



Arthur J. Gallagher & Co.

September 29, 2014

Mr. Wyatt Scott
Fort Bend County
301 Jackson St
Richmond, TX 77469

Re: Medical Professional Liability – Clinical Health Services
10/1/2014 TO 10/1/2015

Dear Wyatt:

Your (policy type) policy will be renewing shortly. Attached is our quotation for coverage. We are not aware of any changes in your exposures to loss, nor are we aware of any changes in your business operations that would necessitate additional coverage options. Please notify us immediately if you are planning any new business operations.

We would like to outline the following notable points for your consideration:

- Any entity not named above, may not be an insured entity. This may include partnerships and joint ventures.
- The Insurance carrier is Admiral Insurance Company, AM Best rated A+ XV.
- The renewal premium is \$11,257.89 broken out as follows:
 - Pure premium \$10,731 (versus \$11,890 last year)
 - Taxes \$526.89
- The premium is subject to minimum 25% earned at inception.
- The premium is based upon the application you provided, and is not subject to annual audit.
- Defense costs are limited and included within the policy limits for covered claims.
- Significant policy exclusions include but are not limited to the following: dishonest acts; professional services provided by a medical director involving direct patient care; insured versus insured; caused by any insured under the influence of intoxicants; bankruptcy or insolvency; discrimination or other employment related practices; sexual abuse in return for professional services (limited coverage provided); directors and officers; pollutants; workers compensation or other entities such as ERISA or SEC, etc.; nuclear energy; copyright or trade infringements; terrorism exclusion; and Specific Exclusion for obstetrics and surgery (other than minor).
- The renewal policy limits are:
 - **CLAIMS MADE** Policy form
 - Each Claim Limit \$1,000,000
 - Policy Aggregate \$3,000,000
 - Sexual Abuse – Each Claim \$100,000 Sublimit
 - Sexual Abuse – Aggregate \$300,000
 - Per claim Deductible \$5,000 Includes expenses
 - **RETRO ACTIVE DATE** 10-1-2006
- Gallagher is responsible for the placement of the following lines of coverage: Clinical Health Services expiring 10-1. All other lines renew in April. It is understood that any other type of exposure/coverage is either self-insured or placed by another brokerage firm other than Gallagher. If you need help in placing other lines of coverage or covering other types of exposures, please contact your Gallagher representative.



- The policy is **claims-made** and contains the following restrictions and claims reporting requirements:

1. Definition of claim – see attached
2. Incident or Claim Reporting Provision – see attached
3. Continuity Date or specific dates/limits applicable to the claims made conditions:
4. Extended Reporting Period (ERP) Option Details – see attached:

Premium (annual)	Period
125%	One year
175%	Three years
200%	Five years
300%	unlimited

- If you elect to purchase ERP you must make request in writing to the carrier.
- Significant Restrictions to the ERP availability:
- Immediately report all claims to
 - Admiral Insurance Company
 - Claims Dept
 - Mt Laurel Corporate Park
 - 1000 Howard Blvd
 - PO Box 5430 Suite 300
 - Mt. Laurel NJ 08054
 - EMAIL: admclaims@admiralins.com
- **IMPORTANT NOTICE** Should you elect to change carriers (if a new retro-active date is provided) or non-renew this policy, a supplemental extended reporting endorsement may be available subject to policy terms and conditions. You must request the extended reporting period in writing to the carrier within (30) days of the expiration date. The cost of this extended reporting period is see rate percentages above of the annual premium and is fully earned. The extended reporting period extends only to those claims that occurred prior to the expiration date and would have been covered by the policy. Claims must be reported to the carrier within (60) days of the end of the policy period. The extended reporting period does not increase the limits of liability and is subject to all policy terms, conditions and exclusions.

To renew/bind this policy, please refer to the "Client Authorization to Bind Coverage" page attached.

1. Note any changes you desire to be made.
2. Date and sign.
3. Return prior to the effective date of coverage.

We appreciate your business and look forward to working with you in the coming year. Please contact me if you have any questions.

Sincerely,

Cyndi Boehle

Cyndi Boehle
Senior Vice President