



**THIS ENDORSEMENT IS ATTACHED TO AND MADE PART OF YOUR  
POLICY.**

**THIS ENDORSEMENT DOES NOT GRANT ANY COVERAGE OR CHANGE THE TERMS AND  
CONDITIONS OF ANY COVERAGE UNDER THE POLICY.**

**DISCLOSURE OF PREMIUM  
(RELATING TO DISPOSITION OF TRIA)**

**SCHEDULE\***

(1) Premium attributable to risk of loss from certified acts of terrorism through the end of the policy period based on the extension of the Terrorism Risk Insurance Act of 2002, as amended by the Terrorism Risk Insurance Extension Act of 2005, ("TRIA") for lines subject to TRIA and the Terrorism Risk Insurance Program Reauthorization Act of 2007 (TRIPRA):

EXCLUDED

If TRIA terminates, the portion of this premium attributable to the remaining part of the policy period, as modified by any change shown in (2) of this Schedule, applies to the risk of loss from terrorism after the termination of TRIA.

(2) Premium change upon termination of TRIA or upon applicability of a Conditional Endorsement:

No change unless one of the following is completed -

Return Premium: \$ N/A

Additional Premium \$ N/A

If we notify you of an additional premium charge, the additional premium will be due as specified in such notice.

\*Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

**A. Disclosure of Premium**

In accordance with the TRIA, we are required to provide you with a notice disclosing the portion of your premium, if any, attributable to the risk of loss from terrorist acts certified under that Act for lines subject to TRIA. That portion of your premium attributable is shown in the Schedule of this endorsement or in the Declarations.

**B. Disclosure of Federal Participation in Payment of Terrorism Losses**

The United States Government, Department of the Treasury, will pay a share of terrorism losses insured under the federal program. The federal share equals 85% of that portion of the amount of such insured losses that exceeds the applicable insurer retention. The Act currently provides for no insurance industry or United States government participation in terrorism losses that exceed \$100 billion in any one calendar year. The federal program established by the Act is scheduled to terminate at the end of

December 31, 2014 unless extended by the federal government.

**C. Possibility of Additional or Return Premium**

The premium attributable to the risk of loss from certified acts of terrorism coverage is calculated based on the coverage (if any) in effect at the beginning of your policy for certified acts of terrorism. If your policy contains a Conditional Endorsement, the termination of TRIA or extension of the federal program with certain modifications (as explained in that endorsement) may modify the extent of coverage (if any) your policy provides for terrorism. If TRIA terminates or the Conditional Endorsement becomes applicable to your policy, the return premium (if any) or additional premium (if any) shown in (2) of the Schedule will apply. If the level or terms of federal participation change, the premium shown in (1) of the Schedule attributable to that part of the policy period extending beyond such a change may not be appropriate and we will notify you of any changes in your premium.

# Disclosure Statement



It is our pleasure to present the enclosed policy to you  
for presentation to your customer.

## **INSTRUCTION TO AGENT OR BROKER:**

WE REQUIRE THAT YOU TRANSMIT THE ATTACHED/ENCLOSED DISCLOSURE STATEMENT TO THE CUSTOMER  
WITH THE POLICY.

Once again, thank you for your interest, and we look forward to meeting your needs and those of your customers.

# Disclosure Statement



## NOTICE OF DISCLOSURE FOR AGENT & BROKER COMPENSATION

If you want to learn more about the compensation Zurich pays agents and brokers visit:

<http://www.zurichnaproducercompensation.com>

or call the following toll-free number: (866) 903-1192.

This Notice is provided on behalf of Zurich American Insurance Company  
and its underwriting subsidiaries.

# Health Care Excess Liability Policy Declarations



**STEADFAST INSURANCE COMPANY**  
Dover, Delaware  
Administrative Offices - 1400 American Lane  
Schaumburg, Illinois 60196-1056

**Policy No.:** HPC 0113235-00

**Replaces:** HPC 5746866 01

**Producer:** Alliant Insurance Services Inc  
5847 San Felipe St Ste 2750  
Houston, TX 77057-3265

## SECTION I - DECLARATIONS

**Item 1.** Named Insured: Behavioral Health Insurance Pool, Inc  
Address: 333 E Osborn Rd  
Phoenix, AZ 85012-2360

**Form of Business:** ☐ Individual ☐ Partnership ☒ Corporation  
☐ Other:

The first Named Insured above, on behalf of itself and all insureds, shall be responsible for payment of premium and receipt of return premium, if any, in accordance with Condition K.

**Item 2.** Policy Period: From: 03/31/2015 To: 12/31/2015  
12:01 A.M. Standard Time at the address of the first Named Insured shown above.

**Item 3.** Premium for Policy:

(A) Deposit Premium	\$150,273
(B) Minimum Earned Premium for Policy	\$37,568

**Item 4.** Limits of Liability:

Our Limits: (A) Each "Occurrence" or "Medical Incident"	\$15,000,000
(B) Annual Aggregate	\$15,000,000
Part Of: (C) Each "Occurrence" or "Medical Incident"	\$15,000,000
(D) Annual Aggregate	\$15,000,000

**Item 5.** Underlying Insurance:  
Our limits of liability apply in excess of the following total limits of liability of "underlying insurance"

(A) Each "Occurrence" or "Medical Incident"	\$ 2,000,000
(B) Annual Aggregate	\$15,000,000

SL: Freddie Nutt, 5444 Westheimer, Suite 900, Houston, TX 77056

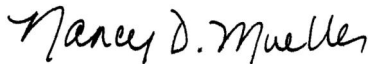
Surplus Lines Tax (3%) \$4,508.19  
Stamping Fee (.2%) \$300.55

**Item 6.** The "governing underlying insurance policy" is:

Policy No: HLC10006713600  
Name of issuing insurance company: Endurance American Specialty Insurance Company  
Type of insurance: Healthcare Umbrella Liability Policy  
Policy Term: 03/31/2015 to 12/31/2015

**Item 7.** Retroactive Date: 12/16/1998, as applicable to coverage provided by this policy that is written on a claims-made basis. If no date is shown, our retroactive date is the same as applies for the "governing underlying insurance policy":

**Item 8.** Endorsements attached at issue: See attached Schedule of Forms and Endorsements.



President

  
Corporate Secretary

Pursuant to Arizona Revised Statutes Section 20-401.1, Sub-Section B, Paragraph 1, this policy is issued by an insurer that does not possess a certificate of authority from the Director of the Arizona Department of Insurance. If the insurer that issued this policy becomes insolvent, insureds or claimants will not be eligible for insurance guaranty fund protection pursuant to Arizona Revised Statutes Title 20.



# Schedule of Forms and Endorsements

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
HPC 0113235-00	03/31/2015	12/31/2015	03/31/2015	31411000	---	---

## Named Insured and Mailing Address:

Behavioral Health Insurance Pool, Inc  
333 E Osborn Rd  
Phoenix, AZ 85012-2360

## Producer:

Alliant Insurance Services Inc  
5847 San Felipe St Ste 2750  
Houston, TX 77057-3265

Form Name	Form Number	Edition Date	Endorsement No.
Disclosure of Premium (Relating to Disposition of TRIA)	U-GU-692-C CW	(06/13)	
Health Care Excess Liability Policy	U-HCU-493-A CW	(12/98)	
Certified Act of Terrorism Exclusion	U-HCU-842-A CW	(04/08)	1
Conditional Terrorism Exclusion (Relating to the Disposition of Federal Terrorism Risk Insurance Act)	U-HCU-769-B CW	(06/06)	2
Notice Provisions Amended	U-HCU-507-C CW	(08/14)	3
Prior Acts Exclusion Endorsement	U-HCU-747-A CW	(06/03)	4
General Purpose Endorsement	U-HCU-405-A CW	(02/10)	5
General Purpose Endorsement	U-HCU-405-A CW	(02/10)	6
General Purpose Endorsement	U-HCU-405-A CW	(02/10)	7
Sanctions Exclusion Endorsement	U-GU-1191-A CW	(03/15)	
Important Notice - Service of Suit and In Witness Clause	STF-GU-199-B CW	(01/09)	
Florida - Disclosure of Important Information Relating to Terrorism Risk Insurance Act	U-GU-773-A FL	(04/08)	



# Health Care Excess Liability Policy

## Section II: General Policy Provisions

**READ THE ENTIRE POLICY CAREFULLY TO DETERMINE RIGHTS, DUTIES AND WHAT IS AND WHAT IS NOT COVERED.**

**NOTICE: THIS POLICY IS INCOMPLETE UNLESS SECTION I, DECLARATIONS, IS ATTACHED.**

This policy has been issued in reliance upon the statements in the Declarations and in the application submitted for this insurance. Various provisions in this policy restrict coverage.

Wherever used in this policy, the words "you" and "your" refer to the "Named Insured" shown in the Declarations and the words "We", "Us", and "Our" refer to the Company providing this insurance. Other words and phrases in this policy that appear in quotation marks have special meanings. Refer to the Definitions provision in this Section when the meanings are not defined where used.

All coverages of this policy are subject to the following General Provisions:

### 1. Insuring Agreement

In consideration of the payment of the premium, and in reliance upon the statements in the Declarations and in the application made a part of this policy, subject to all of the terms of this policy, we agree to pay on behalf of any "insured" that portion of "ultimate net loss" in excess of "underlying insurance" stated in Item 5 of the Declarations.

Except as otherwise provided by the specific terms contained in this policy, the insurance afforded by this policy shall follow all the terms, conditions, definitions and exclusions of the "governing underlying insurance policy" designated in Item 6 of the Declarations. Should any of the provisions of the "governing underlying insurance policy" conflict with our policy, the provisions of our policy will apply.

### 2. Limits of Liability

The insurance afforded by this policy applies separately to each "insured" against whom claim is made or suit is brought, except with respect to our limits of liability.

Regardless of the number of "insureds" under this policy, persons or organizations who sustain injury or damage, or claims made or suits brought, our liability is limited as follows:

- (i) our limits of liability under this policy apply only after the "underlying insurers" have paid or are liable to pay the full amount of their respective limits of liability that makes up the total limits of liability stated in Item 5 of the Declarations, provided that:
  - (a) if no aggregate limits of liability are specifically stated in Item 5 of the Declarations, regardless of whether an aggregate limit exists on "underlying insurance", the insurance afforded by this policy applies with respect to each "occurrence" or "medical incident" only, for limits of liability in excess of the limits of liability afforded for each "occurrence" or "medical incident" in the "underlying insurance"; or
  - (b) if aggregate limits of liability are specifically stated in Item 5 of the Declarations, the insurance afforded by this policy applies in excess of reduced limits of liability for "underlying insurance", provided such reduction in the "underlying insurance" is solely the result of the payment of claims because of "occurrences" or "medical incidents" that are covered by the terms of this policy;
- (ii) if our limits of liability stated in Item 4 (A) of the Declarations are less than the entire limits of liability stated in Item 4 (C) of the Declarations, we will pay that proportion of all "ultimate net loss" which the limits of liability in Item 4 (A) of the Declarations bear to the entire limits of liability in Item 4 (C) of the Declarations, to which this policy applies, and that is in excess of the "underlying insurance";
- (iii) if our limits of liability in Item 4 (A) of the Declarations are equal to the entire limits of liability in Item 4 (C) of the Declarations, we will pay the amount of all "ultimate net loss", to which this policy applies, and that is in excess of the "underlying insurance";



- (iv) subject to provisions (i), (ii), and (iii) above, our total limit of liability for all "ultimate net loss" as the result of any one "occurrence" or "medical incident", shall not exceed the limit of liability stated in Item 4 (A) of the Declarations as applicable to each "occurrence" or "medical incident". Should any single event result in both an "occurrence" and a "medical incident" for which coverage is provided by the provisions of this policy, nonetheless, our total liability for such single event shall not exceed the amount stated in Item 4 (A) of the Declarations as the "Each Occurrence or Medical Incident" limit.;
- (v) subject to provisions (i), (ii), (iii) and (iv) above, our total limit of liability for all "ultimate net loss" because of all "occurrences", to which this policy applies shall not exceed the limit of liability stated in Item 4 (B) of the Declarations as the Annual Aggregate.

### 3. Persons or Entities Insured

Each of the following is an insured under this policy to the extent set forth below:

- (i) Any "Named Insured"; and
- (ii) Any person or organization which is an insured under the terms of the "governing underlying insurance policy", unless specifically excluded by this policy.

### 4. Defense and Expenses for Claims and Suits

We shall not be obligated to investigate, defend or settle any loss, claim or suit against any "insured", but we shall have the right and shall be given the opportunity to associate with any "insured" or its "underlying insurers", or both, in the investigation, defense or settlement of any loss, claim or suit which, in our opinion, involves or appears reasonably likely to involve us. If we avail ourselves of such right and opportunity, any "insured", its insurers and we shall cooperate in such matters so as to effect a final determination thereof. Any "insured" shall not make or agree to any settlement for an amount in excess of "underlying insurance" limits of liability without our approval.

Subject to the above provision, "defense expenses" incurred by the insured shall be borne as follows:

- (i) All "defense expenses" incurred by any "insured" without our written consent shall be borne by any "insured";
- (ii) If a loss, claim or suit is settled or a judgment rendered for not more than the limits of "underlying insurance", no "defense expenses" shall be payable by us;
- (iii) If any "insured" or its "underlying insurers" elect not to appeal a judgment in excess of the limits of "underlying insurance", we may elect to conduct such appeal at our own cost and expense, and shall be liable for the taxable costs and disbursements and interest incidental thereto, but in no event shall our liability to pay "ultimate net loss" exceed the limits of liability as stated in this policy; and
- (iv) If a judgment is rendered in excess of the limits of "underlying insurance" and we are willing to contribute thereto but the "underlying insurers" elect to appeal such judgment, the duty of obtaining an appeal bond with respect to liability in excess of the limits of "underlying insurance" shall be that of the insured and its "underlying insurers".

### 5. Definitions

**"Defense Expenses"** means a payment allocated to a specific loss, claim or suit for its investigation or defense, including but not limited to:

- (i) attorney fees and all other litigation expenses;
- (ii) the cost of bonds to appeal a judgment or award in any suit we defend;
- (iii) the cost of bonds to release attachments, but only for bond amounts within the limits of liability available under this policy;
- (iv) reasonable expenses incurred by any "insured" at our request to assist in the investigation or defense of a claim or suit, including actual loss of earnings up to \$100 a day because of time off work;
- (v) costs taxed against any "insured" in the suit;
- (vi) interest on the full amount of any judgment that accrues after entry on the judgment and before we have paid, offered to pay, or deposited in court the amount of "ultimate net loss" available for the judgment under this policy.

However, we shall have no obligation to apply for or furnish bonds payable hereunder.

"Defense expenses" do not include:

(a) Salaries and expenses of our employees or any "insured's" employees other than:

- (1) that portion of those fees, salaries and expenses of attorneys employed by us allocated to a specific claim or suit; and
- (2) the expenses described in part (v) of this definition.

(b) Fees and expenses of independent investigators or adjusters hired by any "insured".

**"Extended Reporting Period"** means any policy provision which provides any extended time period (whether specific or unlimited) for any "insured" to report or bring losses, claims or suits, whether or not initiated automatically, by any "insured's" written request, or with or without additional premium charge.

**"Governing underlying insurance policy"** means the insurance policy designated as such in Item 6 of the Declarations.

**"Insured"** means any person or organization described as such in the "Persons or Entities Insured" section of this policy.

**"Medical Incident"** in this policy is defined the same as in the "governing underlying insurance policy".

If medical incident is not specifically defined in the "governing underlying insurance policy" then, for the purposes of this policy, medical incident means any act or omission in:

- (i) the rendering or failure to render:
  - (a) medical, surgical, dental, x-ray, or nursing service or treatment, or the furnishing of food or beverage in connection therewith;
  - (b) any service or treatment conducive to health or of a professional nature; or
  - (c) any cosmetic or tonsorial service or treatment;
- (ii) the furnishing or dispensing of drugs or medical, dental or surgical supplies or appliances;
- (iii) the postmortem handling of human bodies; or
- (iv) service by any persons as members of a formal accreditation, standards review or similar professional board or committee of the "Named Insured"; or as a person charged with executing the directives of such board or committee.

Any such act or omission, together with all related acts or omissions in the furnishing of or failing to furnish such services to any one person shall be considered as one "medical incident".

**"Named Insured"** means any person or organization named in Item 1 of the Declarations of this policy.

**"Occurrence"** means an accident or occurrence or happening or event or an act or a series of acts or offense or injury or damage covered by the "governing underlying insurance policy" designated in Item 6 of the Declarations.

**"Ultimate Net Loss"** means the sum actually paid or payable, after deduction of all recoveries and salvage, in the settlement or satisfaction of losses, claims or suits for which any "insured" is liable either by adjudication or settlement.

Ultimate net loss includes all "defense expenses" incurred in the investigation and defense of a loss, claim or suit.

**"Underlying insurance"** means the primary or excess insurance policies contributing to the total limit stated in Item 5 of the Declarations (including any deductible amount, insured's participation or renewals or replacements thereof).

**"Underlying insurers"** means any person or organization (including any "insured") that provides "underlying insurance".

## 6. Conditions

### A. Action Against Us

- (i) No person or organization has a right under this policy:
  - (a) to join us as a party or otherwise bring us into a suit asking for damages from any "insured"; or
  - (b) to bring suit under our policy; unless all of our policy terms and the terms of our policy and the "governing underlying insurance policy" have been fully complied with.

## **B. Audits of Books and Records**

We may examine and audit any "insured's" books and records anytime during our policy period or within 3 years thereafter.

## **C. Bankruptcy**

Bankruptcy or insolvency of any "insured" or of any "insured's" estate will not relieve us of our obligations under this insurance.

## **D. Cancellation**

- (i) The first "Named Insured" may cancel this insurance by mailing or delivering to us advance notice of cancellation.
- (ii) We may cancel this insurance 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.
- (iii) We will mail or deliver our notice of cancellation to the first "Named Insured's" last mailing address known to us, and such mailing is deemed to be notice to all "insureds".
- (iv) Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
- (v) If this insurance is canceled, we will send you any premium refund due. If we cancel, the refund will be pro rata. If you cancel, the refund will be pro rata less 10% of the pro rata unearned premium subject to our Minimum Earned Premium as specified in Item 3 (B) of the Declarations. Return premium will be sent to the first "Named Insured" for the account of all interests. Cancellation will be effective even if we have not made or offered a refund.
- (vi) If notice of cancellation is mailed, proof of mailing will be sufficient proof of notice.

## **E. Changes**

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

## **F. Extended Reporting Period Option**

With respect to coverage provided by this policy that is written on a claims-made basis, upon termination of this insurance for any reason other than cancellation for nonpayment of premium, or expiration and renewal, you shall have the right, only after obtaining all available "Extended Reporting Period" coverage available from all "underlying insurance", by giving written notice to us within thirty days of such termination, and by paying to us promptly when due all such premiums as required by us, to have issued an endorsement or endorsements to this policy providing an "Extended Reporting Period".

An "Extended Reporting Period" on this policy will take effect only after you have obtained all available "Extended Reporting Period" coverage available from all "underlying insurance" and have paid the additional premium required by us. If all available "Extended Reporting Period" coverage available from all "underlying insurance" is not obtained, then our policy will not provide an "Extended Reporting Period", whether or not an additional premium has been paid to us for such coverage.

Once the "Extended Reporting Period" on our policy is effective, we cannot cancel the "Extended Reporting Period" and we shall not return any part of the premium paid to us for such "Extended Reporting Period" for any reason whatsoever. However, we will return all premium paid to us for such "Extended Reporting Period" that has not become effective because all available "Extended Reporting Period" coverage available from all "underlying insurance" was not obtained by you.

The "Extended Reporting Period" will provide that a claim first made during the "Extended Reporting Period" will be deemed to have been made on the last day of the policy period. The "Extended Reporting Period" will not extend the policy period or reinstate or increase the Limit(s) of Liability stated in the Declarations of this insurance. The "Extended Reporting Period" only applies to claims arising from "occurrences" or "medical incidents" that happen after the retroactive date but before the end of the policy period.

Furthermore, the "Extended Reporting Period" will provide that the insurance afforded by this policy for claims received during such period is excess over any other insurance under policies providing coverage after the "Extended Reporting Period" starts.

#### **G. Inspections and Surveys**

We have the right, but are not obligated, to inspect any "insured's" premises and operations at any time.

Our inspections:

- (i) do not warrant that the premises are safe or healthful, or that they comply with laws, regulations, codes or standards;
- (ii) relate only to the insurability of the premises and operations and the premium to be charged; we may give any "insured" reports and recommend changes based on the conditions we find; and
- (iii) may help reduce losses, but 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.

#### **H. "Insured's" Duties in the Event of Loss, Claim or Suit**

- (i) You must notify us as soon as practicable of an "occurrence" or "medical incident" which any "insured" or any representative of any "insured" evaluates as having a settlement or judgment value equal to or exceeding 25 percent of the limits of liability for the "underlying insurance". Notice should include:
  - (a) how, when and where the "occurrence" or "medical incident" took place;
  - (b) names and addresses of injured persons and witnesses; and
  - (c) the nature and locations of any injury or damage arising out of the "occurrence" or "medical incident".
- (ii) Give us written notice, as soon as practicable, of all suits or demands for arbitration served on any "insured". You shall send us copies of demands, notices, summonses, or any other legal papers received by any "insured" in connection with the claim or suit.
- (iii) Provide quarterly loss reports listing all closed and outstanding claims. Such report will identify the claimant's name, date of loss, date of first notice of claim to any "insured", description of loss, and incurred amounts. These quarterly reports should be sent to:

Zurich-U.S.  
Specialties Healthcare Claims Department  
P.O. Box 307010  
Jamaica, NY 11430-7010

- (iv) As a condition precedent to coverage under this policy, any and all "insureds" shall cooperate with us in the investigation, settlement or defense of any loss, claim or suit. Furthermore, we require that any and all "insureds":
  - (a) cooperate with the "underlying insurers";
  - (b) comply with the terms of the "underlying insurance";
  - (c) pursue all rights of contribution or indemnification against any person or organization who may be liable to any "insured" because of injury or damage with respect to which the insurance is provided under this policy or any policy of "underlying insurance";
  - (d) not make any admission of liability; and
  - (e) allow us to conduct claim audits of any "insured's" files at reasonable intervals, at our discretion.

#### **I. Maintenance of "Underlying Insurance"**

- (i) For as long as our policy is in effect, the "underlying insurance" must continuously:
  - (a) provide no less coverage than indicated in Item 5 of the Declarations at inception of our policy;
  - (b) afford no lower limit of liability than those originally indicated in Item 5 of the Declarations, except for reduction or exhaustion of "underlying insurance" limits solely due to payment of covered losses, claims or suits but only if aggregate limits are indicated in Item 5 of the Declarations; and
  - (c) not contain any exclusions not found in or that are more restrictive, from the viewpoint of any "insured", than in the "governing underlying insurance policy".

- (ii) You must notify us within 30 days if:
  - (a) there are any changes in the "underlying insurance";
  - (b) there are any changes in the "underlying insurance" limits of liability which decrease them from that indicated in Item 5 of the Declarations.
- (iii) If the "underlying insurance" or limits listed in Item 5 of the Declarations are:
  - (a) not maintained;
  - (b) less than those indicated in Item 5 of the Declarations; or
  - (c) unavailable or uncollectible due to bankruptcy, insolvency, liquidation of an "underlying insurer", or your failure to comply with the terms and conditions of the "underlying insurance";our coverage will apply in the same manner as if the "underlying insurance" were still in effect, maintained and collectible.

#### **J. Our Right to Recover Payment**

If we make a payment under this insurance, any and all "insureds" will assist us and the "underlying insurer" in recovering what we paid by using any and all "insured's" rights of recovery. Reimbursement will be made in the following order:

- (i) First, to any interest (including any "insured") who has paid any amount in excess of the limits of this insurance;
- (ii) Next, to us; and
- (iii) Then to any interest (including any "insured" and the "underlying insurer") as are entitled to claim the remainder, if any.

A different order may apply if agreed upon by all interests. Expenses incurred in the process of recovery will be divided among all interests according to the ratio of their respective recoveries.

#### **K. Premium**

- (i) You are responsible for payment of all premiums and will be the payee of any return premium.
- (ii) The premium shall be a flat charge for each annual term unless an adjustable rate and rating basis is designated by endorsement to this policy.
- (iii) If the premium is subject to an adjustable rate:
  - (a) original premium is only a deposit and the final premium is subject to adjustment after the annual policy period; and
  - (b) If the earned premium is more than the deposit premium, the additional premium owed shall be promptly paid to us. If the earned premium is less than the deposit premium, we will promptly pay the excess to the First Named Insured subject to any minimum premium provisions as designated by endorsement to this policy.
- (iv) The premium can be changed if the policy terms and conditions are changed such as by:
  - (a) adding additional "insureds";
  - (b) changing limits of liability;
  - (c) adding or changing "underlying insurance" policies; or
  - (d) changing the policy period or "Extended Reporting Period".

#### **L. Representations**

By accepting this policy, you agree that:

- (i) the information shown in the Declarations of our policy is accurate and complete;
- (ii) the information is based on representations and statements made by you in your application to us for this coverage; and
- (iii) we have issued and continue our policy in reliance upon those representations and statements.

#### **M. Transfer of Any "Insured's" Rights and Duties**

Any "insured's" rights and duties under this insurance may not be transferred without our written consent, except if that "insured" dies;

- (i) the deceased "insured's" rights and duties will be transferred to their legal representative, but only while acting within the scope of duties as their legal representative; or
- (ii) the deceased "insured's" rights and duties will transfer to anyone having temporary custody of their property until their legal representative has been appointed.



## Certified Act of Terrorism Exclusion

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
HPC 0113235-00	03/31/2015	12/31/2015	03/31/2015	31411000	---	---

**Named Insured and Mailing Address:**

Behavioral Health Insurance Pool, Inc  
333 E Osborn Rd  
Phoenix, AZ 85012-2360

**Producer:**

Alliant Insurance Services Inc  
5847 San Felipe St Ste 2750  
Houston, TX 77057-3265

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

This endorsement modifies insurance provided under the:

**Health Care Excess Liability Policy**

The following is added to **Section II: General Policy Provisions:**

**A. Exclusion of Certified Acts of Terrorism**

This policy does not apply to any liability, damage, loss, claim, suit or "defense expenses" arising, directly or indirectly, out of a "certified act of terrorism", including any action taken in hindering or defending against an actual or expected "certified act of terrorism". This exclusion applies regardless of any other cause or event that contributes concurrently or in any sequence to the injury or damage.

**B. Definition of Certified Act of Terrorism**

As used in this endorsement, "certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act ("TRIA"). TRIA provides that the Secretary of Treasury shall certify an act of terrorism:

1. To be an act of terrorism;
2. To be a violent act or an act that is dangerous to human life, property or infrastructure;
3. To have resulted in damage within the United States, or outside of the United States in the case of an air carrier (as defined in section 40102 of Title 49, United States Code) or a United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States), or the premises of a United States mission; and
4. 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.

No act may be certified as an act of terrorism if the act is committed as part of the course of a war declared by Congress (except for workers' compensation) or if losses resulting from the act, in the aggregate for insurance subject to TRIA, do not exceed \$5,000,000.

All other terms, conditions, definitions and exclusions of this policy remain unchanged.

Signed by: \_\_\_\_\_

Authorized Representative

\_\_\_\_\_  
Date

# Conditional Terrorism Exclusion

(Relating to the Disposition of Federal Terrorism Risk Insurance Act)



Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
HPC 0113235-00	03/31/2015	12/31/2015	03/31/2015	31411000	---	---

## Named Insured and Mailing Address:

Behavioral Health Insurance Pool, Inc  
333 E Osborn Rd  
Phoenix, AZ 85012-2360

## Producer:

Alliant Insurance Services Inc  
5847 San Felipe St Ste 2750  
Houston, TX 77057-3265

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

This endorsement modifies insurance provided under the:

### Health Care Excess Liability Policy

#### A. Applicability of the Provisions of this Endorsement

1. The provisions of this endorsement become applicable commencing on the date when one or more of the following first occurs. But if your policy (meaning the policy period in which this endorsement applies) begins after such date, then the provisions of this endorsement become applicable on the date your policy begins.:
  - a. The federal Terrorism Risk Insurance Program ("Program"), established by the Terrorism Risk Insurance Act, has terminated with respect to the type of insurance provided under this policy; or
  - b. A renewal, extension or continuation of the Program has become effective without a requirement to make terrorism coverage available to you and with revisions that:
    - (1) Increase our statutory percentage deductible under the Program for terrorism losses. (That deductible determines the amount of all certified terrorism losses we must pay in a calendar year, before the federal government shares in subsequent payment of certified terrorism losses); or
    - (2) Decrease the federal government's statutory percentage share in potential terrorism losses above such deductible; or
    - (3) Redefine terrorism or make insurance coverage for terrorism subject to provisions or requirements that differ from those that apply to other types of events or occurrences under this policy.
2. If the provisions of this endorsement become applicable, such provisions:
  - a. Supersede any terrorism endorsement already endorsed to this policy that addresses "Certified Acts of Terrorism" and/or "Other Acts of Terrorism", but only with respect to an incident(s) of terrorism (however defined) which results in injury or damage that occurs on or after the date when the provisions of this endorsement become applicable (for claims made coverage, such an endorsement is superseded only with respect to an incident of terrorism (however defined) that results in a claim for injury or damage first being made on or after the date when the provisions of this endorsement become applicable); and
  - b. Remain applicable unless we notify you of changes in these provisions, in response to federal law.
3. If the provisions of this endorsement do NOT become applicable, any terrorism endorsement already endorsed to this policy, that addresses "Certified Acts of Terrorism", and/or "Other Acts of Terrorism", will continue in effect unless we notify you of changes to that endorsement in response to federal law.



**B. Provisions of this Endorsement**

The following exclusion is added to **Section II: General Policy Provisions**:

Our liability for "ultimate net loss" under this policy shall not apply to losses, claims or suits which are caused directly or indirectly by "Terrorism", including any action taken in hindering or defending against actual or expected incident of "Terrorism". This exclusion applies regardless of any other cause or event that contributes concurrently or in any sequence to the injury or damage. But, this exclusion applies only when one or more of the following are attributed to "Terrorism":

1. The "Terrorism" is carried out by means of the dispersal or application of radioactive material, or through the use of a nuclear weapon or device that involves or produces a nuclear reaction, nuclear radiation or radioactive contamination; or
2. Radioactive material is released, and it appears that one purpose of the "Terrorism" was to release such material; or
3. The "Terrorism" is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
4. Pathogenic or poisonous biological or chemical materials are released, and it appears that one of the purposes of the "Terrorism" was to release such materials; or
5. The total of insured damage to all types of property exceeds \$25,000,000. In determining whether the \$25,000,000 threshold is exceeded, we will include all insured damage sustained by property of all persons and entities affected by the "Terrorism" and business interruption losses sustained by owners or occupants of the damaged property. For the purposes of this provision, insured damage means damage that is covered by any insurance plus damage that would be covered by any insurance but for the application of any terrorism exclusions; or
6. Fifty or more persons sustained death or serious injury. For the purposes of this provision, serious physical injury means:
  - a. Physical injury that involves a substantial risk of death; or
  - b. Protracted and obvious physical disfigurement; or
  - c. Protracted loss of or impairment of the function of a bodily member or organ.

Multiple incidents of "Terrorism" which occur within a 72-hour period and appear to be carried out in concert or to have a related purpose or common leadership will be deemed to be one incident, for the purpose of determining whether the thresholds in Paragraphs **B.5.** or **B.6.** are exceeded.

The limits of "underlying insurance" shall not be reduced or exhausted by the payment of losses, claims or suits for which insurance is excluded in this endorsement.

With respect to this Exclusion, Paragraphs B.5. and B.6. describe the threshold used to measure the magnitude of an incident of "terrorism" and the circumstances in which the threshold will apply, for the purpose of determining whether this Exclusion will apply to that incident. When the Exclusion applies to an incident of "terrorism", there is no coverage under this policy.

In the event of any incident of "terrorism" that is not subject to this Exclusion, coverage does not apply to liability for losses, claims or suits that is otherwise excluded under this policy.

**C. The following definition is added and applies under this endorsement:**

"Terrorism" means activities against persons, organizations or property of any nature:

1. That involve the following or preparation for the following:
  - a. Use or threat of force or violence; or
  - b. Commission or threat of a dangerous act; or
  - c. Commission or threat of an act that interferes with or disrupts an electronic, communication, information or mechanical system; and
2. When one or both of the following applies:
  - a. The effect is to intimidate or coerce a government or the civilian population or any segment thereof, or to disrupt any segment of the economy; or
  - b. It appears that the intent is to intimidate or coerce a government, or to further political, ideological, religious, social or economic objectives or to express (or express opposition to) a philosophy or ideology.

All other terms, conditions, provisions and exclusions of the policy remain unchanged.

Signed by: \_\_\_\_\_  
Authorized Representative Date



## Notice Provisions Amended

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
HPC 0113235-00	03/31/2015	12/31/2015	03/31/2015	31411000	---	---

**Named Insured and Mailing Address:**

Behavioral Health Insurance Pool, Inc  
333 E Osborn Rd  
Phoenix, AZ 85012-2360

**Producer:**

Alliant Insurance Services Inc  
5847 San Felipe St Ste 2750  
Houston, TX 77057-3265

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

This endorsement modifies insurance provided under the following:

**HEALTH CARE EXCESS LIABILITY POLICY**

It is agreed that:

Subparagraph **6.H.** of the **General Policy Provisions** is replaced with the following:

**H. Notice Provisions**

- (i) You must notify us in writing as soon as practicable of an "occurrence" or "medical incident" which any "insured" or any representative of any "insured" evaluates as having a settlement or judgment value equal to or exceeding 25 percent of the limits of liability of the "underlying insurance". Notice should include:
  - (a) how, when and where the "occurrence" or "medical incident" took place;
  - (b) names and addresses of injured persons and witnesses; and
  - (c) the nature and locations of any injury or damage arising out of the "occurrence" or "medical incident".
- (ii) You must notify us in writing as soon as practicable, if an "occurrence" or "medical incident" is reasonably likely to involve this policy. Notice shall include the same information requested under (i)(a)-(c) above. You must immediately send us copies of demands, notices, summonses, or any other legal papers received by any "insured" in connection with any claim or suit involving the "occurrence" or "medical incident".
- (iii) As a condition precedent to coverage under this policy, any and all "insureds" shall cooperate with us in the investigation, settlement or defense of any loss, claim or suit. Furthermore, we require that any and all "insureds":
  - (a) cooperate with the "underlying insurers";
  - (b) comply with the terms of the "underlying insurance";
  - (c) pursue all rights of contribution or indemnification against any person or organization who may be liable to any "insured" because of injury or damage to which this policy or any policy of "underlying insurance" may also apply;
  - (d) not make any admission of liability; and
  - (e) allow us to conduct claim audits of any "insured's" files at reasonable intervals, at our discretion. Such claim audits shall not be considered notice of an "occurrence" or "medical incident".

Reports of "medical incidents" or "occurrences" made by you to us as part of underwriting, engineering, loss control, or risk management services shall not be considered notice of an "occurrence" or "medical incident".

**ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.**



## Prior Acts Exclusion Endorsement

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
HPC 0113235-00	03/31/2015	12/31/2015	03/31/2015	31411000	---	---

**Named Insured and Mailing Address:**

Behavioral Health Insurance Pool, Inc  
333 E Osborn Rd  
Phoenix, AZ 85012-2360

**Producer:**

Alliant Insurance Services Inc  
5847 San Felipe St Ste 2750  
Houston, TX 77057-3265

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

This endorsement modifies insurance provided under the:

**Health Care Excess Liability Policy**

The following exclusions are added to Section II: General Policy Provisions:

1. This policy shall not apply to losses, claims or suits arising, directly or indirectly, out of or relating to an "occurrence" or "medical incident" that was known or should have been known by an "insured" or was first reported to any insurer prior to the inception date of the "policy period".
2. If any "insured" is added to this policy subsequent to the inception date of the "policy period", then this insurance shall not apply to losses, claims or suits based upon, arising, directly or indirectly, out of or relating to an "occurrence" or "medical incident" that was known or should have been known by that "insured", or was first reported to any insurer, prior to the date that such "insured" was added to this policy.
3. This policy shall not apply when limits of "underlying insurance" are reduced or exhausted by payment losses, claims or suits for which coverage is excluded under this endorsement.

For purposes of this endorsement, "policy period" means the period of coverage that begins at 12:01 a.m. on the inception date shown in Item 2 of the Declarations and ends at 12:01 am on the expiration date shown in Item 2 of the Declarations or any shorter period resulting from a termination of the policy.

**All other terms, conditions, provisions and exclusions of the policy remain the same.**

Signed by: \_\_\_\_\_  
Authorized Representative

\_\_\_\_\_  
Date

## Endorsement # 5



# General Purpose Endorsement

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
HPC 0113235-00	03/31/2015	12/31/2015	03/31/2015	31411000	---	----

### Named Insured and Mailing Address:

Behavioral Health Insurance  
Pool, Inc.  
333 E. Osborn Rd. Ste 300  
Phoenix, AZ 85012

### Producer:

Alliant Insurance Services Inc.  
5847 San Felipe St Ste 2750  
Houston, TX 77057

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

This endorsement modifies insurance provided under the following:

### Health Care Excess Liability Policy

## SEXUAL MISCONDUCT ENDORSEMENT

This policy does not apply to:

1. Any liability arising out of any actual or alleged sexual misconduct or sexual abuse, including, but not limited to, any physical acts or oral statements of a sexually suggestive manner, or any unwelcome physical conduct or touching.
2. We agree to pay on behalf of any "insured" that portion of "defense expenses" in excess of "underlying insurance" for losses, claims or suits for liability arising out of the negligent employment, investigation, supervision, reporting to proper authorities, or failure to so report, or retention of a person for whom an "insured" is or ever was legally responsible and whose conduct would be excluded by paragraph 1, subject to the terms of this policy, until the allegations described in this paragraph are proven by adjudication or settlement. If final adjudication is against an "insured" or a settlement is entered into on behalf of an "insured", the "named insured" upon our written demand agrees to reimburse us within thirty (30) days for all "defense expenses" in excess of "underlying insurance".

Any "ultimate net loss" paid by the "underlying insurance" on account of liability arising out of any actual or alleged sexual misconduct or sexual abuse, subject to the terms of this policy, shall be recognized by us as a reduction in the "underlying insurance".

### ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

Signed by: \_\_\_\_\_

Authorized Representative

Date



## General Purpose Endorsement

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
HPC 0113235-00	03/31/2015	12/31/2015	03/31/2015	31411000	---	----

**Named Insured and Mailing Address:**

Behavioral Health Insurance  
Pool, Inc.  
333 E. Osborn Rd. Ste 300  
Phoenix, AZ 85012

**Producer:**

Alliant Insurance Services Inc.  
5847 San Felipe St Ste 2750  
Houston, TX 77057

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

This endorsement modifies insurance provided under the following:

**Health Care Excess Liability Policy**

### LIMITS OF LIABILITY AND UNDERLYING INSURANCE

**Item 4.** and **Item 5.** Of the Declarations are replaced by the following:

**Item 4. Limits of Liability**

Our Limits: (A) Each "Occurrence" or "Medical Incident" \$15,000,000  
(B1) "Medical Incident" Annual Aggregate \$15,000,000  
(B2) Other "Occurrence" Annual Aggregate \$15,000,000  
(B3) Total Policy Annual Aggregate \$25,000,000

Part of: (C) Each "Occurrence" or "Medical Incident" \$15,000,000  
(D1) "Medical Incident" Annual Aggregate \$15,000,000  
(D2) Other "Occurrence" Annual Aggregate \$15,000,000  
(D3) Total Policy Annual Aggregate \$25,000,000

**Item 5. Underlying Insurance:**

Our limits of liability apply in excess of the following total limits of liability of the "underlying insurance":

(A) Each "Occurrence" or "Medical Incident" \$2,000,000  
(B1) "Medical Incident" Annual Aggregate \$15,000,000  
(B2) Other "Occurrence" Annual Aggregate \$15,000,000

which is an addition to the self-insured retention and underlying insurance scheduled on the "governing underlying insurance policy".

Paragraphs 2. (iv) and 2(v) of **Section II: General Policy Provisions** is replaced by the following:

- (iv) subject to provisions (v), (vi), and (vii) below, our total limit of liability for all "ultimate net loss" as the result of any one "occurrence" or "medical incident", shall not exceed the limit of liability stated in Item 4 (A) of the Declarations applicable to each "occurrence" or "medical incident". Should any single event result in both an "occurrence" and a "medical incident" for which coverage is provided by the provisions of this policy, nonetheless, our total liability for such single event shall not exceed the amount stated in Item 4 (A) of the Declarations as the "Each Occurrence or Medical Incident" limit;
- (v) Our total limit of liability for all "ultimate next loss" because of all "medical incidents", to which this policy applies shall not exceed the limit of liability stated in Item 4 (B1) of the Declarations as the "Medical Incident" Annual Aggregate;
- (vi) Our total limit of liability for all "ultimate net loss" because of all "occurrences", other than "medical Incidents", to which this policy applies shall not exceed the limit of liability stated in Item 4 (B2) of the Declarations as the other "Occurrence" Annual Aggregate.
- (vii) Our total limit of liability for all "ultimate net loss" because of all "medical incidents" and all "occurrences" to which this policy applies shall not exceed the limit of liability stated in item 4(B3) of the Declarations as the Total Policy Annual Aggregate.

**ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.**

Signed by: \_\_\_\_\_

Authorized Representative

\_\_\_\_\_

Date



**Endorsement # 7****General Purpose Endorsement**

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
HPC 0113235-00	03/31/2015	12/31/2015	03/31/2015	31411000	---	---

**Named Insured and Mailing Address:**

Behavioral Health Insurance  
Pool, Inc.  
333 E. Osborn Rd. Ste 300  
Phoenix, AZ 85012

**Producer:**

Alliant Insurance Services Inc.  
5847 San Felipe St Ste 2750  
Houston, TX 77057

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

This endorsement modifies insurance provided under the following:

**Health Care Excess Liability Policy**

**RETROACTIVE DATE APPLICABLE TO DIFFERENT LIMITS OF INSURANCE****SCHEDULE**

**Retroactive Date (A):** 12/16/1998

**Limits of Liability**

Each "Medical Incident" Limit(A):	\$5,000,000
"Medical Incident" Annual Aggregate Limit(A):	\$5,000,000

**Retroactive Date (B):** 03/31/2008

**Limits of Liability**

Each "Medical Incident" Limit (B):	\$10,000,000
"Medical Incident" Annual Aggregate Limit (B):	\$10,000,000

**Retroactive Date (C):** 03/31/2009

- A. Solely with respect to coverage provided on a claims made basis for "medical incidents" that occurred on or after Retroactive Date(A) but prior to Retroactive Date (B) shown in the Schedule of this endorsement:

1. Subject to Paragraph **D.** of this endorsement, the Each "Medical Incident" Limit shown in the **Limits of Liability and Underlying Insurance** endorsement is replaced by the Each "Medical Incident" Limit(A) shown in the Schedule of this endorsement, and
  2. Subject to Paragraph **D.** of this endorsement, the "Medical Incident" Annual Aggregate Limit shown in **Limit of Liability and Underlying Insurance** endorsement is replaced by "Medical Incident" Annual Aggregate Limit(A) shown in the Schedule of this endorsement.
- B.** Solely with respect to coverage provided on a claims made basis for "medical incidents" that occurred on or after Retroactive Date(B) but prior to Retroactive Date (C) shown in the Schedule of this endorsement:
1. Subject to Paragraph **D.** of this endorsement, the Each "Medical Incident" Limit shown in the **Limits of Liability and Underlying Insurance** endorsement is replaced by the Each "Medical Incident" Limit (B) shown in the Schedule of this endorsement, and
  2. Subject to Paragraph **D.** of this endorsement, the "Medical Incident" Annual Aggregate Limit shown in the **Limits of Liability and Underlying Insurance** endorsement is replaced by "Medical Incident" Annual Aggregate Limit(B) shown in the Schedule of this endorsement.
- C.** Reference to the term Retroactive Date under subparagraph **F.** of Paragraph **6.** of **Section II, General Policy Provisions** means Retroactive Date(A) shown in the Schedule of this endorsement.
- D.** Subject to Paragraph **2** of **Section II. General Policy Provisions**, in no event will we pay more than the "Medical Incident" Annual Aggregate Limit shown in the:
1. Limits of Liability and Underlying Insurance endorsement; or
  2. Schedule of this endorsement

**ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.**

Signed by: \_\_\_\_\_

Authorized Representative

Date



# **SANCTIONS EXCLUSION ENDORSEMENT**

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

The following exclusion is added to the policy to which it is attached and supersedes any existing sanctions language in the policy, whether included in an Exclusion Section or otherwise:

### **SANCTIONS EXCLUSION**

Notwithstanding any other terms under this policy, we shall not provide coverage nor will we make any payments or provide any service or benefit to any insured, beneficiary, or third party who may have any rights under this policy to the extent that such cover, payment, service, benefit, or any business or activity of the insured would violate any applicable trade or economic sanctions law or regulation.

The term policy may be comprised of common policy terms and conditions, the declarations, notices, schedule, coverage parts, insuring agreement, application, enrollment form, and endorsements or riders, if any, for each coverage provided. Policy may also be referred to as contract or agreement.

We may be referred to as insurer, underwriter, we, us, and our, or as otherwise defined in the policy, and shall mean the company providing the coverage.

Insured may be referred to as policyholder, named insured, covered person, additional insured or claimant, or as otherwise defined in the policy, and shall mean the party, person or entity having defined rights under the policy.

These definitions may be found in various parts of the policy and any applicable riders or endorsements.

## **ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED**



## Important Notice

### Service of Suit and In Witness Clause

#### Service of Suit

In the event an action or proceeding arises under the contract, it is agreed that the Company, at your request, will submit to the jurisdiction of a court of competent jurisdiction within the United States. Nothing in this condition constitutes or should be understood to constitute a waiver or limitation of the right to arbitration as set forth herein or to commence an action in any court of competent jurisdiction in the United States to remove an action to a United States District Court or to seek a transfer of a case to another court as permitted by the laws of the United States or any state in the United States. It is further agreed that service of process in such suit may be made upon Illinois Corporation Service Company, 801 Adlai Stevenson Drive, Springfield, IL 62703. In any suit instituted against the Company upon this policy, the Company will abide by the final decision of such court or of any appellate court in the event of an appeal.

Further, pursuant to any statute of any state, territory, or district of the United States which makes provision therefore, the Company hereby designates the Superintendent, Commissioner or Director of Insurance, other officer specified for that purpose in the statute, or his successors in office as its true and lawful attorney upon whom may be served any lawful process in any action, suit, or proceeding instituted by or on behalf of the Insured of any beneficiary hereunder arising out of this policy of insurance and hereby designates the above named Illinois Corporation Service Company as the entity to whom the said officer is authorized to mail such process or a true copy thereof.

#### In Witness Clause

In return for the payment of premium, and subject to the terms of this policy, coverage is provided as stated in this policy.

IN WITNESS WHEREOF, this Company has executed and attested these presents and, where required by law, has caused this policy to be countersigned by its duly Authorized Representative(s).

President

Corporate Secretary

**QUESTIONS ABOUT YOUR INSURANCE?** Your agent or broker is best equipped to provide information about your insurance. Should you require additional information or assistance in resolving a complaint, call or write to the following (please have your policy or claim number ready):

Zurich in North America  
Customer Inquiry Center  
1400 American Lane  
Schaumburg, Illinois 60196-1056  
**1-800-382-2150** (Business Hours: 8am - 4pm [CT])  
**Email:** [info.source@zurichna.com](mailto:info.source@zurichna.com)

Insured Name: Behavioral Health Insurance Pool, Inc

Reference Number: HPC 0113235-00

Effective Date: 03/31/2015



**THIS DISCLOSURE IS ATTACHED TO AND MADE PART OF YOUR POLICY.**

**FLORIDA - DISCLOSURE OF IMPORTANT INFORMATION  
RELATING TO TERRORISM RISK INSURANCE ACT**

**SCHEDULE\***

Premium attributable to risk of loss from certified acts of terrorism for lines of insurance subject to TRIA:

EXCLUDED

\*Any information required to complete this Schedule, if not shown above, will be shown in the Declarations.

**A. Disclosure of Premium**

In accordance with the federal Terrorism Risk Insurance Act ("TRIA"), as amended, we are required to provide you with a notice disclosing the portion of your premium, if any, attributable to the risk of loss from terrorist acts certified under that Act for lines subject to TRIA. That portion of premium attributable is shown in the Schedule above. The premium shown in the Schedule above is subject to adjustment upon premium audit, if applicable.

**B. Disclosure of Federal Participation in Payment of Terrorism Losses**

The United States Government may pay a share of insured losses resulting from an act of terrorism. The federal share equals 85% of that portion of the amount of such insured losses that exceeds the insurer retention. The insurer retention equals 20% of the insurer's prior calendar year direct earned premium associated with lines of insurance subject to TRIA. TRIA is scheduled to expire on December 31, 2014.

**C. Disclosure of \$100 Billion Cap on All Insurer and Federal Obligations**

If aggregate insured losses attributable to terrorist acts certified under TRIA exceed \$100 billion in a Program Year (January 1 through December 31): (1) the Federal Government shall not make any payment for any portion of the amount of such losses that exceeds \$100 billion; and (2) no insurer that has met its deductible under the program shall be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion. If insured losses exceed \$100 billion, insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of Treasury.

**D. Definition of Act of Terrorism under TRIA**

TRIA defines "act of terrorism" as any act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States:

1. to be an act of terrorism;
2. to be a violent act or an act that is dangerous to human life, property or infrastructure;
3. to have resulted in damage within the United States, or outside of the United States in the case of an air carrier (as defined in section 40102 of Title 49, United States Code) or a United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States), or the premises of a United States mission; and
4. 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.

No act may be certified as an act of terrorism if the act is committed as part of the course of a war declared by Congress (except for workers' compensation) or if losses resulting from the act, in the aggregate for insurance subject to TRIA, do not exceed \$5,000,000.