



**ALLIED HEALTH CARE PROVIDERS PROFESSIONAL
PROFESSIONAL LIABILITY INSURANCE POLICY**

Allied Health Care Providers Liability Insurance Policy Declarations Page

(Claim Made)

This Declaration Page is attached to and forms part of the insurance policy.

DECLARATIONS

1. (a) Named Insured: ORIANETTE OLIVO TORRES
(b) Partnership Name: N/A
(c) Insured's Address: HC-3 BOX 9330
DORADO PR, 00646
(d) Insured's Agent or Broker: RESOLVE GENERAL AGENCY
MULTIPLE INSURANCE ASSOCIATION
2. **POLICY NUMBER:** PAH-25114
3. **POLICY PERIOD:**
From: **APRIL 23, 2019** To: **APRIL 23, 2020**
(both days at 12.01 A.M. Local Standard Time at the Insured's address shown in Item 1(c) of the declarations.)
4. **RETROACTIVE DATE:** APRIL 23, 2019
5. The insurance afforded is only with respect to the following coverages as are indicated by specific premium charge or charges, subject to the limits of a liability stated herein and to all the terms of this policy relating thereto. Coverage is provided only when a limit and its associated premium are stated.

Coverages	Limits(each medical incident/aggregate)	Advance Premiums
A - Individual Coverage	\$100,000 each medical incident \$300,000 aggregate	\$186.00
B - Partnership Coverage	\$ NOT COVERED each medical incident \$ NOT COVERED aggregate	\$ NOT COVERED
Policy Total	\$100,000/\$300,000	\$186.00

*Separate policies will be issued for each coverage (Partnership , LLC , Association or Corporation), when applied for and both coverages are provided by the Company.

6. SPECIAL CONDITIONS:

Form and endorsements forming part of this policy at time of issue:

****Refer to the Schedule of Endorsements Form: AHCP 003****

7. The **Named Insured** is engaged in practice as a:Psychologist / Class Code:80723 and is duly registered and licensed to practice his/her profession under the laws of the Commonwealth of Puerto Rico.

Countersigned on: 4/24/2019 in San Juan, by: _____.

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ALLIED HEALTH CARE PROVIDERS PROFESSIONAL LIABILITY INSURANCE POLICY – CLAIMS MADE

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

Throughout this policy, the words *you* and *your* refer to the **Named Insured** shown in the Declarations. The words *we*, *us* and *our* refers to Puerto Rico Medical Defense Insurance Company.

The word **Insured** means any person or **organization** qualifying as such under Section II – Who is an Insured.

Other words and phrases that appear in **bold** case have special meaning. Refer to Section V – Definitions.

SECTION I – COVERAGES

1. Coverage A – Insuring Agreement – Individual Professional Liability

- a. We will pay those sums that the **Insured** becomes legally obligated to pay as damages because of injury to which this insurance applies. We will have the right and duty to defend the **Insured** against any **suit** seeking those damages. However, we will have no duty to defend the **Insured** against any **suit** seeking damages for injury to which this insurance does not apply. We may at our discretion investigate any **medical incident** and settle any claim or **suit** that may result. But:
 - (1) The amount we will pay for damages is limited as described in Section III – Limits of Insurance; and
 - (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments.

- b. This insurance applies to injury only if:

- (1) The injury is caused by a **medical incident** that takes place in the **coverage territory**;
- (2) The injury occurs during the policy period;
- (3) The injury arises out of the **Insured's** profession as a licensed health care provider; and
- (4) Prior to the policy period, no **Insured** listed under Paragraph 1. of Section II – Who is an Insured and no **employee** authorized by you to give or receive notice of a **medical incident** or claim, knew that the injury had occurred, in whole or in part. If such a listed **Insured** or authorized **employee** knew, prior to the policy period, that the injury occurred, then any continuation, change or resumption of such injury during or after the policy period will be deemed to have been known prior to the policy period.

- c. Injury which occurs during the policy period and was not, prior to the policy period, known to have occurred by any **Insured** listed under Paragraph 1. of Section II – Who is an Insured or any **employee** authorized by you to give or receive notice of a **medical incident** or claim, includes any continuation, change or resumption of that injury after the end of the policy period.
- d. Injury will be deemed to have been known to have occurred at the earliest time when any **Insured** listed under Paragraph 1. of Section II – Who is an Insured or any **employee** authorized by you to give or receive notice of a **medical incident** or claim:
 - (1) Reports all, or any part, of the injury to us or any other insurer;
 - (2) Receives a written or verbal demand or claim for damages because of the injury; or
 - (3) Becomes aware by any other means that injury has occurred or has begun to occur.



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2. Coverage B – Insuring Agreement – Partnership, Limited Liability Company, Association or Corporation Professional Liability

a. We will pay those sums that the **Insured** becomes legally obligated to pay as damages because of injury to which this insurance applies. We will have the right and duty to defend the **Insured** against any **suit** seeking those damages. However, we will have no duty to defend the **Insured** against any **suit** seeking damages for injury to which this insurance does not apply. We may at our discretion investigate any **business entity incident** and settle any claim or **suit** that may result. But:

- (1) The amount we will pay for damages is limited as described in Section III – Limits of Insurance; and
- (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments.

b. This insurance applies to injury only if:

- (1) The injury is caused by a **business entity incident** that takes place in the **coverage territory**;
- (2) The injury occurs during the policy period;
- (3) The injury is caused by any person for whose acts or omissions the professional partnership, limited liability company, association or corporation, named in the Declarations, is legally responsible; and
- (4) Prior to the policy period, no **Insured** listed under Paragraph 2. of Section II – Who is an Insured and no **employee** authorized by you to give or receive notice of a **business entity incident** or claim, knew that the injury had occurred, in whole or in part. If such a listed **Insured** or authorized **employee** knew, prior to the policy period, that the injury occurred, then any continuation, change or resumption of such injury during or after the policy period will be deemed to have been known prior to the policy period.

c. Injury which occurs during the policy period and was not, prior to the policy period, known to have occurred by any **Insured** listed under Paragraph 2. of Section II – Who is an Insured or any **employee** authorized by you to give or receive notice of a **business entity incident** or claim, includes any continuation, change or resumption of that injury after the end of the policy period.

d. Injury will be deemed to have been known to have occurred at the earliest time when any **Insured** listed under Paragraph 2. of Section II – Who is an Insured or any **employee** authorized by you to give or receive notice of a **business entity incident** or claim:

- (1) Reports all, or any part, of the injury to us or any other insurer;
- (2) Receives a written or verbal demand or claim for damages because of the injury; or
- (3) Becomes aware by any other means that injury has occurred or has begun to occur.

3. Exclusions

This insurance does not apply to:

a. Criminal Acts

Injury arising out of a criminal act, including but not limited to sexual abuse or molestation or fraud, committed by the **Insured** or any person for whom the **Insured** is legally responsible.

b. Contractual Liability

Injury for which the **Insured** is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the **Insured** would have in the absence of the contract or agreement.



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c. Rendering of or Failure to Render Professional Services by Others

Injury arising out of the rendering of or failure to render **professional health care services** by any other person for whose acts or omissions the **Insured** may be held liable as a member, partner, officer, director or stockholder of any professional partnership, limited liability company, association or corporation.

This exclusion does not apply to Coverage B – Partnership, Limited Liability Company, Association or Corporation Professional Liability.

d. Liability Arising Out of Hospitals or Other Enterprises

Injury for which the **Insured** may be held liable as proprietor, hospital administrator, officer, stockholder or member of the board of directors, trustees or governors of any hospital, sanitarium, clinic with bed and board facilities, nursing home, laboratory or other enterprises other than a limited liability company, association or corporation.

e. Workers' Compensation and Similar Laws

Any obligation of the **Insured** under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

f. Employers' Liability

Bodily injury to:

(1) An **employee** of the **Insured** arising out of and in the course of:

- (a) Employment by the **Insured**; or
- (b) Performing duties related to the conduct of the **Insured's** business; or

(2) The spouse, child, parent, brother or sister of that **employee** as a consequence of Paragraph (1) above.

This exclusion applies whether the **Insured** may be liable as an employer or in any other capacity and to any obligations to share damages with or repay someone else who must pay damages because of the injury.

g. War

Injury, however caused, arising, directly or indirectly, out of:

- (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.

h. Nuclear Energy

The **Insured's** liability for **Bodily Injury** is excluded:

- (1) with respect to which an **Insured** under this policy is also an **Insured** under a nuclear energy liability policy issued by the Nuclear Energy Liability Insurance Association, Atomic Energy Liability Underwriters or Nuclear Insurance Association of Canada, or would be an **Insured** under any such policy but for its termination upon exhaustion of its limit of liability; or
- (2) resulting from the **hazardous properties of nuclear material** and with respect to which:
 - (a) any person or **organization** is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or
 - (b) the **Insured** is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or **organization**.



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The Insured's liability for Bodily Injury resulting from the hazardous properties of nuclear material is excluded, if:

(1) the nuclear material:

- (a) is at any nuclear facility owned by, or operated by or on behalf of the Insured, or
 - (b) has been discharged or dispersed therefrom;
- (2) the nuclear material is contained in spent fuel or waste at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of the Insured;
- (3) the Bodily Injury arises out of the furnishing by the Insured of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any nuclear facility, but if such facility is located within the United States of America, its territories or possessions or Canada, items (1), (2) and (3) of this paragraph applies only to injury to or destruction of property at such nuclear facility.

Definitions applicable to this exclusion

- (1) **hazardous properties** include radioactive, toxic or explosive properties.
 - (2) **nuclear material** means source material, special nuclear material or by-product material.
 - (3) **source material, special nuclear material and by-product material** have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.
 - (4) **spent fuel** means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a nuclear reactor.
 - (5) **waste** means any waste material:
 - (a) containing by-product material; and
 - (b) resulting from the operation by any person or organization of any nuclear facility included within the definition of nuclear facility below;
 - (6) **nuclear facility** means:
 - (a) any nuclear reactor;
 - (b) any equipment or device designed or used for:
 - 1) separating the isotopes of uranium or plutonium;
 - 2) processing or utilizing spent fuel; or
 - 3) handling, processing or packaging waste;
 - (c) any equipment or device used for the processing, fabricating or alloying of special nuclear material if at any time the total amount of such material in the custody of the Insured at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235; or
 - (d) any structure, basin, excavation, premises or place prepared or used for the storage or disposal of waste; and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations; and
 - (7) **nuclear reactor** means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material. With respect to injury to or destruction of property, the word "injury" or "destruction" includes all forms of radioactive contamination of property.
- i. **Any Medical Incident which:**
- (1) happened prior to the retroactive date;
 - (2) resulted in a claim or suit made against the Insured after the policy period or reported to the Company after



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sixty (60) days after expiration of the policy period unless if, and subject to its terms, an **Extended Reporting Period** endorsement has been purchased.

- (3) was first discovered by the **Insured** prior to the policy period listed on the Declarations page; or
- (4) was reported to or covered under any policy or self-insured retention in effect before this policy.

4. Supplementary Payments

We will pay, with respect to any claim we investigate or settle or any **suit** against an **Insured** we defend:

- a. All expenses we incur.
- b. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
- c. All reasonable expenses incurred by the **Insured** at our request to assist us in the investigation or defense of the claim or **suit**, including actual loss of earnings up to \$250 a day because of time off from work.
- d. All court costs taxed against the **Insured** in the **suit**. However, these payments do not include attorneys' fees or attorneys' expenses taxed against the **Insured**.
- e. Prejudgment interest awarded against the **Insured** on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.
- f. All interest on the full amount of the judgment that accrues after the entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

SECTION II – WHO IS AN INSURED

1. For Coverage **A**, if you are an individual, you are an **Insured**.
2. For Coverage **B**, if you are:
 - a. A partnership, you are an **Insured**. Your partners are also **Insureds**, but only with respect to the acts or omissions of others in the providing of **professional health care services** for which they are held liable as a partner.
 - b. A limited liability company, you are an **Insured**. Your members and managers are also **Insureds**, but only with respect to the acts or omissions of others in the providing of **professional health care services** for which they are held liable as members or managers.
 - c. An association or corporation, you are an **Insured**. Your **executive officers**, directors, trustees, governors and stockholders are **Insureds**, but only with respect to the acts or omissions of others in the providing of **professional health care services** for which they are held liable as **executive officers**, directors, trustees, governors and stockholders.
3. If an **Insured** die or is adjudged incompetent, this insurance will terminate for that **Insured**. But the **Insured's** legal representative will be an **Insured** for any **medical incident** or **business entity incident** previously committed and covered by this policy.
4. No person is an **Insured** with respect to the conduct of any current or past partnership or limited liability company that is not shown as a **Named Insured** in the Declarations.

SECTION III – LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
 - a. Claims made, or **suits** brought; or
 - b. Persons or **organizations** making claims or bringing **suits**.



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2. All related medical incidents arising out of the providing of or failure to provide **professional health care services** to any one person or serving as a member of a formal accreditation, standards review or equivalent professional board or committee in connection with a single person or **organization** shall be considered one **medical incident**.

3. Coverage A – Individual Professional Liability

- a. The Individual Professional Liability Aggregate Limit set forth on the Declaration is the most we will pay for the sum of all damages under Coverage A.
- b. Subject to Paragraph a. above, the Each Medical Incident Limit set forth on the Declaration is the most we will pay for all damages under Coverage A because of all injury arising out of any one **medical incident**.
- c. Under Coverage A, the Aggregate Limit and the Each Medical Incident Limit apply separately to each **Named Insured**.

4. Coverage B – Partnership, Limited Liability Company, Association or Corporation Professional Liability

- a. The Partnership, Limited Liability Company, Association or Corporation Professional Liability Aggregate Limit set forth on the Declaration is the most we will pay for the sum of all damages under Coverage B.
- b. Subject to Paragraph a. above Each Business Entity Incident Limit set forth on the Declaration is the most we will pay for all damages under Coverage B because of all injury arising out of any one **business entity incident**.
- c. All related **business entity incidents** arising out of the providing of or failure to provide **professional health care services** to any one person shall be considered one **business entity incident**.
- d. Under Coverage B, the Aggregate Limit and the Each Medical Incident Limit apply separately to each **Named Insured**.

The limits of this policy apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the limits of insurance.

SECTION IV – Conditions

1. Bankruptcy

Bankruptcy or insolvency of the **Insured** or of the **Insured's** estate will not relieve us of our obligations under this policy.

2. Duties in The Event of a Medical Incident, Business Entity Incident, Claim or Suit

- a. You must see to it that we are notified as soon as practicable, but in no event later than sixty (60) days after expiration of the policy period, of a circumstance which may result in a claim or **suit**. In the event a claim or **suit** is reported to the Company within sixty (60) days after the expiration of this policy, the claim or **suit** shall be deemed to have been reported on the last day of the policy period. To the extent possible, notice should include:

- (1) Specific circumstances surrounding the **medical incident** or **business entity incident**;
- (2) The names and addresses of any injured persons and witnesses; and
- (3) The nature and location of any injury arising out of the **medical incident** or **business entity incident**.

- b. If a claim is made or **suit** is brought against any **Insured**, you must:

- (1) Immediately record the specifics of the claim or **suit** and the date received; and
- (2) Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or **suit** as soon as practicable.

- c. You and any other involved **Insured** must:



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- (1) Immediately send us copies of any demands, notices, summonses, or legal papers received in connection with the claim or **suit**;
 - (2) Authorize us to obtain records and other information;
 - (3) Cooperate with us in the investigation or settlement of the claim or defense against the **suit**; and
 - (4) Assist us, upon our request, in the enforcement of any right against any person or **organization** which may be liable to the **Insured** because of injury to which this insurance may also apply.
- d. No **Insured** will, except at that **Insured**'s own cost, voluntarily make a payment, assume any obligation, or incur any expense without our consent.

3. Legal Action Against Us

No action shall lie against the Company unless, as a condition precedent there to, the **Insured** shall have fully complied with all the terms of this Policy.

4. Other Insurance

If other valid and collectible insurance is available to the **Insured** for a loss we cover under this policy, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary except when Paragraph b. below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in Paragraph c. below.

b. Excess Insurance

This insurance is excess over other insurance covering an individual licensed health care professional's acts or omissions. When this insurance is excess over other insurance, we will have no duty to defend the individual licensed health care professional against any **suit** if any other insurer has a duty to defend that individual licensed health care professional against that **suit**. If no other insurer defends, we will undertake to do so, but we will be entitled to the rights of that individual licensed health care professional against all those other insurers.

When this insurance is excess over other insurance, we will pay, up to the applicable limits of insurance, the amount of the loss that exceeds the sum of the total amount that all such other insurance would pay for the loss in the absence of this insurance.

If other insurance is also excess, we will share the remaining loss with that other insurance.

c. Method of Sharing

If all of the other insurance permits contribution by equal shares we will follow this method also. Under this approach, each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first. If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

5. Audits

- a. We will compute all premiums for this policy in accordance with our rules and rates.
- b. Premium shown in this policy as advance premium is a deposit premium only. At the close of each audit period, we will compute the earned premium for that period. Audit premiums are due and payable on notice to the **Named Insured**. If the sum of the advance and audit premiums paid for the policy term is greater than the earned premium, we will return the excess to the **Named Insured**.
- c. The **Named Insured** must keep records of the information we need for premium computation and send us copies at such times as we may request.



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- d. We shall be permitted, but not obligated, to inspect the **Insured's** property, operations and/or records at any time. We do not have the right to make inspections nor the making thereof or any report thereon shall constitute an undertaking on behalf of or for the benefit of the **Insured** to determine or warrant that such property or operations are safe or healthful or are in compliance with any law, rule or regulation.
- e. We may examine and audit the **Insured's** books and records at any time during the policy period, and extensions thereof, and within three years after the final termination of this Insurance.

6. Representations

By accepting this policy, you agree:

- a. The statements in the Declarations are accurate and complete;
- b. Those statements are based upon representations you made to us; and
- c. We have issued this policy in reliance upon your representations.

7. Transfer of Rights of Recovery Against Others to Us

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

8. When We Do Not Renew

If we decide not to renew this policy, we will mail or deliver to the **Named Insured** shown in the Declarations written notice of the nonrenewal not less than 20 days before the expiration date.

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

9. When Your Business or Profession Changes

The **Named Insured** must notify us of any change which might affect the terms of this insurance, including a change in:

- a. Members, partners, officers, directors, stockholders or medical professional employees; or
- b. Medical specialty.

10. Extended Reporting Period Endorsement

Upon termination of this insurance, for any reason other than cancellation for nonpayment of premium, the **Named Insured** identified on the Declarations or any **additional insured**, his heir or guardian, shall have the right to acquire an **Extended Reporting Period** endorsement. This endorsement extends for an unlimited duration the period during which claims may be reported to the Company, subject specifically to the provisions of the above referenced policy. The Insured must notify the Company, in writing, and remit full payment within thirty (30) days of the termination date or thirty (30) days of the date the Company mailed notification of the Insured's option, whichever is greater.

The limit of liability stated in the Declarations Page as "aggregate" shall represent the total liability of the company for all damages because of all injury to which this insurance applies but shall be an annual aggregate for each of the first two years of this endorsement and a total aggregate for the entire **Extended Reporting Period** following the end of the second year of this endorsement. The total additional premium will not exceed 200% of the annual premium for this insurance.

The endorsement or endorsements shall set forth the terms, not inconsistent with this Section, applicable to the **Extended Reporting Period**.

Extended Reporting Periods do not extend the policy period or change the scope of coverage provided. They apply only to claims or suits for injury caused by a **Medical Incident** that occurs before the end of the policy period (but not before the Retroactive Date, if any, shown in the Declarations).



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Claims for such injury which are first received and recorded during the **Extended Reporting Period** will be deemed to have been made on the last day of the policy period.

Once in effect, **Extended Reporting Period** may not be cancelled.

11. Changes

The terms of this policy shall not be waived or changed except by endorsement duly executed by an authorized representative of us, issued to form part of this policy, and agreed upon by the **Insured**.

12. Assignment

The interest hereunder of any **Insured** is not assignable.

Under Coverage A – Individual Professional Liability – If the **Insured** shall die or become adjudged incompetent, this policy shall thereupon terminate for such person, but such insurance as is afforded by this policy shall apply to the **Insured's** legal representative, but only while acting within the scope of his duties as such, with respect to acts or omissions previously incurred and covered by the policy.

Under Coverage B – Partnership, Limited Liability Company, Association or Corporation Professional Liability – If any member, partner, officer or director of the **Insured** shall die or be adjudged incompetent, this policy shall thereupon terminate for such person, but such insurance as is afforded by this policy shall apply to the **Insured's** legal representative, but only while acting within the scope of his duties as such, with respect to acts or omissions previously incurred and covered by this policy.

14. Notice of Cancellation

This policy may be cancelled by the **Named Insured** by surrender thereof to us or any of our authorized agents or by mailing to us a written notice stating when thereafter the cancellation shall be effective. This policy may be cancelled by us by mailing to the **Named Insured**, at the address shown in this policy, written notice stating when not more than sixty (60) days after policy issuance or renewal. The mailing of notice as aforesaid shall be sufficient proof of notice. The time of surrender of the effective date and hour of cancellation stated in the notice shall become the end of the policy period.

Delivery of such written notice either by the **Insured** or by us shall be equivalent to mailing.

If the **Insured** cancels, earned premiums shall be computed in accordance with the customary short rate table and procedure. If we cancel, earned premium shall be computed pro-rata. Premium adjustment may be made either at the time cancellation is effective or as soon as practicable after cancellation becomes effective, but payment or tender of unearned premium is not a condition of cancellation.

15. Sole Agent

The **Named Insured** on the Declarations shall act on behalf of all **Insureds** with respect to the giving and receiving notice of cancellation of nonrenewal, accepting any endorsement issued to form a part of this policy and receiving any return premium, if any; and is charged with the responsibility for notifying us of any changes of members, partners, officers, directors, stockholders or employees or any other change which might affect the insurance hereunder.

16. Conformity with Statute or Regulation

If any term of this policy, or any duty arising therefrom, would cause us to violate any federal, state or local law or regulation, the policy is amended to bring us into compliance with such statute or regulation.

17. False or Fraudulent Claims

If the **Insured** shall give notice of any **Suit** or potential **Suit** knowing the same to be false or fraudulent, this insurance shall become void and all rights hereunder shall be forfeited by the **Insured**.



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SECTION V – DEFINITIONS

1. **Additional Insured** means all those who qualify as an **Insured** in addition to the **Named Insured** listed on the Declarations as such.
2. **Bodily injury** means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.
3. **Business entity incident** means any act or omission arising out of the providing of or failure to provide **professional health care services** by:
 - a. Any of your partners (if you are a partnership), members or managers (if you are a limited liability company), or directors, executive officers, governors, trustees or stockholders (if you are an association or corporation);
 - b. Your **employee**; or
 - c. Any person acting under the personal direction, control or supervision of:
 - d. A partner (if you are a partnership);
 - e. A member or manager (if you are a limited liability company); or
 - f. A director, executive officer, governor, trustee or stockholder (if you are an association or corporation).
4. **Coverage territory** means the Commonwealth of Puerto Rico.
5. **Employee** includes a **leased worker**. **Employee** does not include a **temporary worker**.
6. **Extended Reporting Period** means the time after the end of the policy period for reporting claims arising out of a **Medical Incident** occurring subsequent to the Retroactive Date and prior to the end of the policy period and otherwise covered by this insurance.
7. **Insured** means the **Named Insured** identified in the Declarations as such and any **Additional Insured** identified in the Declarations Page or added by endorsement to this policy.

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

Under Coverage A – Individual Professional Liability – each named individual in the declarations and **Additional Insureds** identified in the Declarations or added by endorsement to this policy.

Under Coverage B – Partnership, Limited Liability Company, Association or Corporation Professional Liability – the organization named as the **Named Insured** on the Declarations Page and any member, partner, officer, director or shareholder thereof with respect to the acts or omissions of others, provided no such member, partner, officer, director or shareholder of a partnership, shall be an **Insured** under this paragraph with respect to acts or omissions in the furnishing of **professional health care services** by the **Insured** or any person acting under the **Insured's** personal direction, control or supervision.

8. **Leased worker** means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. **Leased worker** does not include a **temporary worker**.
9. **Medical incident** means any act or omission:
 - a. Arising out of the providing of or failure to provide **professional health care services** by:
 - (1) The **Insured**; or
 - (2) Any person acting under the personal direction, control or supervision of the **Insured**.
 - b. Arising out of the **Insured's** serving as a member of a formal accreditation, standards review or equivalent professional board or committee.
9. **Organization** means the following:

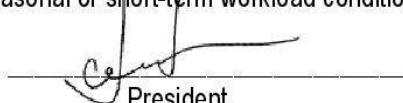
Professional Service Corporation (PSC)



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Limited Liability Partnership (LLP)
Domestic and Foreign Corporation (Corp. or Inc.)
Limited Liability Corporation (LLC)

10. **Professional health care services** mean services performed by the **Insured** in the treatment and/or care of any patient.
11. **Suit** means a civil proceeding in which damages because of injury to which this insurance applies are alleged.
Suit includes:
 - g. An arbitration proceeding in which such damages are claimed and to which the **Insured** must submit or does submit with our consent; or
 - h. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the **Insured** submits with our consent.
12. **Temporary worker** means a person who is furnished to you to substitute for a permanent **employee** on leave or to meet seasonal or short-term workload conditions.



President
Puerto Rico Medical Defense Insurance Company



Treasurer
Puerto Rico Medical Defense Insurance Company

Countersigned by:

Estefania V. González



9/18/2020

Name

Signature

Date



SCHEDULE OF ENDORSEMENTS

In consideration of the premium paid for this policy, it is hereby understood and agreed that the following endorsements will form part of this policy:

Mandatory Endorsements

- | | |
|-------------------------|---|
| 1. AHCP - 0004 (5.2017) | Mandatory Premium and Coverage Conditions |
| | Endorsement Puerto Rico |
| 2. AHCP – 0005 (5.2017) | Continuous Renewal Endorsement |

All other terms and conditions of the Policy remain unchanged.

Nothing herein contained shall be held to vary, alter, waive or change any of the terms, limits or conditions of the Policy, except as hereinabove set forth.

This endorsement is effective 4/23/2019.

Attached to and forming part of Policy No. PAH-25114 of the Puerto Rico Medical Defense Insurance Company.

By Authorized Representative: _____
(No signature is required if issued with the Policy or if it is effective on the Policy Effective Date)

A handwritten signature in blue ink, appearing to read "John Doe".



MANDATORY PREMIUM AND COVERAGE CONDITIONS ENDORSEMENT PUERTO RICO

It is hereby understood and agreed that pursuant to the regulations approved by the Commissioner of Insurance of Puerto Rico, this policy is amended according to the following conditions and stipulations:

- 1. Policy Premium Paid in Full by You:** If the premium for this policy is to be paid by you in its entirety and is not subject to any form of financing as contemplated by this endorsement, insurance coverage will be afforded only if the total premium is paid in full to, and received by, us or our authorized representative on or before the effective date shown on the declarations of this policy. Otherwise, the policy will be effective on the date the total premium is paid in full to, and received by, us or our authorized representative, and we will proceed as indicated in Section 9 of this endorsement.
- 2. Policy Premium Subject to Our Deferred Payment Plan:** If we have available a deferred payment plan duly approved by the Commissioner of Insurance of Puerto Rico under which the premium for this policy will be paid, insurance coverage will be afforded only if the initial or down payment under said payment plan is paid to, and received by, us or our authorized representative on or before the effective date shown on the declarations of this policy. Otherwise, this policy will be effective on the date the initial or down payment is paid in full to, and received by, us or our authorized representative, and we will proceed as indicated In Section 9 of this endorsement.
- 3. Policy Premium to be Financed as Part of a Financing or Leasing Transaction:** If the premium for this policy is being financed in its entirety (and accordingly no initial or down payment is made by you) in connection with the financing or leasing of property, insurance coverage will be afforded as of the effective date shown on the declarations of this policy only if, within thirty (30) days following the end of the month in which the policy is to be effective, we receive from the bank or financing institution the corresponding total premium. In the event the payment from the bank or financing institution is not received by us or our authorized representative by the due date indicated above, no insurance coverage will be afforded under this policy and the same will be void as of the date on which it should have become effective.
- 4. Policy Premium to be Financed by a Financing Institution or by a Bank:** If the premium for this policy is financed through a financing institution or by a bank in a situation not covered by the preceding Section 3, this policy will be effective on the date the down payment of at least 20% of the total annual premium to be paid by you, together with the corresponding premium finance contract duly executed, are received by us or our authorized representative. In the event the financing institution or the bank does not make the total corresponding payment and said payment is not received by us or our authorized representative within the thirty (30) days following the inception date of the policy, we will cancel the policy in accordance with the cancellation clause of this policy.
- 5. Policy Premium to be Paid Under an Escrow Account:** If this policy is issued in connection with the financing or leasing of property and the premium for this policy is to be paid from funds proceeding from an escrow account, insurance coverage will be afforded as of the effective date shown on the declarations of this policy only if, within thirty (30) days following the end of the month in which the policy is to be effective, we receive from the bank or financing institution the corresponding total premium. In the event the payment from the bank or financing institution is not received by us or our authorized representative by the due date As indicated above, no insurance coverage will be afforded under this policy and the same will be void as of the date on which it should have become effective.
- 6. Policy Premium to be Partly Paid with Proceeds of Single Interest Insurance Cancellation:** If a portion of the total premium for this policy will be paid with the proceeds of the premium return resulting from the cancellation of a single interest policy or certificate, this policy will be effective as of the date the greater of the following amounts is paid to, and received by, us or our authorized representative:
 - a. 20% of the annual premium corresponding to this policy, or



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- b. the difference between the total premium payable under this policy and the proceeds of the premium return resulting from the cancellation of the single interest policy or certificate.

In the event said premium return is not received by us or our authorized representative within the sixty (60) days following the end of the month in which this policy became effective, we will mail you a notice of cancellation in accordance with the cancellation clause of this policy, to be effective on the date the premium paid by you is exhausted.

7. Endorsement Premium: Endorsements issued after the inception date of this policy, affording additional insurance and which result in an additional premium, shall not be effective until the total additional premium due thereon is paid in full to, and received by, us or our authorized representative. This procedure will be followed if the premium for this policy has been paid in full by you or has been financed by the bank or financing institution. If the premium for this policy is subject to a deferred payment plan the aforesaid endorsement shall not be effective until a down payment of the additional premium in accordance with such plan is paid to, and received by, us or our authorized representative, and accordingly subsequent payments of the plan are amended to include the unpaid portion of the additional premium for the endorsement.

8. Premium Corrections: Any additional premium due resulting from changes in rates, classifications, premium bases, or any other adjustments (as determined by us or the proper rating organization), shall be paid in full within thirty (30) days from the date of billing of the corrective endorsement. If the payment corresponding to this policy is subject to a deferred payment plan or a premium financing contract, a down payment of the additional premium in accordance with such plan or financing contract shall be paid to, and received by, us or our authorized representative within that same thirty (30) day period and accordingly subsequent payments of the plan will be amended to include the unpaid portion of the additional premium for the endorsement. Otherwise, we shall mail to you a notice of cancellation in accordance with the cancellation clause of this policy using the sum of the original premium plus the premium of the corrective endorsement as the basis for the calculation of the amount of premium return due to you, if any.

9. Late Payments: If payment is received after the specified due date, we will proceed as follows:

- a. For new policies (Sections 1 and 2 above) we will issue a change of effective date of coverage notice stating:

- i. that the insurance afforded under the policy is effective as of the date of receipt of the applicable premium payment,
- ii. the resulting amended inception and expiration dates of the policy, which will be postponed by the same number of days that coverage was not afforded due to the late receipt of the premium payment, and
- iii. the corresponding period of time during which coverage is not afforded under the policy.

- b. For premium correction endorsements (Section 8 above) we will issue, subject to the applicable regulations, a limited reinstatement notice stating:

- i. that the insurance afforded by the policy will be reinstated as of the date of receipt of the applicable additional premium payment,
- ii. the period for which coverage is not afforded, and
- iii. the amount of premium return due to you, if any.

10. Cancellation of Policy: Upon failure of any premium when due under a policy in force, we must, within the next twenty (20) days following the due date, issue a notice of cancellation in accordance with the provisions of the policy.

11. Definition of Authorized Representative: Authorized representative for the purpose of this endorsement means a general agent, an authorized policy writing agent, or a person duly authorized in writing by us for premium collection purposes.

12. This mandatory endorsement supersedes any other conditions to this effect in this policy to which it is attached.



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CONTINUOUS RENEWAL ENDORSEMENT

To be attached to and forming part of Policy No. PAH-25114

It is hereby understood and agreed that the policy to which this endorsement is attached, is hereby amended as follows:

In consideration of the **Insured's** payment of the required future renewal premiums and subject to the rules and rates then in force, this policy shall be automatically renewed for successive one year periods until cancelled pursuant to its cancellation clause.

This endorsement is subject otherwise to all of the terms, exclusions and conditions of the above mentioned policy.

AHCP - 0005 Continuous Renewal Endorsement (10/2017)