

## Assisted Living Insurance Requirements

Given the nature of the affordable assisted living projects, there are a number of insurance coverages that must be maintained for each project. The following chart lists the required policy, the expected coverage, the named insured and the additional insureds.

<b>Policy Type</b>	<b>Coverage Amount</b>	<b>Named Insured</b>	<b>Additional Insureds</b>
Property, including Time Element	90% Replacement Cost Agreed Amount	Project LP	All other parties with ownership interest only
General Liability/ Premises--less than 100 Residents*	\$1MM Occ/\$2MM Agg	Project LP	All other parties with ownership interest only
Excess/Umbrella Liability--more than 100 Residents	\$1MM Occ/\$1MM Agg	Project LP	All other parties with ownership interest only
Workers Compensation Applicable PER entity	Minimum Statutory Service Provider & Property Management Co.	Service Provider Entity & Property Management Co.	Not Applicable
Employers Liability	\$1,000,000	Service Provider Entity	Not Applicable
Professional Liability Less than 100 Residents	\$1MM Occ /\$3MM Agg	Service Provider Entity	Project LP, PM and any other contractual insurable interests at risk
Professional Excess Liability--more than 100 Residents	\$1MM Occ/\$1MM Agg	Service Provider Entity	Project LP, PM and any other contractual insurable interests at risk
Employee Practices Liability (usually part of D&O) or separate	Determined by Service Provider as employer at facility	Service Provider Entity	Not Applicable
Employee Benefits Liability	Determined by Service Provider as employer at facility	Service Provider Entity	Not Applicable
Auto Liability *	\$1,000,000 Combined Single Limit Minimum	Service Provider Entity	Not Applicable
Hired/Non-Owned Auto Liability PER entity	\$1,000,000 Combined Single Limit	Service Provider Entity & Property Management Co.	Not Applicable
Fidelity/Crime Limit PER entity at risk (collections versus disbursements)	4 Months Gross Revenue or \$1,000,000, whichever is less	Service Provider Entity & Property Management Co.	Not Applicable

All insurance carriers must be rated A-VIII or better, as designated by A.M. Best & Company. Risk Retention Group or Captive placement requires a fronting insurance company, with an A. M. Best rating of A VIII or better.

\* Applicable for any facility (regardless of number of residents) having a dedicated vehicle for transportation per Service Plan Agreement. Vehicle ownership title OR lease agreement is to be in the name of the Service Provider. Proof of the aforementioned coverages must be provided prior to the Facility opening and accepting residents. If the required coverage will not be provided the parties must agree to alternative coverage in writing.