



AXIS[®] PRO LM LAWYERS PROFESSIONAL LIABILITY INSURANCE POLICY

THIS IS A CLAIMS MADE POLICY. IT APPLIES ONLY TO THOSE CLAIMS THAT ARE FIRST MADE DURING THE POLICY PERIOD AND ANY EXTENDED REPORTING PERIOD, IF APPLICABLE, AS THOSE TERMS ARE DESCRIBED IN THIS POLICY. PLEASE REVIEW THIS POLICY CAREFULLY AND DISCUSS THIS COVERAGE WITH YOUR INSURANCE AGENT OR BROKER.

In consideration of the payment of the premium and in reliance on the statements in the **Application** and subject to all other terms of this policy, the **Company** designated in the Declarations agrees with the **Firm** named in the Declarations, on behalf of all **Insureds**, to the following:

SECTION I. INSURING AGREEMENT

A. Insuring Clause

The **Company** will pay on behalf of the **Insureds** all **Loss**, in excess of the applicable **Retention**, resulting from **Claims** for **Wrongful Acts** committed before the expiration of the **Policy Period** that are first made against any **Insured** during the **Policy Period** or the Extended Reporting Period, if exercised.

B. Defense and Settlement

1. The **Company** shall have the right and duty to defend in the **Insured's** name and on the **Insured's** behalf a **Claim** covered by this policy even if any of the allegations of the **Claim** are groundless, false or fraudulent. The **Company** shall have the right to appoint counsel and to make such investigation and defense of a **Claim** as is deemed necessary by the **Company**. If a **Claim** shall be subject to arbitration or mediation, the **Company** shall be entitled to exercise all of the **Insured's** rights in the choice of arbitrators or mediators and in the conduct of an arbitration or mediation proceeding.
2. The **Company** shall not settle a **Claim** without the written consent of the **Named Insured**, which shall not be unreasonably withheld.
3. The **Company** is not obligated to investigate, defend, pay or settle, or continue to investigate, defend, pay or settle a **Claim** after the applicable limit of the **Company's** liability has been exhausted by payment of **Loss** or by any combination thereof, or after the **Company** has deposited the remaining available Limits of Liability into a court of competent jurisdiction. In such case, the **Company** shall have the right to withdraw from the further investigation, defense, payment or settlement of such **Claim** by tendering control of said investigation, defense or settlement of the **Claim** to the **Insured**.
4. If the **Company** recommends a settlement of a **Claim** within the policy's applicable Limit of Liability which is acceptable to the claimant, and the **Insureds** refuse to consent, then the **Company's** liability for all **Loss** on account of such **Claim** shall not exceed the total sum of:
 - a. the amount for which the **Company** could have settled such **Claim**, plus **Claim Expense** incurred up to the date of the **Insured's** refusal to consent to such settlement; and
 - b. twenty-five percent (25%) of **Loss** incurred in connection with such **Claim** in excess of the amount referenced in paragraph (a) above. The remaining seventy-five percent (75%) of any **Loss** in excess of the amount referenced in paragraph (a) above will be borne by the **Insured** uninsured and at its own risk.

However, in no event shall the **Company's** liability exceed the applicable Limit of Liability set forth in Item 3 in the Declarations.

5. The **Company's** duty to pay **Loss** on the **Insured's** behalf ends when the **Company** has exhausted the applicable Limit of Liability in payment of **Loss**.

SECTION II. DEFINITIONS USED IN THIS POLICY

A. Application means each and every signed application, any attachments or supplements to such applications, other materials submitted therewith or incorporated therein and any other such documents, including any warranty letters or similar documents, submitted in connection with the underwriting of this policy or the underwriting of any other lawyers professional liability policy issued by the **Company** or any of its affiliates of which this policy is a renewal or replacement, or which it succeeds in time. All such applications, attachments and materials are deemed attached to, incorporated into and made a part of this policy.

B. Claim means:

1. any of the following:
 - a. a written demand against any **Insured** for monetary or non-monetary relief;
 - b. a civil proceeding against any **Insured** commenced by the service of a complaint or similar pleading;
 - c. a written demand for arbitration or mediation;
 - d. a formal civil administrative or civil regulatory proceeding against any **Insured**, including, but not limited to, a **Disciplinary Proceeding**, commenced by the filing of a notice or charges or similar document or by the entry of a formal order of investigation or similar document;
2. a written request received by an **Insured** to toll or waive a statute of limitations relating to a matter described in subparagraph 1. above.

A **Claim** will be deemed to have been first made when such **Claim** is commenced as set forth in this definition (or, in the case of a written demand or request, when such demand or request is first received by an **Insured**).

C. Claim Expense means reasonable and necessary legal fees and expenses (other than regular or overtime wages, salaries, fees, benefits, or other compensation of the **Insured Individuals** or the **Firm's** overhead expenses) incurred on behalf of the **Insured** in defending, settling, appealing or investigating **Claims**, and the premiums for appeal, attachment or similar bonds. The **Company**, however, shall have no obligation to apply for or furnish such bonds.

D. Company means the insurance company stated at the top of the Declarations Page.

E. Controlled Enterprise means any business enterprise other than the **Firm** if at the time the alleged **Wrongful Act** occurs:

1. such enterprise is a publicly traded company and five percent (5%) or more of its issued and outstanding voting stock is owned or controlled, individually or collectively, by the **Firm** or by one or more other **Insured Individuals** or their spouses;
2. such enterprise is not a publicly traded company and twenty-five percent (25%) or more of the legal and/or equitable ownership of such enterprise is owned or controlled, individually or collectively, by the **Firm** or by one or more other **Insured individuals** or their spouses; or
3. such business enterprise is controlled, operated or managed by the **Firm** or by one or more other **Insured Individuals** or their spouses.

Controlled Enterprise does not include a business enterprise in which the ownership, control, operation or management by the **Insured** is exclusively in a fiduciary capacity as an administrator, conservator, executor, trustee, guardian, receiver or committee or in any similar fiduciary capacity incidental to the practice of law by the **Firm**.

- F. Disciplinary Proceeding** shall mean a formal investigation or proceeding before a court, state licensing board, peer review committee, bar association, or other regulatory body.
- G. Firm** means the entity(ies), including predecessor entity(ies), designated in Item 1 in the Declarations.
- H. Insured** means the **Insured Individuals** and the **Firm**.
- I. Insured Individual** means any one or more natural persons who are past, present or future:
1. directors, officers, principals, shareholders, partners, or members of the **Firm**, or their functional equivalent if serving in such a position outside the United States;
 2. "counsel" or "of counsel" to the **Firm** and designated as such;
 3. individuals compensated by the **Firm** through wages, salary and/or commissions and whose labor or service is directed by the **Firm**, including paralegals, whether such labor or service is on a part-time, temporary, seasonal, or full-time basis;
 4. volunteers whose labor or service is directed by the **Firm**; and
 5. individuals contracted to perform work for the **Firm** or who are independent contractors for the **Firm**, but only if prior to any **Claim** against such individual the **Firm** has agreed in writing to indemnify such individual for matters within the scope of coverage of this policy.

In the event of death, incompetence, insolvency or bankruptcy of any **Insured Individual**, **Insured Individual** will also mean the **Insured Individual's** estates, heirs, assigns, or other legal representative of the **Insured Individual** if a **Claim** is brought against the legal representative by reason of its status as such, but only if and to the extent the **Claim** would be covered under this policy if brought against the **Insured Individual**. The **Insured Individual's** legal representative shall not be considered an **Insured Individual** for **Claims** alleging **Wrongful Acts** by the **Insured Individual's** legal representative.

- I. Insured Representation** means **Professional Services** provided with the prior written consent of the **Firm** by an **Insured Individual** to any other **Insured Individual**.
- J. Interrelated Wrongful Acts** means any or all **Wrongful Acts** that have as a common nexus any fact, circumstance, situation, event, transaction, cause or series of causally or logically connected facts, circumstances, situations, events, transactions or causes.
- K. Loss** means the amount(s) which the **Insureds** become legally obligated to pay on account of a **Claim**, including damages, judgments, any award of pre-judgment or post-judgment interest, settlement amounts, costs and fees awarded pursuant to judgments, and **Claim Expense**.

Loss does not include:

1. any amounts for which the **Insureds** are legally or financially absolved from payment;
2. taxes, fines, penalties or sanctions imposed by law against any **Insured**;
3. return, withdrawal, forgiveness or reduction of any fees or receivable paid to, or charged or chargeable by, an **Insured**;
4. punitive or exemplary damages, or the multiplied portion of multiplied awards;
5. the cost of re-performing or completing any **Professional Services**;
6. the cost of compliance with an injunction or any other non-monetary relief; or

7. any other matters uninsurable under the law applicable to this policy.

L. Personal Injury means libel, slander, disparagement, violation of rights of privacy, false arrest, detention or imprisonment, wrongful entry or eviction, malicious prosecution or abuse of process.

M. Policy Period means the period of time specified in Item 2 in the Declarations, subject to prior cancellation in accordance with Section VI.E. of this policy.

N. Professional Services means services provided to others by an **Insured**:

1. in the conduct of any business by or on behalf of the **Firm** in its professional capacity as attorneys or notaries public;
2. as an administrator, conservator, executor, escrow agent, trustee, guardian, receiver or committee or in any similar fiduciary capacity incidental to the practice of law by the **Firm**;
3. as an arbitrator or mediator;
4. as a member, director or officer of any professional legal association, its governing board, or any of its committees;
5. as a government affairs advisor or lobbyist; or
6. as a title insurance agent pursuant to a written agency agreement with a licensed title insurance company,

but only if such services are performed in the name or on behalf of the **Firm** and some or all of the fee, if any, accruing from such services (regardless of whether such fee is actually collected) inures to the benefit of the **Firm**.

O. Retention means the amount stated in Item 4 on the Declarations Page and described in Section III.B. of this policy.

P. Wrongful Act means any actual or alleged:

1. act, error or omission;
2. breach of contract for **Professional Services**;
3. breach of fiduciary duty; or
4. **Personal Injury**;

committed or attempted, or allegedly committed or attempted, solely in the performance of or failure to perform **Professional Services** by any **Insured** or by any other person or entity for whose actions the **Insured** is legally responsible.

SECTION III. LIMIT OF LIABILITY AND RETENTIONS

A. Limit of Liability

1. The Limit of Liability stated in Item 3.a. on the Declarations Page for "Each **Claim**" is the most the **Company** will pay for **Loss** arising from any one **Claim** first made during the **Policy Period** or any applicable Extended Reporting Period. All **Claims** arising from the same **Wrongful Act** and/or all **Interrelated Wrongful Acts** shall be deemed one **Claim** for the purpose of applying such Limit of Liability.

2. The Limit of Liability stated in Item 3.b. on the Declarations Page as the “Aggregate” is the most the **Company** will pay for all **Loss** arising out of all **Claims** made during the **Policy Period** or any applicable Extended Reporting Period. If the Aggregate Limit of Liability is exhausted by payment of **Loss**, the **Company’s** obligations under this policy shall be completely fulfilled and extinguished. However, the **Company’s** maximum limit of liability for all **Loss** arising out of all **Claims** in the form of **Disciplinary Proceedings** made during the **Policy Period** or any applicable Extended Reporting Period shall be \$25,000. This amount shall be part of, and not in addition to, the **Company’s** maximum Aggregate Limit of Liability as set forth in Item 3.b. on the Declarations Page.
3. **Claim Expense** is part of, and not in addition to, the Limit of Liability set forth in Item 3.b. in the Declarations. The payment by the **Company** of **Claim Expense** reduces and may totally exhaust such Limit of Liability.

B. Retentions

The **Company** shall be liable for only that part of **Loss** arising from a **Claim** covered under this policy which is excess of the **Retention** set forth in Item 4 in the Declarations. Such **Retention** shall be borne by the **Insureds** uninsured and at their own risk. The **Retention** shall not apply to **Claims** in the form of **Disciplinary Proceedings**.

The Limit of Liability shall not be reduced by the application of the **Retention**. All other rights, duties and obligations under the policy shall remain the same regardless of whether or not the **Retention** has been satisfied.

SECTION IV. EXCLUSIONS

The **Company** shall not be obligated to pay **Loss** arising from any **Claim** made against any **Insured**:

1. based upon, arising out of, directly or indirectly resulting from, in consequence of or in any way involving:
 - a. any fact, circumstance, transaction, event, or **Wrongful Act** that, before the Inception Date set forth in Item 2 of the Declarations, was the subject of any notice of claim or loss, or notice of potential claim or potential loss, given under any other policy of insurance;
 - b. any fact, circumstance, transaction, event, or **Wrongful Act** of which, as of the Inception Date of the first policy written by the **Company** and continuously renewed thereafter, any **Insured** had knowledge and that was reasonably likely to give rise to a **Claim** that would fall within the scope of the insurance afforded by this policy; or
 - c. any other **Wrongful Act** whenever occurring, which together with a **Wrongful Act** described in (a) or (b) above, constitute **Interrelated Wrongful Acts**;
2. based upon, arising out of, directly or indirectly resulting from, in consequence of or in any way involving:
 - a. any demand, suit, or other proceeding pending, or order, decree or judgment entered, against any **Insured** on or prior to the Inception Date set forth in Item 2 in the Declarations or any **Wrongful Act**, fact, circumstance or situation underlying or alleged therein; or
 - b. any other **Wrongful Act** whenever occurring, which, together with a **Wrongful Act** described in (a) above, constitute **Interrelated Wrongful Acts**;
4. for any actual or alleged bodily injury, sickness, mental anguish, emotional distress, disease or death of any person, or damage to or destruction of any property, including loss of use thereof; but this exclusion shall not apply to any **Claim** directly arising out of a **Wrongful Act**;
5. arising under the Employee Retirement Income Security Act of 1974, and any amendments, regulations, or orders issued thereto against any **Insured** while acting as a fiduciary within the meaning of said Act; but this exclusion shall not apply to a **Claim** arising out of **Wrongful Acts** committed by an **Insured** in providing **Professional Services** to a fiduciary as otherwise provided by this policy;

6. based upon, arising out of, directly or indirectly resulting from, in consequence of or in any way involving the performance of any services or duties by any **Individual Insured** on behalf of or in the name of an entity other than the **Firm**; however, this exclusion shall not apply to any **Claim** arising out of a **Wrongful Act** committed by any **Insured** in the course of providing **Professional Services** to such entity;
7. by or on behalf of, in the name or right of, or based upon, arising out of, directly or indirectly resulting from, in consequence of or in any way involving any **Wrongful Act** in connection with any **Controlled Enterprise**;
8. brought or maintained by or on behalf of any **Insured**, but this exclusion will not apply to a **Claim** brought by an **Insured Individual** arising out of **Insured Representation**, provided the **Insured Individual** is bringing such **Claim** as a client of the **Firm** and without the solicitation, assistance or participation of any other **Insured**;
9. based upon, arising out of, directly or indirectly resulting from, in consequence of or in any way involving the **Insured's** capacity as a title insurance agent where there allegedly exists any actual or alleged breach by an **Insured** of authority granted by a title insurance company or agency thereof; or
10. based upon, arising out of, directly or indirectly resulting from, in consequence of or in any way involving:
 - a. the gaining of any profit, remuneration, or advantage to which the **Insured** was not legally entitled; or
 - b. any criminal, dishonest, malicious or deliberately fraudulent act, error or omission by an **Insured**;

if evidenced by any judgment, final adjudication, alternate dispute resolution proceeding or written admission by an **Insured**.

No fact pertaining to, knowledge possessed by or conduct by any **Insured Individual** shall be imputed to any other **Insured Individual** or the **Firm**.

11. based upon or arising out of, directly or indirectly resulting from, in consequence of or in any way involving the **Insured's** actual or alleged direct infringement of any copyright, patent, trademark (including collective or service marks), certification mark, trade secret, trade name, trade dress, misappropriation of ideas or other intellectual property; however, this exclusion does not apply to **Claims** arising out of **Wrongful Acts** in connection with the **Insured's** provision of legal advice to a client of the **Firm**;
12. based upon or arising out of, directly or indirectly resulting from, in consequence of or in any way involving "investment advice" by the **Insured**. "Investment advice" means:
 - a. predictions of future performance, warranties, or guarantees regarding specific and identifiable investments;
 - b. recommending or inducing others to purchase, sell, or make a particular investment in any identifiable investment;
 - c. performing an economic analysis of any investment; or
 - d. actively buying, selling or managing any investment for another (except for the execution of trades or transactions pursuant to a client's express written direction or that of such client's authorized agent);
13. based upon or arising out of, directly or indirectly resulting from, in consequence of or in any way involving any **Loss** sustained by an **Insured** or **Claim** made against an **Insured** as beneficiary or distributee of any trust or estate.

SECTION V. CLAIMS MADE CONDITIONS; EXTENDED REPORTING PERIOD

A. This insurance applies to **Claims** that are first made during the **Policy Period** or as otherwise provided in this Section. The **Company** will consider a **Claim** to be first made against an **Insured** when a **Claim** is first received by any **Insured**. For coverage to apply, the **Insured** must provide notice of **Claims** and provide information in accordance with Section VI. GENERAL CONDITIONS, C., Insured's Duties in the Event of a Claim.

B. Reporting of Circumstances

1. If during the **Policy Period** any **Insured** becomes aware of circumstances which could give rise to a **Claim**, and the **Insured** gives written notice of such circumstances to the **Company** during the **Policy Period**, then any **Claim** subsequently arising from such circumstances shall be considered to have been made during the **Policy Period** in which the circumstances were first reported to the **Company**. No coverage shall be provided for fees and expenses incurred prior to the time such circumstances result in a **Claim**.
2. The **Insureds** shall, as a condition precedent to exercising their rights hereunder:
 - a. include with any notice of circumstances a description of such circumstances, the nature of the potential **Wrongful Act**, the nature and extent of the potential damages, the names of the potential claimants, and the manner in which the **Insured** first became aware of such circumstances, and
 - b. give the **Company** such additional information and cooperation as it may reasonably require.
3. Written notice of any **Claim** resulting from circumstances reported in accordance with B.1. and B.2., above, must be given to the **Company** as soon as practicable.

C. Extended Reporting Period

If the **Company** or the **Firm** chooses not to renew or the **Firm** cancels this policy, the **Firm** shall have the right to the following Extended Reporting Period options, upon payment of the additional premium required by the **Company**, following the termination of the **Policy Period** in which to report **Claims** first made during the Extended Reporting Period and arising from **Wrongful Acts** occurring prior to the effective date of such cancellation or nonrenewal.

<u>Extended Reporting Period</u>	<u>Additional Premium (as % of annual premium)</u>
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Twelve (12) months	125%
Twenty-four (24) months	200%
Thirty-six (36) months	250%
Sixty (60) months	350%

The right to purchase an Extended Reporting Period shall not be available in the event of cancellation of this policy resulting from the failure to pay any premium due. The right to elect any Extended Reporting Period shall lapse unless written notice of the election, together with payment of the additional premium due, is given by the **Firm** and is received by the **Company** within sixty (60) days following the effective date of cancellation or nonrenewal as appropriate.

Coverage under the Extended Reporting Period shall only apply if there is no other valid or collectible insurance applicable to the **Claim**. The provisions of the policy in effect on the last day of the **Policy Period** will apply to a **Claim** first made during the Extended Reporting Period.

Once in effect, the Extended Reporting Period may not be canceled. The purchase of an Extended Reporting Period pursuant to Section V of this policy shall not increase or reinstate the Aggregate Limit of Liability, which shall be the maximum liability of the **Company** for such **Policy Period** and Extended Reporting Period, combined. The Extended Reporting Period does not extend the **Policy Period** or change the scope of coverage provided.

D. Multiple Claims

All **Claims** arising from the same **Wrongful Act** or **Interrelated Wrongful Acts** will be deemed to have been made on the earlier of the date the first of those **Claims** is made against any **Insured** or the first date the **Company** receives the **Insured's** written notice of the fact, circumstance, situation, event, transaction, cause or **Wrongful Act** which underlies such **Claim**. The provisions of the policy in effect on that date will apply.

SECTION VI. GENERAL CONDITIONS

A. Time of Inception; Policy Period

This policy will begin at 12:01 a.m. on the Inception Date shown in the Declarations. This policy will continue to apply until 12:01 a.m. on the Expiration Date also shown in the Declarations unless terminated at an earlier date.

B. Insured's Duties in the Event of a Claim

1. If there is a **Claim**, the **Insured** must notify the **Company** in writing as soon as practicable. This notice must contain details that identify the **Insured**, the claimant, and reasonably obtainable information concerning the time, place and other details of the **Wrongful Act** and **Claim**.
2. No **Insured** will, except at the **Insured's** own cost, voluntarily make a payment, admit liability, assume any obligation or incur any expense without the **Company's** prior written consent.

C. Transactions That Impact Coverage

1. If, during the **Policy Period**, the total number of attorneys in the **Firm** increases by more than five (5) individuals or by greater than 20%, whichever is less, as the result of the **Firm's** merger with or acquisition of any other law firm or group of attorneys, the **Firm** must promptly give the **Company** written notice thereof, and the **Company** will be entitled to impose such additional coverage terms and charge such additional premium in connection therewith as the **Company**, in its sole discretion, may require. Subject to the **Firm's** compliance with the provisions of this paragraph, coverage shall only be provided for such acquired attorneys with respect to **Wrongful Acts** committed or allegedly committed after the effective date of employment with the **Firm**.
2. If, during the **Policy Period**, any of the following events occurs:
 - a. the acquisition of the **Firm**, or of all or substantially all of its assets, by another entity, or the merger or consolidation of the **Firm** into or with another entity such that the **Firm** is not the surviving entity; or
 - b. the appointment by any state or federal official, agency or court of any receiver, conservator, liquidator, trustee, rehabilitator or similar official to take control of, supervise, manage or liquidate the **Firm** or the **Firm** becoming a debtor in possession as such term is used in Chapter 11 of the US Bankruptcy Code,the **Firm** shall give written notice of such event to the **Company** as soon as practicable together with such information as the **Company** may require. The policy shall not be cancelable by the **Firm**, and coverage under this policy shall continue until termination of the **Policy Period**, but only with respect to **Wrongful Acts** occurring prior to such event.

D. Representations and Severability with Respect to Application

In granting coverage to any one of the **Insureds**, the **Company** has relied upon the statements made in the written **Application** for this policy and all information provided to the **Company**. All such statements are the basis of this policy and shall be incorporated in and constitute part of this policy.

In order to determine if coverage is available:

1. only facts pertaining to and knowledge possessed by the **Insured Individual** signing the **Application** shall be imputed to the **Firm**, and
2. no declaration or statement in the **Application** or knowledge possessed by the **Firm** or any **Insured Individual** shall be imputed to any other **Insured Individual**.

E. Cancellation and Nonrenewal

1. The **Firm** may cancel this policy during the **Policy Period** by giving the **Company** advance written notice of cancellation stating when thereafter such cancellation will be effective.

The **Company** may only cancel this policy in the event of nonpayment of premium. If the **Company** cancels the policy, it will give the **Firm** written notice of cancellation at least twenty (20) days before the effective time of cancellation. Notice of cancellation shall state the effective time of cancellation. The **Policy Period** shall end at that time.

2. The **Company** may elect not to renew this policy by mailing or delivering written notice of nonrenewal to the **First Named Insured** at the address shown on the Declarations Page of this policy. The **Company** will mail or deliver the notice at least sixty (60) days before the expiration of the policy.

If notice of nonrenewal is mailed, proof of mailing will be sufficient proof of notice. Delivery of the notice will be the same as mailing.

3. If this policy is cancelled, the **Company** shall send the **Firm** any premium refund as soon as practicable. If the **Firm** cancels, the refund shall be on the customary short rate basis. The return or tender of a return premium is not a condition precedent to the cancellation becoming effective at the time stated in the cancellation notice.
4. If any controlling law requires a longer period of notice by the **Company**, the **Company** shall give such longer notice.

F. Other Insurance

If any **Loss** arising from any **Claim** is insured by any other policy(ies) of insurance, then this policy shall apply only in excess of and will not contribute with the amount of any deductibles, retentions and limits of liability under such other policy(ies) whether such policy(ies) is stated to be primary, contributory, excess, contingent or otherwise, unless such policy(ies) is written to be specifically excess of this policy by reference in such other policy(ies) to this policy's Policy Number indicated in the Declarations. In all other events, this policy is intended to provide primary insurance.

G. Territory

This policy shall apply to **Claims** made and **Wrongful Acts** occurring anywhere in the world.

H. Valuation and Currency

All premiums, limits, **Retentions**, **Loss**, and other amounts under this policy are expressed and payable in the currency of the United States. If judgment is rendered, settlement is denominated or another element of **Loss** under this policy is stated in a currency other than United States dollars, payment under this policy shall be made in United States dollars at the rate of exchange published in *The Wall Street Journal* on the date the judgment becomes final or payment of the settlement or other element of **Loss** is due.

I. Subrogation

In the event of any payment under this policy, the **Company** shall be subrogated to the extent of such payment to all the **Insureds'** rights of recovery including rights against other **Insureds**, and the **Insureds** shall execute all papers required and shall do everything necessary to secure and preserve such rights, including the execution of such documents necessary to enable the **Company** effectively to bring suit in the name of the **Insureds**. The Insured will do nothing to prejudice such rights. Any recoveries shall be applied as follows:

1. First, to the **Company** up to the amount the **Company** has paid for **Loss**;
2. Then, to the **Firm** as recovery of **Retention** amounts paid as **Loss**.

J. No Action Against Company

No action shall lie against the **Company** unless, as a condition precedent thereto, there has been full compliance with all the terms of this policy by all **Insureds**, nor until the amount of the **Insured's** obligation to pay has been fully determined either by judgment or award against the **Insured** after actual trial or arbitration or by written agreement among the **Insured**, the claimant, and the **Company**. No person or organization shall have any right under this policy to join the **Company** as a party to any action against the **Insureds** to determine the **Insureds'** liability, nor shall the **Company** be impleaded by the **Insureds** or their legal representative.

K. Bankruptcy

Bankruptcy or insolvency of the **Firm** or of any **Insured Individual** shall not relieve the **Company** of its obligations nor deprive the **Company** of its rights or defenses under this policy.

L. Authorization Clause

By acceptance of this policy, the **Firm** agrees to act on behalf of the **Insureds** with respect to the giving and receiving of any notice provided for in this policy, the payment of premiums and **Retentions**, and the receipt of any return premiums that may become due under this policy, and the agreement to and acceptance of endorsements, and the **Insureds** agree that the **Firm** shall act on their behalf.

M. Alteration and Assignment

No change in, modification of, or assignment of interest under this policy shall be effective except when made by a written endorsement to this policy which is signed by an authorized representative of the **Company**. The **Insureds** agree that this policy constitutes the entire agreement between the **Insureds** and the **Company**, or any of their agents or brokers. Notice to or knowledge possessed by the **Company**, the **Insureds** or any agent, broker or other person acting on behalf of the **Insureds** or **Company** shall not effect a waiver of or estop the **Company** or the **Insureds** from asserting any rights under this policy.

N. Headings

The description in the headings and subheadings are solely for convenience, and form no part of the terms and conditions of coverage.

O. Spousal Coverage

If a **Claim** made against an **Individual Insured** includes a **Claim** against that **Individual Insured's** lawful spouse solely by reason of:

1. Such spouse's status as the **Individual Insured's** spouse, or
2. Such spouse's ownership interest in property from which the claimant seeks recovery for the **Individual Insured's Wrongful Acts**,

all **Loss** which such spouse becomes legally obligated to pay on account of such **Claim** shall be treated for purposes of this policy as **Loss** which the **Individual Insured** is legally obligated to pay on account of the **Claim** made against the **Individual Insured**. Such **Loss** shall be covered under this policy only if and to the extent that such **Loss** would be covered under this policy if incurred by the **Individual Insured**. The coverage extension afforded by this subsection does not apply to any **Claim** alleging any **Wrongful Act** by the **Individual Insured's** spouse. The term "spouse" as used in this section shall include any natural person qualifying as a domestic partner under the provisions of any applicable federal, state or local law in the United States of America.

P. Notices

All notices under any provision of this policy must be made in writing and delivered by prepaid express courier, certified mail, fax or electronic mail. Notice to the **Individual Insureds** shall be given to the **Firm**. Notices to the **Company** shall be given to the appropriate party at the address set forth in Item 6 in the Declarations. Notices given as described above shall be deemed to be received and effective upon actual receipt thereof by the addressee or one day following the date such notices are sent, whichever is earlier.

R. Service of Suit

The **Company** agrees that in the event of its failure to pay any amount claimed to be due under this policy, it, at the request of an **Insured**, shall submit to the jurisdiction of any court having competent jurisdiction within the United States of America, and all matters arising under this policy shall be determined in accordance with the law and practice of such court.

The **Company** hereby designates the Commissioner, Director or Superintendent of Insurance, or similar official specified by law for that purpose, or her or his successor(s) in office, or the person designated in the following paragraph, as its true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of an Insured arising from this policy. It is further agreed that the **Company** shall abide by the final decision of any court having competent jurisdiction and in which such action, suit or proceeding is brought, including any court having competent appellate jurisdiction.

Upon receipt of process lawfully served, the **Company** designates the following person to whom the official designated in the above paragraph may mail such process:

Richard T. Gieryn, Jr.
11680 Great Oaks Way
Suite 400
Alpharetta, GA 30022

In Witness Whereof, the **Company** has caused this policy to be executed and attested, but this policy will not be valid unless countersigned by a duly authorized representative of the **Company**.