

Subject to this policy's Declarations and all the terms of this insurance, the Company and THE INSURED agree as follows:

I. COVERAGE

Professional Liability (CLAIMS Made and Reported Coverage):

The Company shall pay on behalf of THE INSURED, subject to the Limits of Liability, sums in excess of the Deductible amount, which THE INSURED shall become legally obligated to pay as DAMAGES as a result of CLAIMS first made against THE INSURED during the POLICY PERIOD or Extended Reporting Period, if purchased, and reported in accordance with the provisions of this policy:

- (a) because of any ACT; or
- (b) because of any PERSONAL INJURY, provided always that such ACT or PERSONAL INJURY happens:
 - (i) during the POLICY PERIOD; or
 - (ii) prior to the POLICY PERIOD provided that, on or prior to the effective date of this policy, neither the NAMED INSURED nor any of its officers or partners had knowledge of an ACT or PERSONAL INJURY upon which a reasonable attorney would have anticipated a CLAIM;

PROVIDED FURTHER THAT no other policy which provides insurance for such liability or CLAIM resulting from such ACT or PERSONAL INJURY is available to THE INSURED whether or not the available Limits of Liability of any such other insurance are sufficient to pay any such DAMAGES or CLAIM or whether or not the Deductible provisions and amount of any such other insurance are different from this policy, unless such other insurance is written only as specific excess insurance over the Limits of Liability provided by this policy.

Subject to all other terms and conditions of this policy, when THE INSURED renders services as an administrator, conservator, executor, guardian, trustee, THE INSURED'S ACTS in such capacity shall be deemed for the purpose of this section to be the performance of legal services for others, provided that this coverage shall not apply to any DAMAGES sustained by THE INSURED as the beneficiary or distributee of any trust or estate.

II. DEFINITIONS

Wherever used in this policy the following words and phrases shall be defined as set forth below:

ACT: The performance of or omission of a duty or obligation by THE INSURED while rendering legal advice or legal services for others.

CLAIM: A demand received by THE INSURED for DAMAGES.

CLAIM EXPENSES: Subject to Company approval which shall not be unreasonably withheld, all reasonable fees, costs and expenses resulting directly from the investigation, adjustment, defense and appeal of a CLAIM. Provided, however, CLAIM EXPENSES do not include salary charges of regular employees or officials of the Company; fees and expenses of supervisory counsel retained by the Company, salaries or compensation of any individual or entity identified within THE INSURED.

DAMAGES: The monetary portion of any judgment, award or settlement and does not include:

- (a) punitive or exemplary damages, any damages which are a multiple of compensatory damages, or fines, penalties or sanctions; or
- (b) the restitution of consideration and expenses paid to THE INSURED for services or goods; or
- (c) judgments or awards deemed uninsurable by law.

OF COUNSEL: Any lawyer or professional corporation or any lawyer who is an employee of such professional

corporation who is specifically identified on the applications as "OF COUNSEL."

PERSONAL INJURY: False arrest, false imprisonment, malicious prosecution, malicious abuse of process, wrongful detention, wrongful entry or eviction or other invasion or private occupancy, libel, slander or breach of privacy by THE INSURED all while rendering legal advice or legal services for others.

POLICY PERIOD: The period from the inception date of this policy to the policy expiration date as stated in the Declarations or the policy's earlier termination date, if any.

PREDECESSOR FIRM: Any legal entity which was engaged in the practice of law to whose financial assets and liabilities the NAMED INSURED is the majority successor in interest.

III. THE INSURED

THE INSURED, whenever used in this policy means:

1. The entity listed in Item 1. of the Declarations, such entity to be known as the NAMED INSURED; and
2. Any lawyer or professional corporation that is a partner, officer, director, OF COUNSEL or employee of the NAMED INSURED but only for CLAIMS arising out of legal advice or legal services rendered on behalf of the NAMED INSURED or any PREDECESSOR FIRM; and
3. Any lawyer who is an employee of a professional corporation that is a partner, officer, director, OF COUNSEL or employee of the NAMED INSURED but only for CLAIMS arising out of legal advice or legal services rendered on behalf of the NAMED INSURED or any PREDECESSOR FIRM; and
4. Any lawyer or professional corporation who is a former partner, officer, director, OF COUNSEL or employee of the NAMED INSURED or any PREDECESSOR FIRM or of any professional corporation but only for CLAIMS arising out of the legal advice or legal services rendered on behalf of the NAMED INSURED or any PREDECESSOR FIRM; and
5. Any other present or former employee of the NAMED INSURED or any PREDECESSOR FIRM or of any professional corporation insured by this policy solely while acting on behalf of the NAMED INSURED or any PREDECESSOR FIRM; and
6. As respects the liability of THE INSURED as otherwise covered herein, the heirs, executors, administrators, assigns and legal representatives of THE INSURED as defined in Items 1. through 5. above in the event of death, incapacity or bankruptcy.

IV. EXCLUSIONS

This policy does not apply:

- (a) to payment of DAMAGES arising out of a judgment or award against an individual or entity identified in THE INSURED sections of the policy who has been finally adjudicated to have committed an intentionally dishonest or fraudulent ACT; however, notwithstanding the foregoing, the Company, subject to the Limits of Liability and other terms and conditions will pay CLAIM EXPENSES for any such CLAIM, and shall not exclude coverage to the NAMED INSURED or any other INSURED who is not so adjudged to have committed such ACT as described above. This policy shall then only pay in excess of the Deductible and in excess of the capital and assets in the NAMED INSURED of any such individual or entity who was so adjudged to have committed such ACT as described above, and any other personal assets of such individual or entity recovered by the NAMED INSURED shall inure, to the extent of the amount paid by this policy, to the benefit of the Company.
- (b) to any CLAIM made by or in the right of THE INSURED or any present or former OF COUNSEL, professional corporation, partner, officer, director, stockholder employee or employee of THE INSURED unless such CLAIM arises out of the legal advice or legal services rendered by THE INSURED in a lawyer-client relationship;
- (c) to any CLAIM resulting from the rendering of legal services for any business enterprise, charitable organization,

pension, welfare, profit sharing, mutual or investment fund or trust not named in the Declarations or endorsed hereon:

1) which, at the time such advice or services were rendered, was more than 5% owned, controlled, managed or operated by any single individual or entity or any combination of individuals or entities identified within THE INSURED, alone or in conjunction with any spouse or any other immediate family member of any individual or entity identified within THE INSURED; or

2) for which any individual or entity identified within THE INSURED serves or served at the time such advice or services were rendered as a partner, manager or employee or as a trustee in bankruptcy;

(d) to any CLAIM arising out of THE INSURED'S capacity as a public official or an employee of a governmental body, subdivision or agency unless THE INSURED is deemed to be such solely because THE INSURED has rendered legal services to such governmental body and the remuneration for such legal services inures to the benefit of THE INSURED;

Any fact pertaining to any individual or entity identified within THE INSURED with respect to determining the applicability of EXCLUSIONS (c) and (d) above shall apply to each and every individual or entity identified within THE INSURED.

(e) to any CLAIM for bodily injury, sickness, disease or death or any person, or injury to or destruction of any tangible property or loss of use resulting therefrom.

(f) to any claim based on or arising out of discrimination of any kind by any INSURED including, but not limited to discrimination on the basis of race, national origin, creed, religion, age, sex, or marital status or to any claim arising out of alleged or actual wrongful termination.

(g) to any claim based on or arising out of the rendering of investment advice by any INSURED to any person in connection with the purchase or sale of any investment or property, including but not limited to securities, real property, commodities or franchises, or based on or arising out of any INSURED'S services or capacity as a broker, dealer, investment advisor, accountant, real estate broker or real estate agent.

V. TERRITORY

The insurance afforded hereunder applies worldwide, provided the original CLAIM and suit for damages is brought within the United States of America, its territories, or possessions, or Canada.

VI. LIMITS OF LIABILITY

1. Limit of Liability - Each CLAIM:

The liability of the Company for the combined total of DAMAGES and CLAIM EXPENSES for each CLAIM first made against THE INSURED during the POLICY PERIOD or the Extended Reporting Period, if purchased, and reported in accordance with the conditions of this policy, and shall not exceed the amount stated in the Declarations for each CLAIM.

2. Limit of Liability - Policy Aggregate:

Subject to the Limit of Liability - Each CLAIM, the liability of the Company for the combined total of DAMAGES and CLAIM EXPENSES incurred by the Company shall not exceed the amount stated in the Declarations as aggregate as a result of all CLAIMS first made against THE INSURED during the POLICY PERIOD and the Extended Reporting Period, if purchased and reported in accordance with the conditions of this policy.

3. Deductible

Except as set forth in the following paragraph, the Deductible amount stated in the Declarations shall be applicable to the combined total of DAMAGES and CLAIM EXPENSES for each CLAIM.

If as the result of a CLAIM, the Company must pay DAMAGES on behalf of any INSURED based upon a final adjudication that another individual or entity identified in THE INSURED has committed an intentionally dishonest or fraudulent ACT, then THE INSURED agrees that the deductible applicable to such CLAIM shall be an amount equal to twice the Deductible as stated in the Declarations.

Deductible payment of portions thereof shall be paid by the NAMED INSURED within 30 days of demand.

4. Multiple Insureds, Claims and Claimants

The inclusion of more than one INSURED in any CLAIM or the making of CLAIMS by more than one person or organization shall not operate to increase the Limits of Liability and Deductible. Two or more CLAIMS arising out of a single ACT or PERSONAL INJURY or a series of related ACTS or PERSONAL INJURIES shall be treated as a single CLAIM. All such CLAIMS whenever made shall be considered first made on the date on which the earliest CLAIM arising out of such ACT or PERSONAL INJURY was first made and all such CLAIMS are subject to the same Limit of Liability and Deductible.

VII. EXTENDED REPORTING PERIOD

If the Company cancels or non-renews this policy, the NAMED INSURED, for an additional premium charge, shall have the right to extend the period during which CLAIMS must be first made and reported to apply to CLAIMS first made against THE INSURED during the period of 12 months or 24 months indicated in Item (h)i or (h)ii below immediately following the effective date of such cancellation or non-renewal and reported in accordance with the conditions of this policy, provided:

- (a) The Extended Reporting Period applies only to ACTS or PERSONAL INJURIES committed prior to the effective date of cancellation or non-renewal of this policy and otherwise covered by this policy; and
- (b) Cancellation or non-renewal does not result from the NAMED INSURED'S non-payment of premium and/or deductible or other non-compliance with the terms and conditions of the policy; and
- (c) Notice of intent to exercise this option and the premium for the Extended Reporting Period is received by the Company from the NAMED INSURED within ten (10) days of the effective date of cancellation or non-renewal. This premium shall be calculated at the percentage stated in Item (h)i or (h)ii below; and
- (d) The full annual premium of this policy and any deductibles that are due have been paid by the NAMED INSURED; and
- (e) The coverage afforded by this Extended Reporting Period shall terminate immediately when the NAMED INSURED purchases a lawyers professional liability policy providing coverage in whole or in part for ACTS or PERSONAL INJURIES committed prior to the end of the POLICY PERIOD. The premium charged for the Extended Reporting Period shall be fully earned at the time of payment; and
- (f) The quotation of a different premium and/or deductible and/or Limits of Liability for renewal does not constitute a cancellation or refusal to renew for the purpose of this policy provision; and
- (g) The exercise of the Extended Reporting Period shall not in any way increase or be in addition to the Limits of Liability set forth in the Declarations.
- (h) The Extended Reporting Period option(s) and additional premium(s) are as follows:
 - i. THE INSURED may purchase a 12 month Extended Reporting Period as set forth above of an additional premium equal to 100% of the last full annual premium for the policy.
 - ii. THE INSURED may purchase a 24 month Extended Reporting Period as set forth above for an additional premium equal to 150% of the last full annual premium for this policy.

VIII. CONDITIONS

1. INSURED'S DUTIES IN THE EVENT OF A CLAIM

As a condition precedent to the availability of coverage under this policy THE INSURED's duties in the event of a CLAIM shall be as follows:

- (a) If suit is brought or arbitration is instituted against THE INSURED, then THE INSURED shall immediately forward to the Company, every demand, notice summons or other process received by THE INSURED or their representative; and
- (b) If any CLAIM is made, other than a suit or arbitration proceeding, then THE INSURED shall give as soon as practicable, written notice to the Company, containing particulars sufficient to identify THE INSURED and claimant and full information with respect to the time, place and circumstances of the CLAIM; and
- (c) A CLAIM or suit made or arbitration instituted against THE INSURED during the POLICY PERIOD must be reported to and received by the Company, within sixty (60) days after the expiration of the POLICY PERIOD; and
- (d) If during the purchased Extended Reporting Period a claim or suit is made or arbitration is instituted against the Insured, the Insured must immediately notify the Company in writing, and Insured's report must be reviewed by the Company no later than 10 days after the expiration of the Extended Reporting Endorsement.

2. DEFENSE, INVESTIGATION AND SETTLEMENT OF CLAIMS

The following provisions shall apply to the defense and settlement of CLAIMS:

- (a) CLAIM EXPENSES incurred in investigating and defending such CLAIM shall be included within the policy Limits of Liability and not in addition thereto. Such CLAIM EXPENSES shall reduce the available Limit of Liability. The Company shall not be obligated to pay any DAMAGES or to defend or to continue to defend any CLAIM or to pay CLAIM EXPENSES after the Limit of the Company's Liability has been tendered to THE INSURED or into the court or exhausted by payment(s) of DAMAGES and/or CLAIM EXPENSES.
- (b) Selection of defense counsel shall be made by the Company, provided, however, if a conflict of interest exists between THE INSURED and the Company because of any portion of a claim may not be covered by this policy due to policy provisions which restrict coverage, the Company will provide a list of attorneys or law firms from which THE INSURED may designate counsel who shall act solely in the interest of THE INSURED, and THE INSURED agrees to direct such defense counsel to cooperate with the Company. Such cooperations shall include:
 - (1) Providing on a regular basis, not less frequently than every six months, written reports on claimed DAMAGES, potential liability, progress of any litigation, any settlement demands, or any investigation developments that materially affect the CLAIM.
 - (2) Providing any other reasonable information requested and fully itemized billing on a periodic basis;
 - (3) Cooperating with the Company and THE INSURED in resolving any discrepancies; and the fees and costs incurred by such counsel, including those fees and costs generated by cooperation with the Company, as set forth above, shall be included in CLAIM EXPENSES. Such claim expenses shall be included within the policy Limits of Liability and not in addition thereto. Such claim expenses shall reduce the available Limit of Liability.
- (c) THE INSURED shall cooperate with the Company in the defense, investigation and settlement of any CLAIM. THE INSURED will assist the Company in effecting any rights of indemnity, contribution or apportionment available to THE INSURED or the Company. Upon the Company's request, THE INSURED shall: (i) submit to examination and interview by a representative of the Company, under oath if required; (ii) attend hearings, depositions and trials; (iii) assist in effecting settlement, securing and giving evidence, obtaining the attendance of statements to the Company's representatives and meet with such representatives for the purpose of determining coverage and investigating and/or defending any CLAIM.

(d) THE INSURED shall not, with respect to any CLAIM covered under this policy, except at THE INSURED'S personal cost, make any payment, admit liability, settle CLAIMS, assume any obligation, agree to arbitration or any similar means of resolution of any dispute, waive any rights or incur CLAIM EXPENSES without prior written Company approval. Any costs, expenses, or obligations incurred by the Insured without the Company's written consent will be borne solely by the Insured and will not constitute satisfaction of the deductible either in whole or in part.

(e) The Company shall not settle any CLAIM without the consent of the NAMED INSURED. If, however, the NAMED INSURED shall refuse to consent to any settlement recommended by the Company and shall elect to contest the CLAIM or continue any legal proceedings in connection with such CLAIM, then the Company shall not be obligated to pay CLAIM EXPENSES incurred subsequent to such refusal. Furthermore, the Company's liability for such CLAIM shall not exceed the amount for which the CLAIM could have been so settled and CLAIM EXPENSES incurred up to the date of such refusal. Such amounts are subject to the provisions of the Limits of Liability section.

3.DISCOVERY OF POTENTIAL CLAIMS

If during the POLICY PERIOD, THE INSURED first becomes aware of any ACT or PERSONAL INJURY for which a CLAIM might reasonably be expected to be made for which insurance is otherwise provided by this policy and gives written notice of such ACT or PERSONAL INJURY which is received by the Company during the POLICY PERIOD, then any CLAIM subsequently made arising out of that ACT or PERSONAL INJURY shall be considered to have been made on the date such written notice is received by the Company.

Such written notice shall include:

- 1) the specific ACT or PERSONAL INJURY; and
- 2) the injury or damage that has or may reasonably result from 1) above; and
- 3) the circumstances by which THE INSURED first became aware of 1) and 2) above.

THE INSURED shall cooperate fully with the Company as set forth in CONDITION 2., DEFENSE, INVESTIGATION AND SETTLEMENT OF CLAIMS, and any investigation conducted by the Company or its representatives shall be subject to the terms set forth in the policy as applicable to a CLAIM.

4.SUBROGATION AND INDEMNITY

- (a) In the event of payment for DAMAGES or CLAIM EXPENSES under the policy, the Company shall be subrogated to all of THE INSURED'S rights of recovery against any person or organization. Any recovery shall be used to pay; first, subrogation expenses; second, payments in excess of the Deductible by THE INSURED; third, payments by an excess insurer; fourth, payments made by a primary insurer; and, last, reimbursement of THE INSURED'S Deductible.
- (b) If the Company makes any payment of CLAIMS EXPENSES or DAMAGES as a result of the final adjudication that an intentionally dishonest or fraudulent ACT has been committed, then the Company shall have the right to indemnification of such payments from the individual or entity so adjudged, including any individual or entity identified in THE INSURED sections of the policy.

5. FALSE OR FRAUDULENT CLAIMS

If any individual or entity identified within THE INSURED commits fraud in presenting or maintaining any CLAIM, the Company at its sole option may void:

- (a) this insurance with respect to such CLAIM; and/or
- (b) this insurance as to such individual or entity from the date such CLAIM is presented or maintained; and/or

- (c) this policy in its entirety; and/or
- (d) this insurance from the date such CLAIM is presented or maintained.

OTHER PROVISIONS

1. **APPLICATION:** By acceptance of this policy, the NAMED INSURED agrees that the statements in the application are personal representations, that they shall be deemed material and that this policy is issued in reliance upon the truth of such representations and that this policy embodies all agreements existing between THE INSURED and the Company, or any of its agents, relating to this insurance.
2. **CHANGES:** Any of the following changes in the NAMED INSURED happening during the POLICY PERIOD must be reported to the Company within sixty (60) days of the happening of such change:
 - (a) any change of 25% or more in the total number of lawyers of the NAMED INSURED;
 - (b) any new involvement in any single practice specialty anticipated to produce 10% or more of the NAMED INSURED'S gross billable dollars;

A premium adjustment and/or revision of limits, deductible, and/or coverage may be required by the Company as a result of any such change.

Notice to any agent or knowledge possessed by an agent or other person acting on behalf of the Company shall not effect a waiver or a change in any part of this policy or estop the Company from asserting any right under the terms of this policy, nor shall the terms of this policy be waived or changed, except by endorsement issued to form a part of this policy.

3. **ASSIGNMENT:** Assignment of any interest under this policy shall not bind the Company unless its consent is endorsed hereon.

4. **INTEGRATION OF DOCUMENT:** All of the provisions of this policy are intended to be read together as one integrated document. No provision nor any part thereof is intended to be separable from the balance of the policy. The meaning of each provision of this policy is created by what is written in the balance of the policy, and the Company issues this policy to THE INSURED in contemplation of the foregoing method of giving meaning to the policy.

If any provision of this policy is held to be void by a court of competent jurisdiction, then the balance of this policy shall still be interpreted in accordance with the preceding paragraph.

5. **CANCELLATION OR NON-RENEWAL:** This policy may be canceled by the NAMED INSURED by the mailing of written notice to the Company, directed to its Underwriting Manager stating when, thereafter, such cancellation shall be effective and by the surrender of the policy or a valid lost policy release to the Company.

This policy may be canceled by the Company or by its Underwriting Manager by mailing to the NAMED INSURED written notice stating when, not less than sixty (60) days thereafter, such cancellation should be effective.

Provided, however, if the NAMED INSURED does not pay the premium or Deductible when due, the Company or its Underwriting Manager, may cancel the policy giving the NAMED INSURED at least ten (10) days written notice of cancellation.

The Company, or its Underwriting Manager, if it intends not to renew this policy, must give written notice to the NAMED INSURED, mailed at least sixty (60) days prior to the expiration date of this policy.

The effective date of cancellation or non-renewal stated in the notice shall become the end of the POLICY PERIOD. Delivery of written notice by the Company or by its Underwriting Manager, shall be equivalent to mailing. Should the NAMED INSURED cancel the policy, the short rate proportion of the premium shall be charged. If the Company or its Underwriting Manager cancel the policy, the earned premium shall be computed pro rata. Premium adjustment may be made at the time cancellation is effected or as soon as practicable thereafter.

6. NUCLEAR ENERGY LIABILITY EXCLUSION

1. The policy does not apply:

A. To DAMAGES:

(1) With respect to which an INSURED under the policy is also an INSURED under a Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an INSURED under any such policy but for its termination upon exhaustion of its limit of liability; or

(2) Resulting from the "hazardous properties" of "nuclear material" and with respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the INSURED is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

B. To expenses incurred with respect to DAMAGES resulting from the "hazardous properties" of "nuclear material" and arising out of the operation of a "nuclear facility" by any person or organization.

C. To DAMAGES resulting from "Hazardous Properties" of "nuclear material," if:

(1) The "nuclear material" (a) is at any "nuclear facility" owned by, or operated by or on behalf of, an INSURED or (b) has been discharged or dispersed therefrom;

(2) The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of an INSURED; or

(3) The DAMAGES arise out of the furnishing by an INSURED of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility."

2. As used in this endorsement:

"Hazardous properties" include radioactive, toxic or explosive properties; "Nuclear material" means "Source material," "Special nuclear material" or "by-product material;"

"Source material," "special nuclear material," and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof;

"Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor;"

"Waste" means any waste material (a) containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and (b) resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility."

"Nuclear facility" means:

- (a) Any "nuclear reactor;"
- (b) Any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing "spent fuel," or (3) handling, processing or packaging "waste;"
- (c) Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the "INSURED" at the premises where such equipment or device is located consists of more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;
- (d) Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste;" and

includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations;

"Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material:

DAMAGE, as used in this section, includes all forms of radioactive contamination of property.