft.</p>	<p>rapid correction of findings and implementation of new actions.</p> <p>4. Onboarding education about Safety Data Sheets and where to find them.</p> <p>5. Dedicated IP nurse and trained EVS staff.</p> <p>6. Biohazard waste management program with dedicated Biohazard space for waste containment.</p> <p>7. Continued commitment to upgrades required to facility to maintain compliance.</p> <p>8. Dedicated aseptic space to prepare intravenous solutions for patients.</p> <p>9. IV poles and pumps bagged and tagged upon cleaning.</p> <p>10. Appendix 1 Hazard and Vulnerability Assessment—performed 2022 by EP.</p> <p>11. Appendix 2 Building Risk Assessment performed 2022 by EP.</p>
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Event/Condition	What is potential impact of event/condition on patients & staff?				What is probability of event/condition occurring?				What is Hospital's preparedness to deal with this event/condition?				Numerical Risk Level
	High (3)	Med (2)	Low (1)	None (0)	High (3)	Med (2)	Low (1)	None (0)	None (3)	Poor (2)	Fair (1)	Good (0)	
Staff Adherence to Policies		2				2						0	4
General lack of knowledge		2				2						0	4

RISK FOR INFECTIONS

Device Related Infections	Characteristics That Increase Risk	Characteristics That Decrease Risk
Foley Catheters Ventilators Central Lines PICC Lines.	<ol style="list-style-type: none"> 1. Inconsistent adherence to infection prevention practices. 2. Staffing shortages. 3. Missed preventative care outlined in bundled prevention elements. 4. Altered level of consciousness in patient that interferes with appropriate care of lines and catheters. 5. Bowel incontinence. 6. Catheter insertion not performed using aseptic technique. 7. High-risk patient population. 	<ol style="list-style-type: none"> 1. Staff training upon hire and annually. 2. Implementation of CLABSI and CAUTI bundle elements. 3. Surveillance activities to monitor compliance of Bundle elements with associated provision of just in time training, if needed. 4. Consult with patient team re: removal of lines when no longer needed as well as interdisciplinary review of line for necessity. 5. Analyze trends/patterns and implementation of corrective actions to prevent or reduce infections. 6. Weekly dressing changes to PICC lines performed by IP RN for continuity of care.
Diarrheal Diseases	Characteristics That Increase Risk	Characteristics That Decrease Risk
C. diff	<ol style="list-style-type: none"> 1. Prolonged antibiotic use. 2. Use of PPIs. 3. High-risk patient population. 4. Delayed placement of patient on isolation precautions. 5. Ineffective hand hygiene and PPE compliance of staff. 6. Failure to effectively disinfect the environment and medical equipment. 7. Delayed identification of disease. 8. Patients with past or prolonged Hospitalization. 9. Staffing shortages. 10. Untimely and/or inadequate specimen collection. 	<ol style="list-style-type: none"> 1. Effective antibiotic stewardship program. 2. Rapid and strict isolation with use of enteric precautions. 3. Appropriate cleaning & disinfecting techniques by EVS. 4. Staff compliance with C. diff precautions. 5. Education to staff regarding severity of disease and need for early identification. 6. Use of dedicated patient-care equipment. 7. Implementation of daily patient bathing with soap and water. 8. Early identification of at-risk patients.

Respiratory Diseases	Characteristics That Increase Risk	Characteristics That Decrease Risk
Flu, Colds, MDRO's, Novel Viruses	<ol style="list-style-type: none"> 1. Staffing shortages/inconsistencies, ongoing. 2. Transmissibility and virulence of virus or bacteria. 3. Lack of flu/pneumococcal/COVID immunization of employees & patients. 4. Immunosuppression of patients. 5. Failure of staff to adhere to infection control measures. 6. Community/staff prevalence of illness. 7. Corona virus and subsequent mutations. 8. Monkeypox virus emergence. 9. Data suggestive of identification and lack of care for tuberculosis infections. 10. Reopening of Hospital entrance and decreased restriction on visitation in effort to change from pandemic-level care to endemic precautions. 11. Increase in novel viruses and respiratory illnesses (influenza, RSV). 12. Heightened risk for Ebola, poliovirus, monkey pox, cholera. 13. Lack of screening for recent travel in Hospital and ER patients. 	<ol style="list-style-type: none"> 1. Patient/Employee screening for flu vaccination and administration as indicated. 2. Novel coronavirus screening and detection. 3. Properly performed hand hygiene. 4. Transmission and respiratory/cough etiquette precautions. 5. Monitoring updates, OSDH alerts, distribution of educational materials, use of monkeypox screening tool. 6. Consulting Cohesive COVID Task Force. 7. Active surveillance by IP for flu, colds, and novel viruses. 8. Increased awareness of staff to presence of heightened risk of monkeypox, poliovirus, Ebola, RSV, influenza, and respiratory illness of unknown source. 9. Daily monitoring of culture results. 10. Maintain awareness of local, state, national occurrences of respiratory and other diseases such as tuberculosis and implementation of appropriate actions and precautions as indicated.
Significant Organisms	Characteristics That Increase Risk	Characteristics That Decrease Risk
MRSA, VRE, ESBL's, CRE	<ol style="list-style-type: none"> 1. Staffing shortages/inconsistencies. 2. High-risk patient population, esp. those from long term care facilities. 3. Inadequate/untimely specimen collection. 4. Widespread prevalence of significant organisms. 5. History of hospitalization in patient population. 6. Staff compliance with hand hygiene and PPE use. 	<ol style="list-style-type: none"> 1. Daily culture surveillance to monitor results. 2. Rapid identification and strict isolation of patients with infections. 3. PIP in place to improve PPE compliance to reduce spread of infection. 4. Antibiotic stewardship with antibiotic regimen change, if required, based on sensitivities.

	<ol style="list-style-type: none"> 7. Failure to effectively disinfect the environment and medical equipment. 8. Delayed identification of infection. 9. Staff uncertainty with isolation standards and guidelines. 	<ol style="list-style-type: none"> 5. Education to staff re: appropriate cleaning & disinfecting techniques. 6. Encouraging staff compliance with transmission precautions. 7. Education to staff regarding severity of disease, consequences of transmission, and need for early identification.
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Event/Condition	What is potential impact of event/condition on patients & staff?				What is probability of event/condition occurring?				What is Hospital's preparedness to deal with this event/condition?				Numerical Risk Level
	High (3)	Med (2)	Low (1)	None (0)	High (3)	Med (2)	Low (1)	None (0)	None (3)	Poor (2)	Fair (1)	Good (0)	Total
CAUTI		2					1					0	3
MDRO		2				2						0	4

TREATMENT AND CARE PRACTICES

Treatment & Care Practices	Characteristics That Increase Risk	Characteristics That Decrease Risk
Treatment & Care of the Patient	<ol style="list-style-type: none"> 1. Failure to collect specimens in an appropriate and timely manner. 2. Culture results not received in timely manner. 3. Lack of appropriate hand hygiene and/or PPE use by staff with isolated patients. 4. Ineffective cleaning/disinfecting medical equipment and surrounding environment. 5. Inadequate staff education and training regarding evidence-based practices. 6. Staff not following recommended infection control guidelines. 7. Staff inconsistencies/staffing shortages. 	<ol style="list-style-type: none"> 1. Rapid and strict isolation of patients. 2. Low nurse-to-patient ratios. 3. Readily available and plentiful PPE in accessible door-front caddies. 4. Daily stocking of PPE carts. 5. New hand sanitizing devices/equipment (pending delivery). 6. Nursing education/remediation and feedback per required need. 7. Education to housekeeping staff of appropriate cleaning & disinfecting techniques. 8. Encouragement of staff compliance with infection prevention measures. 9. Dedicated IP for program of culture surveillance and practice adherence monitoring.

<p>8. Failure to identify high risk patients in a timely manner.</p> <p>9. Lack of dedicated patient care equipment.</p> <p>10. No official antibiotic stewardship program per pharmacy.</p>	<p>10. Weekly IDT meeting (interdisciplinary team meeting) to discuss patient’s plan of care and adjust the patient’s plan of care to meet the needs of the patient).</p>
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Event/Condition	What is potential impact of event/condition on patients & staff?				What is probability of event/condition occurring?				What is Hospital’s preparedness to deal with this event/condition?				Numerical Risk Level
	High (3)	Med (2)	Low (1)	None (0)	High (3)	Med (2)	Low (1)	None (0)	None (3)	Poor (2)	Fair (1)	Good (0)	Total
Lack of appropriate hand hygiene and/or PPE use by staff with isolation patients.		2				2						0	4

EMERGENCY PREPAREDNESS & MANAGEMENT

Emergency Preparedness	Characteristics That Increase Risk	Characteristics That Decrease Risk
<ol style="list-style-type: none"> Emergency Plans/Drills. Safety officer. Staff Training, annual. Plan for emerging infectious disease /influx of infectious patients (e.g., polio, monkey pox, COVID-19 variants, Ebola, RSV). 	<ol style="list-style-type: none"> Lack of knowledge surrounding local events and situations with potential for impact on Hospital. Commute time for a large portion of employees who live outside of Mangum and community. No on-site security guards; will require 911 to be called. One true isolation room for airborne illnesses. Lack of EMS transportation for emergency relocation. 	<ol style="list-style-type: none"> EP plan in place; safety officer named (M. Tunstall, RTR). Annual Risk Assessments performed per policy. Drills/events with immediate post-drill review of performance to identify need for corrective action. Policy and Procedure for potential infectious outbreaks with hard copy binders at nurses’ station (Appendix 12: Pandemic Disease Plan) EMS scanner at nurses’ station for up-to-date emergency information and to coordinate with emergency response partners. Staff training upon on hire and annually, and as needed.

	<p>6. Distance to larger communities with more resources:</p> <ul style="list-style-type: none"> • 25 miles / 32 min drive to Altus, OK. • 42 miles / 44 min drive to Elk City, OK. • 152 miles / 2 hr. 17 min drive to OKC. 	<p>6. Materials manager keeps routine emergency supplies readily available to include all PPE needed.</p> <p>7. Plant Ops maintains 7 negative pressure rooms to be available as needed.</p> <p>8. OR room 2 can be negative pressure and is reserved for emergency isolation of potentially infectious ED patients.</p>
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Event/Condition	What is potential impact of event/condition on patients & staff?				What is probability of event/condition occurring?				What is Hospital's preparedness to deal with this event/condition?				Numerical Risk Level
	High (3)	Med (2)	Low (1)	None (0)	High (3)	Med (2)	Low (1)	None (0)	None (3)	Poor (2)	Fair (1)	Good (0)	Total
Lack of staff training in emergency preparedness	3						1				1		6
Employee commute		2					1					0	3

EDUCATION AND COMPETENCY EVALUATION

Education & Competency Evaluation	Characteristics That Increase Risk	Characteristics That Decrease Risk
Performed every quarter, upon hire, and on-demand as need arises.	<ol style="list-style-type: none"> 1. Lack of staff awareness of policy and procedure. 2. Lack of consistent core staff familiar with Hospital policies and procedures. 3. Travel distance to extracurricular educational offerings. 4. Difficulty communicating necessary information to entire staff. 5. Few opportunities to conduct in-person meeting and trainings. 	<ol style="list-style-type: none"> 1. Quarterly Skills Fair topics with mandatory attendance. 2. Carelearning for annual competencies. 3. Onboarding/new hire education. 4. Read and sign educational bulletins as situation requires. 5. Practice drills/codes performed. 6. Targeted education for all staff to include agency and core.

		<ul style="list-style-type: none"> 7. Analysis of IC data/trends and quality indicators to drive educational offerings. 8. Weekly visits by corporate IP for guidance and direction. 9. BLS/ACLS/PALS classes offered routinely. 10. Cohesive Healthcare educational leadership.
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Event/Condition	What is potential impact of event/condition on patients & staff?				What is probability of event/condition occurring?				What is Hospital's preparedness to deal with this event/condition?				Numerical Risk Level
	High (3)	Med (2)	Low (1)	None (0)	High (3)	Med (2)	Low (1)	None (0)	None (3)	Poor (2)	Fair (1)	Good (0)	
Attendance		2				2						0	4
Lack of drills/in person training		2				2						0	4

RISK ASSESSMENT & INFECTION CONTROL PLAN FOR 2024

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Summary of Previous Year Goals 2023

- 1.) Indwelling urinary catheter infection rate per 1000 IUC days will not exceed benchmark. Number of UTIs in patients without an IUC will not exceed 1 in 2023.
- 2.) Demonstrate sustained PPE compliance as evidenced by meeting or exceeding benchmark by end of Q2 2023.

GOALS FOR 2024					
Risk Event/Condition	Goal <small>(a goal is a broad statement indicating the change you want to make, they identify)</small>	Objective <small>(Who, What, When, Where, How, measurable, includes timeframe for completion)</small>	Strategies <small>(Develop strategies to achieve objectives; strategies are the actions that)</small>	Responsible Person	Method for Evaluating Effectiveness

	an issue, i.e., improving hand hygiene)		are designed to achieve the desired improvement)		
CAUTI	By December 2024, decreased number of CAUTI's by 50%	1. The IP and designated surveyors will monitor CAUTI bundle compliance monthly or more often as indicated	<ul style="list-style-type: none"> • Ensure all patients with catheters have catheter securement device. • Ensure all patients only have catheters for medically acceptable criteria. • Ensure all patients are receiving catheter care twice a day • Educate staff on the importance of following CAUTI compliance bundle. • Follow up on catheter usage at weekly IDT meeting. • Use standardized tool to measure CAUTI compliance. 	M. Smith RN, IP	Direct observations and chart audits

			<ul style="list-style-type: none"> Weekly rounding on all catheters and as needed. 		
HAI	By December 2024, the hospital will decrease HAIs by 50%	1.The IP will continue to educate nursing, Respiratory therapy, and axillary staff on prevention of HAIs.	<ul style="list-style-type: none"> Monitor swing bed admissions from outside facilities. Encourage providers to order new sets of labs and review transfer paperwork to monitor any infections that would have occurred at previous facility. Educate staff on preventions of HAI's. CAUTI and CLABSI compliance monitoring by IP 	M. Smith RN, IP	Direct observations and chart audits

Indicator	Previous 2022	Past Recent 2023	Comments/Actions (As Applicable)
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CAUTI	1	2	<p>2 CAUTI/1183 total IUC days for total infection rate for 2023= 1.69%. Benchmark 1.0</p> <p>Actions:</p> <ol style="list-style-type: none"> 1. Initiate education module for nursing regarding Hospital-acquired urinary tract infections/CAUTIs with focus on maintaining cleanliness in an environment of incontinence. 2. Staff re-educated about the importance of performing excellent peri care and catheter care each shift and more often as needed for linen and incontinence brief changes. 3. Consider addition of peri/catheter care task to EMAR for daily check off by nursing; will discuss with CCO and IT to determine feasibility. 4. Increase use of external urine drainage management systems (example: male condom catheters and Purewicks for females). 5. continue education regarding rationale for bundle compliance measures. 6. Continue monitoring and surveillance of CAUTI bundle compliance and line necessity.
CLABSI	0	1	<p>1 CLABSI/1129 total central line days.</p> <p>Actions:</p> <ol style="list-style-type: none"> 1. Educate staff that hand hygiene is a key component of any effective patient safety and infection prevention program. 2. Aseptic technique, a method used to prevent contamination with microorganisms, is recommended by the evidence-based guidelines for all instances of insertion and care of central venous catheters (CVCs). 3. When preparing to insert CVCs, health care personnel should be attentive to maximal sterile barrier precautions, skin preparation, catheter selection, and use of catheter kits or carts. 4. Using an insertion checklist can improve adherence to best practices and reduce error. 5. Proper maintenance of CVCs includes disinfection of catheter hubs, connectors, and injection ports and changing dressings over the site every two days for gauze dressings or every seven days for semipermeable dressings. 6. A dressing should also be changed if it becomes damp, loose, or visibly soiled. 7. Health care personnel must ensure that a patient's CVC is removed or replaced at the appropriate time and in a safe manner. Continue monitoring and surveillance of CLABSI bundle
MRSA Bacteremia	0	0	
MDRO	0	0	
C. diff	0	0	
Ventilator Associated Event	0	0	70 ventilator days

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Isolation Days	1345		Unable to collect correct number of isolation days for 2023 due to a change in IP personnel and their documentation of Census days collected was deleted from her profile. IP currently trying to see if number can be pulled from CPSI.
Hand Hygiene Compliance	97%	97%	
PPE Compliance	92%	96%	

ANNUAL INFECTION CONTROL PROGRAM EVALUATION

Review of Infection Control Indicators

Review of Employee Health Program

Indicator	Previous 2022	Past Recent 2023	Comments/Actions (As Applicable)
Employee Injuries	8	8	Employee Health Nurse will continue to monitor, report, and follow up on all employee injuries. EHN will encourage employees to report all work-related injuries in a timely manner and complete an appropriate incident report and follow up
Employee Light Duty Days	0	0	
Employee Total Temporary Disability Days	0	0	
Employee Influenza Vaccination Compliance	68%	67%	IP will continue to educate and encourage employees to participate in Employee Influenzae Vaccine Program.
Employee Influenza Occurrences	3	0	

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New Services Added 2023: None

Annual Updates to Infection Control Program 2023

1. Education

a. Staff

- 9/23: Influenza and immunization education
- 10/23: Hand hygiene/PPE
- 10/23: ACLS/PALS
- 12/23: Nursing Skills Fair
 - Blood transfusion and documentation
 - Sepsis and CPSI documentation
 - CAUTI Prevention
 - PICC maintenance
 - PPE/Hand hygiene
 - Pharmacy IV Compounding/Med Dispense

b. IP

- Weekly Education with Cohesive Corporate IP
- EPIC Annual Conference (virtual attendance)
- Monthly In-service Meeting with Cohesive IP team
- Bi-weekly Cohesive Lunch and Learn
- Oklahoma Hospital Association Infection Control Bootcamp



2. Changes to Program

- 9/23: Appointed new Infection Preventionist (IP), Meghan Smith RN

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3. Policies

- 6/23: ICP-032 Medical Equipment, Devices, and Supplies
- 9/23: ICP-015 Seasonal Influenza

4. New Procedures/Protocols

- a. Adult and Pediatric Sepsis Protocol
- b. IP to track and monitor all patient that have an incident involving accidental removal or damage to:
 - i. Central Lines or other IV type lines
 - ii. Foley catheters
 - iii. Suprapubic catheters
 - iv. ET tubes
 - v. Drainage tubes
 - vi. Other line events

5. Infection Control Initiatives

- 10/23: Employee Flu Clinic

6. Conferences

- 9/23: Oklahoma Hospital Association Infection Prevention Bootcamp
- 10/23: Infection Prevention Boot Camp Webinar
- 11/23: EPIC Annual Conference

7. Other

Hospital Renovation/Construction Projects

Hospital Renovation/Construction Projects 2023

Title of Project	Date Started	Date Completed	ICRA Completed	Outcome
Direct TV Installation	10/19/23	10/25/23	10/19/23	Project completed
Cafeteria floor restoration	10/24/23	10/31/23	10/24/23	Project completed

Special Services (for the previous year; insert year):

- None

Year End Summary Review

MRMC’s end of year reviewed showed an increase in CAUTI’s and HAI’s. The IP has had focused education listed about to help improve care provided by clinical staff. During the months of August and September there was a change in IP leadership. New IP started in September 2023 and is new to Infection Prevention. Corporate IP provided weekly training, as well as monthly call with all IPs within Cohesive network. The annual skills fair was completed in December 2023 and had a great staff turn out. Hospital Leadership changed too with a new CCO and CEO. Both individuals are clinical with a history of active RN licensure and are willing to participate in staff education and training. IP will continue to monitor all measures listed in the current QAPI for the new year 2024, to allow IP to better understand the role of IP program.

Situational Updates:

COVID-19:

- (something about weekly monitor of local/state/federal rates)
- Viral View report to Monthly Meetings
- Report positive cases to OSHD when admitted to facility.
- Preadmission testing with Rapid on all patients and Rapid/PCR for all patients with s/s of COVID and placed on precautions until results are collected and negative.

Influenza:

- Viral View report to monthly meeting
- Report positive cases to PHIDDO when admitted to facility.
- Monitor all patients and staff for s/s of influenza.
- Report Influenza Vaccination to OSISS
- CPSI and HL7 continue to work on interface with OSISS for automatic upload of patient vaccinations into the OSISS system from CPSI.

Monkeypox:

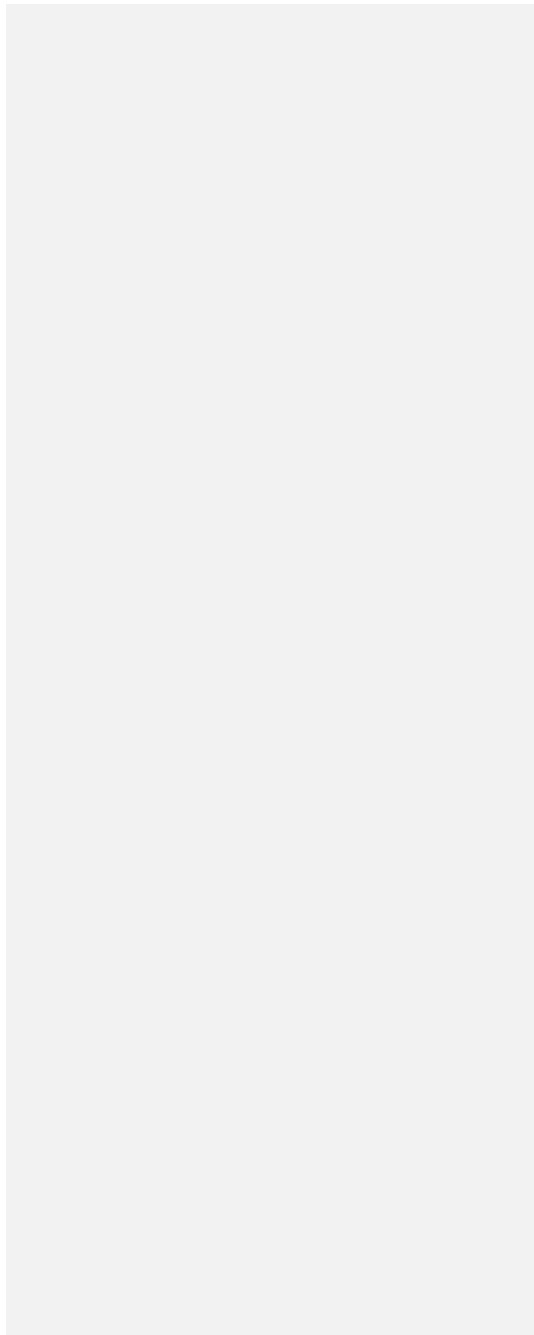
- Forward update to clinical staff December 2023.
- Encourage ER providers to monitor patients with unknown causes of rash.
- Encourage ER providers to assess recent travel for patients with s/s of Monkeypox.

RSV:

- Viral View report to monthly meeting.
- Report positive cases to PHIDDO when admitted to facility.

Verification Approval of Infection Control Risk Assessment & Annual Infection Control Program Evaluation

_____	_____
<i>Infection Preventionist</i>	<i>Date</i>
_____	_____



Quality Manager

Date

Medical Director

Date

Governing Board Member

Date