

## NOTICE

**THIS IS A CLAIMS-MADE POLICY.  
PLEASE REVIEW THE POLICY CAREFULLY.**

**THIS POLICY IS LIMITED TO CLAIMS THAT ARE FIRST MADE AGAINST THE INSURED AND REPORTED TO THE COMPANY IN WRITING DURING THE POLICY PERIOD.**

### INTERSTATE FIRE & CASUALTY COMPANY

(a stock insurance company, herein called the Company)

agrees with all **Insureds**, in consideration of the payment of the premium, and in reliance upon the statements in all applications as follows:

#### I. COVERAGE

The Company will pay on behalf of the **Insured** all sums which the **Insured** shall become legally obligated to pay as **Damages** for **Claims** first made against the **Insured** and reported to the Company in writing during the **Policy Period** or **Extended Reporting Period**, as applicable, based on any act, error, omission, or **Personal Injury** in the rendering of **Professional Services** to or for others by an **Insured**; provided always that such act, error, omission or **Personal Injury** happens:

- A. during the **Policy Period**; or
- B. prior to the **Policy Period** but subsequent to the prior acts date, if any, listed in the Declarations; provided that, prior to the effective date of the first Lawyers Professional Liability Insurance Policy issued by this Company to the **Named Insured** or **Predecessor in Business**, and continuously renewed and maintained in effect to the inception of this **Policy Period**:
  - 1. the **Insured** did not give notice to any prior insurer of any such act, error, omission or **Personal Injury**;
  - 2. the **Insured** did not know and had no reasonable basis to believe the **Insured** had breached a professional duty or that any such act, error, omission or **Personal Injury** might be the basis of a **Claim**; and
  - 3. there is no prior or other policy or policies which provide insurance for such **Claim**, unless the available limit of liability of such prior policy or policies are insufficient to pay such **Claim**, in which event this Policy will be specific excess over any such prior or other coverage.

The Company shall have the right and duty to defend any suit against the **Insured** seeking **Damages** to which this insurance applies even if the allegations of the suit are groundless, false or fraudulent. The Company shall select and assign defense counsel; however, the **Insured** may engage additional counsel, solely at the **Insured's** expense, to associate in the defense of any suit covered hereunder. The Company shall also have the right to investigate any **Claim** and/or negotiate the settlement thereof, as it deems expedient.

In no event shall the Company be obligated to pay **Damages** or **Claim Expenses** or to defend, or continue to defend, any suit after the applicable limit of the Company's liability has been exhausted by payments of judgments, settlements, **Damages** or **Claim Expenses**.

## II. PERSONS INSURED

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

- A. The entity or person named in Item 1 of the Declarations as the **Named Insured**;
- B. Any **Predecessor in Business** or **Successor in Business**;
- C. Any past partner, officers, directors, stockholders, or employees of the **Named Insured** or **Predecessor in Business**, but solely with respect to **Professional Services** on behalf of the **Named Insured** or **Predecessor in Business**;
- D. Any current partner, director, stockholder or employed lawyer of the **Named Insured, Predecessor in Business** or **Successor in Business**, but solely with respect to **Professional Services** on behalf of the **Named Insured, Predecessor in Business** or **Successor in Business**;
- E. Any current or past non-lawyer employee of the **Named Insured, Predecessor in Business** or **Successor in Business** but only while acting within the scope of their duties on behalf of any such person or entity;
- F. Any lawyer acting as "of counsel" to or on a contracted basis for the **Named Insured, Predecessor in Business** or **Successor in Business**, but only while performing **Professional Services** on behalf of the **Named Insured, Predecessor in Business** or **Successor in Business**.

## III. LIMIT OF LIABILITY

Regardless of the number of **Insureds** under this insurance or the number of **Claims** made, the Company's liability is limited as follows:

- A. The limit of liability stated in the Declarations as applicable to "each **Claim**" is the limit of the Company's liability for all **Damages** and **Claims Expenses** because of each covered **Claim**.  
  
The limit of liability stated in the Declarations as "aggregate" is, subject to the above provision respecting "each **Claim**", the total limit of the Company's liability under this Policy for all **Damages** and **Claim Expenses**.
- B. The Company's liability for **Damages** and/or **Claim Expenses** is in excess of the deductible amount stated in the Declarations. The deductible amount stated in the Declarations shall be paid by the **Named Insured**, for each **Claim**, within 30 days of demand by the Company or receipt of an invoice from defense counsel. The Company shall have no obligation to make any payments for **Damages** or **Claim Expenses**, or any Supplementary Payments, until the deductible has been satisfied.
- C. The **Extended Reporting Period** endorsement, if any, shall not increase the limit of liability of the Policy.
- D. All **Claims** arising from the same act, error, omission or **Personal Injury**, or a series of related acts, errors, omissions or **Personal Injuries**, shall be considered a single **Claim** for the purpose of this insurance and shall be subject to the same limit of liability.
- E. If any **Insured** is afforded coverage for a **Claim** under two or more policies of lawyer's professional liability insurance issued by the Company, or any of its affiliated insurance companies, the Company shall not be liable under this Policy for a greater proportion of **Damages** and **Claim Expenses** than the limits of this Policy bear to the total limits of all applicable insurance policies.
- F. and the total liability of the Company as to such **Claim** shall not exceed the limit of liability of that policy that has the highest applicable limit of liability.

#### IV. POLICY TERRITORY

This Policy applies to any act, error, omission or **Personal Injury** in the rendering of **Professional Services** anywhere in the world, provided the **Claim** is made or suit, if any, is brought within the United States of America, its territories or possessions, or Canada.

#### V. WHEN A CLAIM IS DEEMED FIRST MADE

A. **Claim** shall be deemed as being first made at the earlier of the following times:

1. When a summons or similar document is served upon any **Insured** in a proceeding seeking **Damages** against an **Insured**; or
2. when any **Insured** first receives a written demand for money or services or a request to participate in any **Alternative Dispute Resolution**.

B. If, during the **Policy Period**, the **Insured** first becomes aware of a specific act, error or omission in the rendering of **Professional Services** that may give rise to a **Claim**, and if the **Insured** shall during the **Policy Period** give written notice to the Company of:

1. the specific act, error or omission;
2. the injury or damage which has or may result from act, error or omission; and
3. the circumstances by which the **Insured** arising out of such act, error or omission;

then any **Claim** that is subsequently made against the **Insured** arising out of such act, error, or omission shall be deemed for the purposes of this insurance to have been made during the **Policy Period**.

#### VI. SUPPLEMENTARY PAYMENTS

The Company will pay, in addition to the applicable limit of liability, or credit to the deductible if not yet satisfied, up to \$5,000 per **Policy Period** for each **Insured** for reimbursement of attorney fees and other costs, expenses or fees resulting from the investigation or defense of a proceeding before a state licensing board, peer review committee or governmental regulatory body; provided, notice of such proceeding is first received by the **Insured** during the **Policy Period** and reported by the **Insured** to the Company during the **Policy Period**, and such proceeding arises out of **Professional Services** rendered by an **Insured**.

#### VII. EXCLUSIONS

This Policy does not apply to **Claims**:

- A. Based on or arising out of the **Insured's** services and/or capacity as an employee, owner, partner, stockholder, director, or officer of any sole proprietorship, partnership or corporation or other business enterprise which is not the **Named Insured, Predecessor in Business** or **Successor in Business**.
- B. Based on or arising out of any dishonest, fraudulent, criminal or malicious act or omission, or deliberate misrepresentation committed by, at the direction of, or with the knowledge of any **Insured**; however, the Company will provide a defense of such a suit alleging such conduct until, by trial verdict, court ruling, regulatory ruling or legal admission, an **Insured** is found to have engaged in such conduct.

Exception - Whenever coverage under this Policy would be excluded or otherwise not apply because of this Exclusion B, the Company nonetheless agrees that such insurance as would otherwise be afforded under this Policy shall apply with respect to each **Insured** who did not personally commit or personally participate in committing one or more of the acts, errors, or omissions described in such exclusion; provided that, subject to the applicable limit of liability, the amount the Company is obligated to pay in the event this exception to Exclusion B applies shall only be in excess of the deductible and in the excess of the full extent of any assets in the firm of any **Insured** who is not a beneficiary of this exception to Exclusion B.

- C. Brought by or on behalf of any employee or independent contractor of an **Insured**, including but not limited to **Claims** based on or arising out of any obligations for which any **Insured** or any carrier acting as the insurer may be liable under any workers' compensation, unemployment compensation, disability or pension benefits law, or any similar laws, including but not limited to, the Employee Retirement Income Security Act of 1974 and any amendments thereof.
- D. Based on or arising out of, in whole or in part, any **Insured's** services and/or capacity as:
  - 1. an officer, director, partner, trustee, or employee of:
    - a. a charitable organization;
    - b. a pension, welfare, profit sharing or mutual fund;
    - c. an investment fund or investment trust;
  - 2. a public official, or an employee of a governmental body, subdivision, or agency;
  - 3. a fiduciary under the Employee Retirement Income Security Act of 1974 and its amendments or any regulation or order issued pursuant thereto, except if an **Insured** is deemed to be a fiduciary solely by reason of legal advice rendered with respect to an employee benefit plan; or
  - 4. a trustee, administrator, conservator, executor, guardian, receiver or similar fiduciary capacity for or on behalf of any person, entity, trust or estate of which any **Insured** or the spouse or children of any **Insured** is/are a beneficiary.
- E. For bodily injury, emotional distress, sickness, disease or death of any person, or injury to or destruction of any tangible property or loss of use resulting therefrom.
- F. Based on or arising out of notarized certification or acknowledgment of a signature without the physical appearance before such notary public of the person who is or claims to be the person signing said instrument.
- G. Based on or arising out of **Professional Services** performed for any organization, corporation, company, partnership or operation (other than the **Named Insured, Predecessor in Business or Successor in Business**) in which cumulatively, any **Insured** and/or their spouse and/or children has/have more than 10% equity position.
- H. Made by an **Insured** under this Policy against any other **Insured** under this Policy unless such **Claim** arise solely out of **Professional Services** performed for that party in a lawyer-client capacity.
- I. Based on or arising out of the willful violation of a penal statute or ordinance committed by or with the knowledge or consent of any **Insured**.
- J. Based on or arising out of actual or alleged failure of performance of contract or breach of any other than a contract to render **Professional Services**.

- K. By any person or entity which any **Insured** has sued for fees relating to the same representation or subject matter which is the basis of the **Claim**, regardless of whether such suit for fees is pending or dismissed.
- L. Based on or arising out of, in whole or in part, any business transaction (other than for the performance of **Professional Services**) between any **Insured** and a claimant, including but not limited to any loans or investments between an **Insured** and a claimant.
- M. By any co-counsel or associated counsel of any **Insured**, for fee apportionment or relating in any manner to division of fees between an **Insured** and any other person or entity.
- N. Based on or arising out of, in whole or in part, any act, error, omission, **Personal Injury** or disagreement which involves money management services provided by the **Insured**.

## VIII. DEFINITIONS

When used in this Policy (including endorsements forming a part hereto):

**“Alternative Dispute Resolution”** means an arbitration or mediation process.

**“Claim”** means a demand for money or services received by an **Insured** or a demand for **Alternative Dispute Resolution** naming an **Insured**.

**“Claim Expenses”** means:

- (a) Fees charged by an attorney(s), arbitrator(s) or mediator(s) designated by the Company and all other fees, costs, and expenses resulting from the investigation, adjustment, defense and appeal of a **Claim** or suit, if incurred by the Company, or by the **Insured** with the prior written consent of the Company.
- (b) All costs taxed against the **Insured** with respect to a covered **Claim** or suit, and interest on that part of any judgment covered under this Policy which accrues after entry of judgment and before the Company has paid or tendered or deposited, whether in court or otherwise, the covered portion of the judgment.
- (c) Premiums on appeal bonds and on bonds to release attachments with respect to covered **Claims**, but not for bond amounts in excess of the applicable limit of liability of this Policy. The Company shall have no obligation to collateralize or furnish any bond.

**“Damages”** means compensatory judgments, settlements or awards but does not include punitive or exemplary damages, sanctions, fines or penalties assessed against any **Insured**.

The return of fees or other consideration paid to the **Insured** or any other restitution or disgorgement, or that portion of any award or judgment caused by the trebling or multiplication of actual damages.

**“Extended Reporting Period”** shall mean the period provided in an Extended Reporting Period Endorsement, if any, extending the time for the **Insured** to report **Claims** arising from **Professional Services** rendered by an **Insured** prior to expiration or termination of the Policy.

**“Personal Injury”** means:

- (a) false arrest, detention or imprisonment, wrongful entry or eviction, other invasion or private occupancy;
- (b) the publication or utterance of libel, slander or other defamatory or disparaging material, or a publication or an utterance in violation of an individual’s right of privacy except when made by or at the direction of an **Insured** with such **Insured**’s knowledge of the falsity thereof; or

- (c) injury occurring in the course of the **Named Insured's** advertising activities, including but not limited to infringement of copyright, title slogan, patent trademark, trade dress, trade names, service mark or service number.

**"Policy Period"** means the period from the inception date of this Policy to the Policy expiration date as set forth in the Declarations or its earlier termination date, if any.

**"Predecessor in Business"** means any legal firm which has undergone dissolution and of which at least 50% of the principals, owners, partners or officers of the prior firm have joined the **Named Insured** and at least 50% of the prior firm's financial assets/liabilities have been assumed by the **Named Insured**; provided, only those legal firms identified in Item 7 of the Declarations shall be considered a **"Predecessor in Business."**

**"Professional Services"** means:

- (a) legal services performed by an **Insured** in the **Named Insured's** practice as a law firm or legal professional;
- (b) services as a notary public, title agent, title insurance agent, arbitrator or mediator;
- (c) services as an administrator, conservator, executor, guardian, receiver or similar fiduciary capacity;
- (d) services as a member of a formal accreditation, ethics, peer review, licensing board, standards review or similar professional board or committee;
- (e) the publication or presentation of research papers or similar materials, but only if direct pecuniary compensation per publication or presentation is less than \$3,000 excluding expense reimbursement.

**"Successor in Business"** means, after dissolution of the **Named Insured**, any law firm in which either:

- (a) some or all of the principals, owners, officers, and/or partners of the **Named Insured** have joined an existing, or formed a new law firm provided such persons were responsible for producing in excess of 50% of the **Named Insured's** annual gross billings at the time of dissolution and such billings have been assigned or transferred to the successor law firm; or
- (b) at least 50% of the principals, owners, partners or officers of the **Named Insured** have joined an existing, or formed a new law firm; or
- (c) at least 50% of the **Named Insured's** financial assets/liabilities have been assumed by the successor law firm;

However, **"Successor in Business"** shall not include any entity which is insured for a **Claim** under any similar liability or indemnity policy, or which would be an insured for a **Claim** under any such policy but for exhaustion of its limits of liability, and the coverage, if any, afforded to a **"Successor in Business"** shall terminate at the earlier of the Policy termination or 90 days from the date of dissolution of the **Named Insured**, unless the Company, after review of such information as the Company may request and the payment of additional premium, agrees to continue the Policy.

## IX. CONDITIONS

- A. **Premium:** All premiums for this Policy shall be computed in accordance with the Company's rules, rates, rating plans, premiums and minimum premiums applicable to the insurance afforded herein. The **Named Insured** shall maintain records of the information necessary for premium computation and shall send copies of such records to the Company at such times as the Company may direct.

- B. **Insured's Duty to Provide Notice:** Upon the **Insured** becoming aware of any act, error, omission or **Personal Injury** in the rendering of **Professional Services** which could reasonably be expected to give rise to a **Claim** against any **Insured**, the **Insured** or its representative shall give written notice of such potential **Claim** to the Company together with the fullest information obtainable as soon as practicable. If **Claim** is made or suit is brought against the **Insured**, the **Insured** or its representative shall immediately, and during the **Policy Period**, forward to the Company every demand, notice, summons or other process received by the **Insured** or the **Insured's** representative.
- C. **Assistance and Cooperation of Insured:** The **Insured** shall cooperate with the Company and, upon the Company's request, provide statements, assist in the conduct of suits and in enforcing any right of contribution or indemnity against any person or organization. If requested by the Company, the **Insured** shall attend hearings and trials and assist in securing and giving evidence and obtaining the attendance of witnesses. The **Insured** shall not, except at the **Insured's** own cost, voluntarily make any payments, admit liability, assume any obligation or incur any expense. The **Insured** may provide for **Alternative Dispute Resolution** with a client under an engagement letter or any other written contact, as long as such agreement is executed in writing prior to any **Claim** being made.
- D. **Assignment:** No **Insured** shall assign any rights under this Policy. If any **Insured** shall die or be adjudged incompetent, this Policy shall inure to the benefit of the **Insured's** legal representative.
- E. **Legal Action Against the Company:** No action shall lie against the Company unless the **Insured** shall have fully complied with all the terms of this Policy, nor until the amount of the **Insured's** obligation shall have been determined either by judgment against the **Insured** after trial or by written agreement of the **Insured**, the claimant and the Company. Nothing in this Policy shall be deemed to give any person or organization the right to join the Company in any action against the **Insured** to determine the **Insured's** liability.
- F. **Conformity to Statute:** Notwithstanding anything contained herein to the contrary, in the event that any terms or conditions of this Policy conflict with any law applicable to the coverage afforded hereunder, the terms of this Policy shall be deemed amended to conform to such law or laws.
- G. **Other Insurance:** If there is other valid insurance (whether primary, excess, contingent or self-insurance) applicable to a **Claim** covered by this Policy, the insurance provided hereunder shall be deemed excess insurance over and above applicable limit of such other insurance or self-insurance.

When both this insurance and other insurance or self-insurance apply to a **Claim** on the same basis, whether primary, excess or contingent, the Company shall not be liable under this policy for a greater proportion of the **Damages** or **Claim Expenses** than the applicable limit of liability under this policy for such **Claim** bears to the total applicable limit of liability of all valid and collectible insurance against such **Claim**.

Notwithstanding the foregoing, the coverage under this Policy shall be deemed specific excess to coverage available under any extended reporting period, optional extended reporting period and/or automatic extended reporting period or similar period in any prior policy or policies, and this Policy shall cover liability and defense if and only if all other applicable insurance has been exhausted.

- H. **Subrogation:** In the event of any payment under this Policy, the Company shall be subrogated to all the **Insured's** rights of recovery therefore against any person, organization or entity and the **Insured** shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. The **Insured** shall do nothing to prejudice such rights.

Any sums recovered through subrogation shall be apportioned as follows: First, to repayment of the Company's expenses incurred toward subrogation; Second, to **Damages** and **Claim Expenses** paid by the Company; Third, to loss or defense costs paid by the **Insured** in excess of the deductible; Fourth, to any loss or defense costs paid by any excess insurer on behalf of an **Insured**; and last, to repayment of the deductible.

- I. **Changes:** The terms of this Policy shall not be waived or changed except by written endorsement issued to form a part of this Policy.
- J. **Bankruptcy and Insolvency of Insured:** Bankruptcy or insolvency of the **Insured** or of the **Insured's** estate shall not relieve the Company of any of its obligation hereunder.
- K. **Cancellation:** This insurance may be canceled by the **Named Insured** at any time by written notice and surrender of this Policy to the Company or its authorized representative, and the Company shall refund the paid premium less the earned portion thereof. Within thirty (30) days of the latter of the effective date of the cancellation or the date of delivery of the **Insured's** notice of intent to cancel subject to the retention by the Company of any minimum premium stipulation herein (or proportion thereof previously agreed upon). The earned portion of the premium shall be computed on the customary short-rate basis unless any state law or regulation of the state shown in the mailing address of the **Named Insured** on the Declarations Page requires that return premium be computed on a pro-rata basis, even in the event of cancellation by the **Named Insured**.

This insurance may be canceled by the Company during the policy period, but will do so only in accordance with your state's laws regarding mid-term cancellation. In such event, the Company shall refund the paid premium less the earned portion thereof within ten (10) business days after the effective date of cancellation, subject to the retention by the Company of any minimum premium stipulated herein of the state shown in the mailing address (or proportion thereof previously agreed upon). In the event of cancellation by the Company, the minimum premium shall not apply to the return of unearned premium. In case of non-payment of premium, only ten (10) days written notice of cancellation must be given by the Company. Proof of mailing will be sufficient proof of notice.

- L. **Declarations and Applications:** By acceptance of this Policy, all **Insureds** agree that the statements in the Declarations and applications are their agreements and representations, and that this Policy is issued in reliance upon the truth of such representations and that this Policy embodies all agreements existing between the **Insureds** and the Company or any of its agents relating to this insurance.
- M. **Extended Reporting Period Option:**
  - 1. **Cancellation/Nonrenewal:** In the event of cancellation or nonrenewal of this Policy by the **Named Insured** or the Company for any reason other than non-payment of premium, or advancing a retroactive or prior acts date from or previously applied by the Company, the **Named Insured** shall have the right to purchase an extended reporting period Endorsement, extending the time for the **Insured** to give written notice to the Company of **Claims** first made against the **Insured** during the **Extended Reporting Period** which are based on an act, error, omission or **Personal Injury** in the rendering of **Professional Services** occurring prior to the termination the Policy. The right to purchase an **Extended Reporting Period** Endorsement must be exercised by the **Insured** in writing within thirty (30) days after the termination of the Policy, and issuance of an **Extended Reporting Period** Endorsement will be subject to the following additional premium:
    - (a) 100% of the full annual premium for this Policy, for a twelve (12) month extension;
    - (b) 175% of the full annual premium for this Policy, for a twenty-four (24) month extension; or
    - (c) 200% of the full annual premium for this Policy, for a thirty-six (36) month extension.

The entire premium for an **Extended Reporting Period** Endorsement shall be deemed earned upon issuance of such Endorsement, and the Company shall not be liable to return any portion of the premium for the **Extended Reporting Period** Endorsement.

The **Extended Reporting Period** Endorsement shall not in any way increase the limit of liability of this Policy. The limit of liability under any **Extended Reporting Period** Endorsement shall be part of, and not in addition to, the limit of liability available under the last Policy or renewal certificate issued to the **Named Insured**.

2. **Death or Disability of Insured:** If the **Named Insured** is an individual, the **Named Insured** shall have the right, following cancellation or nonrenewal of the Policy, to have an **Extended Reporting Period** Endorsement issued for an unlimited period of time, at no cost, if such cancellation or nonrenewal results from the death or disability of the **Named Insured** during the **Policy Period**, provided:

- (a) in the event of disability, the **Named Insured** is totally and continuously disabled from the practice of law for a minimum of six (6) months prior to the election of this option;
- (b) satisfactory written evidence of death or disability is provided to the Company within one (1) year of such death or disability;
- (c) all premiums and deductibles due the Company have been paid in full; and
- (d) written notice of this election is received by the Company or its authorized agent from the **Named Insured** or legal representative of **Named Insured** within thirty (30) days after the effective date of such cancellation or nonrenewal.

N. **Reimbursement:** While the Company has no duty to do so, if the Company pays **Damages** or **Claim Expenses** within the amount of the applicable deductible or in excess of the applicable limit of liability, all **Insureds** shall be jointly and severally liable to the Company for such amounts. Upon written demand, the **Insured** shall repay such amounts to the Company within thirty (30) days thereof.

In witness whereof, the Company has caused this Policy to be signed by Its President and Secretary.



Secretary



President