

INSURANCE CLAIMS HISTORY REPORT

Summit Digital Solutions, Inc.

Reporting Period: January 1, 2021 - December 31, 2023

Date of Report: January 9, 2024

1. EXECUTIVE SUMMARY

This Insurance Claims History Report provides a comprehensive overview of all insurance claims filed by Summit Digital Solutions, Inc. ("Company") during the period from January 1, 2021, through December 31, 2023. The report has been prepared in accordance with standard insurance reporting practices and includes all claims across the Company's insurance portfolio.

2. INSURANCE COVERAGE OVERVIEW

1 Primary Insurance Policies Maintained:

- Commercial General Liability: \$10M per occurrence
- Professional Liability/E&O: \$15M aggregate
- Cyber Liability: \$20M aggregate
- Workers' Compensation: Statutory limits
- Commercial Property: \$25M
- Directors & Officers Liability: \$10M
- Employment Practices Liability: \$5M
- Commercial Auto: \$2M combined single limit

2 Insurance Carriers:

- Primary Coverage: Zurich American Insurance Company
- Excess Coverage: AIG Property Casualty
- Cyber Coverage: Chubb Limited
- Professional Liability: Lloyd's of London

3. CLAIMS SUMMARY BY YEAR

3.1 2023 Claims

Professional Liability Claims

Claim #PL-2023-001

- Date Filed: March 15, 2023
- Nature: Implementation delay dispute
- Status: Closed
- Settlement Amount: \$175,000
- Deductible Applied: \$50,000

Claim #PL-2023-002

- Date Filed: September 8, 2023
- Nature: System integration performance issue
- Status: Open
- Reserve Amount: \$250,000
- Deductible: \$50,000

Cyber Liability Claims

Claim #CY-2023-001

- Date Filed: July 22, 2023
- Nature: Third-party data exposure
- Status: Closed
- Settlement Amount: \$85,000
- Deductible Applied: \$25,000

3.2 2022 Claims

Workers' Compensation Claims

Claim #WC-2022-001

- Date Filed: February 3, 2022
- Nature: Repetitive stress injury
- Status: Closed
- Settlement Amount: \$45,000
- Deductible Applied: \$0

Property Claims

Claim #PR-2022-001

- Date Filed: June 12, 2022
- Nature: Water damage to server room
- Status: Closed
- Settlement Amount: \$128,000
- Deductible Applied: \$10,000

3.3 2021 Claims

Employment Practices Claims

Claim #EP-2021-001

- Date Filed: April 5, 2021
- Nature: Wrongful termination allegation
- Status: Closed
- Settlement Amount: \$95,000
- Deductible Applied: \$25,000

4. CLAIMS ANALYSIS

1 Total Claims by Category (2021-2023):

- Professional Liability: 2 claims
- Cyber Liability: 1 claim
- Workers' Compensation: 1 claim
- Property: 1 claim
- Employment Practices: 1 claim

2 Financial Impact Summary:

- Total Claims Filed: 6
- Total Settlement Payments: \$528,000
- Total Deductibles Paid: \$160,000
- Outstanding Reserves: \$250,000

3 Claims Frequency Analysis:

- Average Annual Claims: 2

- Highest Claim Category: Professional Liability
- Average Claim Value: \$129,667

5. RISK MANAGEMENT INITIATIVES

1 Implemented Measures:

- Enhanced project management protocols
- Updated cyber security frameworks
- Improved employee safety training
- Strengthened quality assurance procedures

2 Impact on Claims:

- 25% reduction in claim frequency from 2021 to 2023
- 40% reduction in average claim value
- Zero repeat-type incidents

6. INSURANCE PROGRAM MODIFICATIONS

1 Coverage Adjustments:

- Cyber liability limits increased from \$15M to \$20M (Q2 2023)
- Professional liability deductible optimized to \$50,000 (Q1 2022)
- Added technology E&O endorsement (Q3 2022)

7. CERTIFICATIONS AND DISCLAIMERS

This report has been prepared based on insurance claim records maintained by Summit Digital Solutions, Inc. and its insurance carriers. While every effort has been made to ensure accuracy, this report should not be considered a guarantee of complete claims history, as additional claims may be reported after the fact or may be in process.

8. REPORT AUTHENTICATION

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Summit Digital Solutions, Inc.

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Summit Digital Solutions, Inc.

Date: January 9, 2024

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