REFERENCE SHEET

Additional Coverages Summary

Plain-language explanations of each optional coverage endorsement offered. An additional premium typically applies to the coverages below unless indicated otherwise on the quote. Except for Defense Outside the Limits, all optional coverage endorsements offered include indemnity and defense within the purchased sub-limit.

Note: This summary is illustrative only, should not be used as a substitute for reviewing the policy form and endorsements. In the event of a claim, only the actual policy and attached endorsements govern. Please refer to each endorsement for full definitions, conditions, and exclusions. Availability, sub-limits, and premium are subject to underwriting review and may not be available on all accounts.

ADDITIONAL COVERAGES OFFERED

Communicable Disease

- Covers damages and claims expenses where an insured is held legally responsible for transmitting a communicable disease, or exposing someone to one, while performing — or failing to perform — the professional services shown on the declarations page.
- **Sub-limit options:** $50,000 / $50,000 or $100,000 / $100,000.

Defense Outside the Limits

- Gives the insured a separate set of limits for claims expenses, so defense costs do not erode the limits available to pay damages.
- **Limit:** Equal to policy limits for claims expenses only, not to exceed $1,000,000.

Disciplinary Proceedings

- Covers the insured when a state board, regulator or other disciplinary body investigates charges alleging professional misconduct in performing the professional services shown on the declarations page.
- **Included as standard:** $5,000 sub-limit at no additional premium, unless specifically removed by the underwriter.
- **Higher options:** $10,000 / $10,000 or $25,000 / $25,000, indemnity and defense, for an additional premium.

Employee Benefits Liability

- Covers damages and claims expenses arising from an act, error or omission negligently committed in administering the insured's own employee benefit program.
- **Note:** This limit typically equals the general liability policy limit and shares in the general liability aggregate limit. Includes indemnity and defense.

Evacuation Expense Reimbursement

- Reimburses the named insured for the cost of evacuating residents — transport, lodging and meals — where 50% or more of residents must be moved off site because an occurrence has made, or could make, the facility unsafe. Satisfactory proof of payment is required.
- **Sub-limit options:** $25,000 / $25,000 or $50,000 / $50,000.

First Dollar Defense

- Amends the policy so the deductible applies only to damages, not to claims expenses. The insured pays no deductible toward defense costs.

Health Insurance Portability and Accountability Act (HIPAA)

- Covers the insured where they become legally obligated to pay because of an act, error or omission that breaches the Health Insurance Portability and Accountability Act of 1996, its rules and regulations, any later amendments or replacements, and any similar law.
- **Sub-limit options:** $25,000 / $25,000, $50,000 / $50,000, $100,000 / $100,000 or $250,000 / $250,000.

ADDITIONAL COVERAGES OFFERED, CONTINUED

Hired and Non-Owned Auto Liability

- Covers damages and claims expenses arising from the maintenance or use of a hired vehicle — one the insured leases, hires, rents or borrows from someone other than an employee, a member of their household, a partner or an executive officer — or a non-owned vehicle, one the insured does not own, lease, hire, rent or borrow, used during the course of business.
- **Sub-limit options:** Range from $100,000 / $300,000 to $1 million / $3 million.

Legal and Media Event Expense Reimbursement

- Reimburses the named insured for legal and media costs — attorney, expert and consultant fees — incurred investigating and defending an actual or alleged legal event arising out of their professional services shown on the declarations page. A legal event includes a criminal investigation, criminal complaint, indictment, or an administrative, regulatory, disciplinary or licensure proceeding. Satisfactory proof of payment during the policy period is required.
- **Sub-limit options:** $25,000 / $25,000 or $50,000 / $50,000.

Patient Loading and Unloading — non-emergency medical transportation risks only

- On non-emergency medical transportation risks, the policy form is amended to be silent on the loading and unloading of patients from or onto any vehicle. Where defined coverage is needed instead, this endorsement provides it, and also covers allegations of failing to secure a patient properly.
- **Sub-limit options:** Range from $100,000 / $300,000 to $1 million / $3 million, upon request.

Privacy Reimbursement

- Reimburses the insured for damages, or for privacy incident response expenses, following a violation of a privacy law as defined in the endorsement.
- **Sub-limit options:** $25,000 / $25,000 or $50,000 / $50,000.

Punitive Damages

- Widens the policy's definition of damages to include punitive or exemplary damages, where those damages are insurable by law.

Sexual Abuse and Molestation

- Covers damages and claims expenses arising from a sexual misconduct claim made during the course of the insured furnishing the professional services shown on the declarations page.
- **Sub-limit options:** Range from $100,000 / $300,000 to $1 million / $3 million.

Sexual Abuse and Molestation including Physical Abuse

- As above, and also covers physical abuse as defined in the endorsement.
- **Sub-limit options:** Range from $100,000 / $300,000 to $1 million / $3 million.

ADDITIONAL COVERAGES OFFERED, CONTINUED

Stop Gap — available in North Dakota, Ohio, Washington and Wyoming

- Covers an employer's liability for workplace injuries in states where the monopolistic state workers' compensation fund does not provide employer's liability coverage. This coverage fills the gap between the statutory workers' compensation benefits, paid through the state fund, and a lack of any coverage for related liability claims.
- **Sub-limit options:** Typically matches the general liability limits and coverage form.

Terrorism Risk Insurance Act (TRIA)

- Covers an insured loss resulting directly from an act of terrorism, as that term is defined in the United States Terrorism Risk Insurance Act of 2002, as amended.

Theft

- Covers the theft of a client's property.
- **Sub-limit options:** $10,000 / $10,000, $25,000 / $25,000, $50,000 / $50,000 or $100,000 / $100,000.

OTHER AVAILABLE COVERAGE ENDORSEMENTS

Additional Insured — available on a scheduled or blanket basis

- Adds persons or organizations that contractually require additional insured status as an additional insured for their vicarious liability. Coverage applies only to their liability arising out of the activities of the named insured.

Primary and Non-Contributory — available on a scheduled or blanket basis

- Amends the policy wording so that coverage is primary for a scheduled person or organization named on the endorsement, for work the insured performs under a written contract with them. Any other insurance that person or organization carries is then treated as excess and non-contributory to the Grayson policy.

Waiver of Subrogation — available on a scheduled or blanket basis

- Amends the policy wording so Grayson agrees to waive its rights of subrogation against a person or organization named on the endorsement, where a waiver of subrogation was contractually required and accepted by the insured before the claim.

Nose Coverage — available for an additional premium

- Used where an insured needs, or wants, to move from a claims-made general liability form to an occurrence form without a gap, in cases where tail coverage cannot be purchased on the general liability alone. Grayson agrees to pick up covered bodily injury, property damage and personal and advertising injury claims occurring after the retroactive date shown on the endorsement.
- It does not reinstate or increase available limits — it allows more time to report general liability claims after the move to an occurrence form.

A reminder on how to use this sheet

- The summaries here are written in plain language to help explain the additional coverages to an agent. They are shortened, and they leave detail out. They do not replace reading the policy form and the endorsements.
- In the event of a claim, coverage is determined by the policy form and the endorsements actually attached to the policy, not by this summary. Please refer to the endorsement wording for the definitions, conditions and exclusions that apply, and to state-specific wording where relevant. Nothing in this document binds coverage or constitutes an offer to insure.

Applications are available at graysonunderwriting.com or on request.

Grayson works exclusively with appointed wholesale brokers.