



# Lawyers Professional Liability Insurance Policy

**THIS IS A CLAIMS MADE AND REPORTED POLICY WHICH APPLIES TO CLAIMS FIRST MADE DURING THE POLICY PERIOD OR ANY EXTENDED REPORTING PERIOD. THE PAYMENT OF CLAIMS EXPENSES REDUCES AND MAY EXHAUST THE LIMIT OF LIABILITY. PLEASE READ THE POLICY CAREFULLY.**

## I. INSURING AGREEMENTS

### A. COVERAGE

The **Insurer** will pay on behalf of an **Insured**, subject to the Limit of Liability, all amounts in excess of the Retention shown in the Declarations that an **Insured** becomes legally obligated to pay as **Damages** and **Claim Expenses** because of a **Claim** that is first made during the **Policy Period** or any **Extended Reporting Period**. It is a condition precedent to coverage under this Policy that the **Wrongful Act** upon which the **Claim** is based occurred:

1. during the **Policy Period**; or
2. on or after the **Retroactive Date** and prior to the **Policy Period**, provided that all of the following three conditions are met:
  - (a) the **Insured** did not notify any prior insurer of such **Wrongful Act** or **Related Act or Omission**; and
  - (b) prior to the inception date of the first policy issued by the **Insurer** if continuously renewed, no **Insured** had any basis (1) to believe that any **Insured** had breached a professional duty; or (2) to foresee that any such **Wrongful Act** or **Related Act or Omission** might reasonably be expected to be the basis of a **Claim** against any **Insured**; and
  - (c) there is no policy that provides insurance to the **Insured** for such liability or **Claim**.

The **Insurer** shall have the right and duty to defend any **Claim** seeking **Damages** that are covered by this policy and made against an **Insured** even if any of the allegations of the **Claim** are groundless, false or fraudulent.

## II. DEFINITIONS

A. **APPLICATION** means the application and all prior applications submitted to the **Insurer**, any and all materials and information submitted to the **Insurer** in connection with such applications, and all publicly available material that is created by the **Insured** about the **Insured** that the **Insurer** obtained prior to the Inception Date of the **Policy**, all of which are deemed to be on file with the **Insurer** and are deemed to be attached to, and form a part of, this **Policy**, as if physically attached.

B. **BODILY INJURY** means injury to the body, sickness or disease sustained by any person, including death resulting from such injuries; including any mental injury, mental anguish, mental tension, emotional distress, pain or suffering or shock sustained by any person, whether or not resulting from injury to the body, sickness, disease or death of any person.

C. **CLAIM** means:

1. any written notice or demand for monetary relief or **Legal Services**; or
2. any civil proceeding in a court of law;
3. a request to toll or waive a statute of limitations;

made to or against any **Insured** seeking to hold such **Insured** responsible for damages for a **Wrongful Act**.

A **Claim** does not include criminal or disciplinary proceedings of any type.

D. **CLAIM EXPENSES** means:

1. reasonable fees, costs and expenses charged by attorneys retained or approved by the **Insurer** for a **Claim** brought against an **Insured**;
2. reasonable and necessary fees, costs and expenses resulting from the investigation, adjustment, defense and appeal of a **Claim** including, but not limited to, premiums for any appeal bond, attachment bond or similar bond but without any obligation of the **Insurer** to apply for or furnish such bond.

**Claim Expenses** shall not include:

- a. salaries, loss of earnings, reimbursement for the **Insured's** time or attendance required in any investigation or defense; or
- b. other remuneration by or to any **Insured**.

The Limit of Liability shall first be applied to **Claim Expenses** with the remainder, if any, being the amount available to pay as **Damages**. The determination by the **Insurer** as to the reasonableness of **Claim Expenses** shall be conclusive on all **Insureds**.

- E. **DAMAGES** means the monetary portion of any judgment, award or settlement, including pre- and post- judgment interest, provided such settlement is negotiated with the assistance and approval of the **Insurer**. **Damages** shall not include:
1. compensation for injury to or destruction of tangible property or loss of use or value thereof;
  2. personal profit or advantage to which the **Insured** was not legally entitled;
  3. criminal or civil fines, taxes, penalties (statutory or otherwise), fees or sanctions;
  4. punitive, exemplary or multiple damages;
  5. matters deemed uninsurable by law;
  6. legal fees, costs and expenses paid to or incurred or charged by the **Insured**, no matter whether claimed as restitution of specific funds, forfeiture, financial loss, setoff or otherwise, and injuries that are a consequence of any of the foregoing;
  7. any form of injunctive, declaratory, equitable or non-monetary relief of any type.
- F. **EXTENDED REPORTING PERIOD** means the extended reporting period purchased by an **Insured**, pursuant to the terms and conditions described in Part IV – Conditions, Subsection G. of the Policy.
- G. **IMMEDIATE FAMILY** means:
1. the **Insured**;
  2. the **Insured**'s spouse;
  3. the **Insured**'s parents, adoptive parents, or step-parents;
  4. the **Insured**'s siblings or step-siblings;
  5. the **Insured**'s children, adoptive children, or step-children.
- H. **INSURED** means:
1. the **Named Insured**;
  2. any **Predecessor Firm**;
  3. any lawyer or professional corporation listed in the application on the day the **Policy Period** incepts until such time as the lawyer or professional corporation ceases to be a member of the **Named Insured** subject to paragraph 5. below, but only in rendering or failing to render **Legal Services** on behalf of the **Named Insured**;
  4. any lawyer or professional corporation who becomes a partner, officer, director, stockholder or shareholder or employee of the **Named Insured** during the **Policy Period** until such time as the lawyer or professional corporation ceases to be a member of the **Named Insured** subject to paragraph 5. below, but only in rendering or failing to render **Legal Services** on behalf of the **Named Insured**;

5. any lawyer or professional corporation who is a former partner, officer, director, stockholder or shareholder or employee of the **Named Insured** or **Predecessor Firm** but only in rendering or failing to render **Legal Services** on behalf of the **Named Insured** or **Predecessor Firm**;
  6. any person or entity who is designated by the **Named Insured** as counsel or of counsel in the application, but only in rendering or failing to render **Legal Services** on behalf of the **Named Insured**;
  7. any other person who is employed or retained by the **Named Insured** as a legal secretary, paralegal, contract attorney or other legal office staff member, but only in rendering or failing to render **Legal Services** on behalf of the **Named Insured** and also only within the scope of such employment or retention agreement; and
  8. the estate, heirs, executors, administrators, assigns and legal representatives of any **Insured** in the event of such **Insured's** death, incapacity, insolvency or bankruptcy, but only to the extent that such **Insured** would otherwise be provided coverage under this policy.
- I. **INSURER** means the insurance company shown in the Declarations.
- J. **LEGAL SERVICES** means those services performed on behalf of the **Named Insured** for others by an **Insured** as a licensed lawyer in good standing, arbitrator, mediator, title agent, notary public, administrator, conservator, receiver, executor, guardian, trustee, or in any other fiduciary capacity, but only where such services were performed in the ordinary course of the **Insured's** activities as a lawyer. **Legal Services** also includes services rendered by an **Insured** as a member of a formal accreditation, ethics, peer review or licensing board, standards review board, bar association, or any similar board or committee. **Legal Services** do not include services rendered as a real estate agent or broker or as an insurance agent or broker.
- K. **MATERIAL INTEREST** means the right of an **Insured** or a member of an **Insured's Immediate Family** directly or indirectly to:
1. own 10% or more of an interest in an entity;
  2. vote 10% or more of the issued and outstanding voting stock in an incorporated entity;
  3. elect 10% or more of the directors of an incorporated entity;
  4. receive 10% or more of the profits of an unincorporated entity; or
  5. act as general partner of a limited partnership, managing general partner of a general partnership, or comparable positions in any other business enterprise.
- L. **NAMED INSURED** means the entity named in Item 1 of the Declarations.
- M. **NOTICE** means providing the following information to the **Insurer**, by an **Insured**, in writing, unless authorized by the **Insurer**:
1. a description of the **Wrongful Act** and the date it occurred;
  2. the identities of the claimants or potential claimants;
  3. the identities of the alleged or potentially responsible **Insured(s)**,

4. the alleged consequences or **Damages** which could result; and
  5. the date, and a description of how, the **Insured(s)** first became aware of the **Wrongful Act**.
- N. **PERSONAL INJURY** means libel, slander, violation of a right of privacy, false arrest, detention, imprisonment, wrongful entry, eviction, malicious prosecution or abuse of process, when insurable under the law pursuant to which this Policy shall be construed.
- O. **POLICY PERIOD** means the period of time between the Inception Date to the Expiration Date as shown in Item 2 of the Declaration, or from the Inception Date to any earlier cancellation or termination date, if applicable.
- P. **PREDECESSOR FIRM** means any entity engaged in **Legal Services** to whose financial assets and liabilities the **Named Insured** is the majority successor-in-interest.
- Q. **RELATED ACT OR OMISSION** means all acts or omissions based on, arising out of, directly or indirectly resulting from, or in any way involving the same or related facts, circumstances, situations, transactions or events or the same or related series of facts, circumstances, situations, transactions or events.
- R. **RETROACTIVE DATE** means the date set forth in Item 7 of the Declarations.
- S. **TOTALLY OR PERMANENTLY DISABLED** means the **Insured** is wholly prevented from rendering **Legal Services**, provided that the disability has continued for at least six (6) months, is reasonably expected to be continuous and permanent and the disability did not result from intentionally self-inflicted injury, attempted suicide, alcohol or drug abuse.
- T. **WRONGFUL ACT** means:
1. any actual or alleged act, error or omission by an **Insured**, solely in the performance of or failure to perform **Legal Services**; or
  2. any actual or alleged **Personal Injury** committed by any **Insured**, solely in the performance of or failure to perform **Legal Services**.

### III. EXCLUSIONS

- A. This policy shall not apply to any **Claim** brought by or on behalf of, or in the name or right of, any **Insured**.
- B. This policy shall not apply to any **Claim** based on, arising out of, directly or indirectly resulting from, in consequence of, or in any way involving, in whole or in part:
1. any intentional, criminal, fraudulent, malicious or dishonest act or omission by or at the direction of an **Insured**;

provided, however, that this Exclusion shall not apply unless there has been a finding, admission, or final adjudication, in a proceeding constituting the **Claim** or in a proceeding separate from or collateral to the **Claim**.

2. any act whatsoever of an **Insured** in connection with a trust or estate when an **Insured** is a beneficiary or distributee of the trust or estate;
3. the **Insured's** capacity or status as:
  - (a) an officer, director, partner, trustee, shareholder, manager or employee of a business enterprise, charitable organization or pension, welfare, profit sharing, mutual or investment fund or trust.
  - (b) a public official, or an employee of a governmental body, subdivision, or agency unless the **Insured** is privately retained solely to render **Legal Services** to the governmental body, subdivision or agency and the remuneration for the **Legal Services** is paid directly or indirectly to the **Named Insured**.
4. any actual or alleged **Wrongful Acts** of an **Insured**, whether or not such **Legal Services** are performed with or without compensation, for any business enterprise, whether for profit or not-for-profit, in which any **Insured**, or a member of an **Insured's Immediate Family**, has a **Material Interest**;
5. the alleged rendering of investment advice, including advice given by any **Insured** to make any investment or to refrain from doing so.
6. any alleged violations by an **Insured** of the Employment Retirement Income Security Act of 1974, its amendments, or any regulation or orders promulgated pursuant thereto, or of any similar provisions of federal, state or local law or regulation;
7. any liability assumed by an **Insured** under any oral or written contract or agreement, unless such liability would have attached to the **Insured** by law in the absence of such contract or agreement;
8. the notarized certification or acknowledgement of signature without the physical appearance before such notary public of the person who is or claims to be the person signing said instrument;
9. any actual or alleged discrimination of any kind by any **Insured**;
10. **Bodily Injury**, and injury to, or destruction of, any tangible property, including the loss of use resulting therefrom;  
provided however, that the exclusion of **Bodily Injury** does not apply to mental injury, mental anguish, mental tension, or emotional distress caused by **Personal Injury**;
11. any **Insured's** conversion, misappropriation, embezzlement, commingling, defalcation or ethically improper use or disposal of funds or other property, whether held on behalf of clients of any third parties.

#### IV. CONDITIONS

##### A. LIMIT OF LIABILITY

Regardless of the number of **Insureds**, number of **Claims** or number of claimants who make a **Claim** against the **Insureds**, the **Insurer's** liability is limited as follows:

1. Subject to the maximum aggregate Limit of Liability, the amount set forth in ITEM 3(a) of the Declarations shall be the maximum Limit of Liability of the **Insurer** for all **Damages** and **Claim Expenses**, in excess of the applicable Retention set forth in ITEM 4 of the Declarations, resulting from each **Claim** to which this Policy applies.
2. The amount set forth in ITEM 3(b) of the Declarations shall be the maximum aggregate Limit of Liability of the **Insurer** for all **Damages** and **Claim Expenses** resulting from all **Claims** to which this Policy applies.
3. **Claim Expenses** are part of and not in addition to the Limit of Liability.
4. The **Insurer** shall not be obligated to pay any **Damages** or **Claim Expenses** or to defend or continue to defend any **Claim** after the Limit of Liability set forth in ITEM 3(b) has been exhausted. In such case, the **Insurer** shall have the right to withdraw from the further investigation or defense of any pending **Claim** by tendering control of such investigation or defense to the **Named Insured** and the **Named Insured** agrees, as a condition to the issuance of this policy, to accept such tender and proceed solely at its own cost and expense.

##### B. RETENTION

The Retention amount stated in Item 4 of the Declarations shall apply to all **Damages** and **Claim Expenses** and shall apply to each and every **Claim**. The **Insurer** shall only be liable to pay, subject to the Limit of Liability provisions stated in this section for **Damages** and **Claim Expenses** in excess of such Retention and such Retention shall not be insured under this Policy. The **Named Insured** shall pay the Retention no later than fifteen (15) days after demand by the **Insurer**.

##### C. RELATED ACTS

All **Claims** based upon or arising out of the same **Wrongful Act** or **Related Act** or **Omission** shall be considered a single **Claim** and shall be considered first made at the time the earliest **Claim** arising out of such a **Related Act** or **Omission** was first made. All **Damages** and **Claims Expenses** from such **Claims** shall be subject to one limit of liability.

##### D. DEFENSE AND INVESTIGATION

The **Insurer** shall have the right and duty to defend any **Claim** seeking **Damages** that are covered by this policy made against an **Insured** even if any of the allegations of the **Claim** are groundless, false or fraudulent. The **Insurer** shall have the right to select defense counsel for the investigation, defense or settlement of the **Claim** and the **Insurer** shall pay all reasonable **Claim Expenses** arising from the **Claim**.

The **Insurer** shall have the right to conduct such investigation or negotiation of any **Claim** as it deems expedient. The **Insurer** shall not be obligated to pay any **Damages** or **Claim Expenses**, or to defend or continue to defend any **Claim** after the **Insurer's** limit of liability has been exhausted by payment, or by deposit in a court having jurisdiction of sums reflecting the remaining applicable Limit of Liability of the Policy.

E. **CONSENT TO SETTLE**

The **Insurer** shall not settle any **Claim** without the consent of the **Insured**, which consent shall not be unreasonably withheld. If, however, the **Insured** refuses to consent to any settlement recommended by the **Insurer** and acceptable to the claimant, then the **Insurer's** liability for **Damages** and **Claim Expenses** relating to that **Claim** shall not exceed the amount for which the **Claim** could have been settled plus all **Claim Expenses** incurred up to the time the **Insurer** made its recommendation.

If the **Insured** refuses to settle, once the total **Claim Expenses** equal the amount for which the **Claim** could have been settled plus all **Claim Expenses** incurred up to the time the **Insurer** made its recommendation, the **Insurer** shall have the right to withdraw from the further investigation and defense thereof by tendering control of such investigation or defense to the **Insured** and the **Insured** agrees, as a condition of the issuance of this policy, to accept such tender and proceed solely at its own cost and expense. If the **Named Insured** has not paid premiums or Retentions which are due, the **Insurer** has the right, but not the obligation, to settle any **Claim** without the consent of the **Insured**.

F. **MULTIPLE POLICIES**

If this Policy and any other policy issued by **Insurer** including any **Extended Reporting Period** coverage afforded by such policy or policies, provides coverage for the same **Claim** against the **Insured**, the maximum limit of liability under all the policies shall not exceed the highest remaining each **Claim** limit of liability under any one policy.

G. **EXTENDED REPORTING PERIOD OPTIONS**

1. **EXTENDED REPORTING PERIOD**

In the event of cancellation or refusal to renew this policy by the **Insurer**, the **Named Insured** has the right upon notification to the **Insurer** of its intent to purchase an extended reporting period endorsement, and payment to the **Insurer** of an additional premium as set forth in Item 8 of the Declarations within thirty (30) days of the cancellation or non-renewal, to extend the period for reporting **Claims** first made against an **Insured** after the termination of the **Policy Period** for any actual or alleged **Wrongful Act** occurring prior to the termination of the **Policy Period** and otherwise covered by this policy. For purposes of determining the availability of an extended reporting period endorsement, any change in the premium terms or terms on renewal shall not constitute a refusal to renew.

2. **NON-PRACTICING EXTENDED REPORTING PERIOD**

If an **Insured**, as defined in Part II – Definitions, paragraph H(3) – **Insured**, ceases the private practice of law during the **Policy Period**, and such **Insured** has been continuously insured by the **Insurer** for at least three (3) consecutive years, then such **Insured** has the right, upon notification to the **Insurer**, to select

a non-practicing extended reporting period endorsement to extend the period for reporting **Claims** first made against an **Insured** after the termination of the **Policy Period** for any actual or alleged **Wrongful Act** occurring prior to the termination of the **Policy Period** and otherwise covered by this Policy.

The **Insured** may select either of the following extended reporting period options:

- (a) a one-year non-practicing extended reporting period for no additional premium; or
- (b) a three-year non-practicing extended reporting period by payment to the **Insurer** of the additional premium as set forth in Item 8 of the Declarations within thirty (30) days of such retirement or the ceasing of the private practice of law.

3. **DEATH OR DISABILITY OF AN INSURED EXTENDED REPORTING PERIOD**

If an **Insured**, as defined in Part II – Definitions, paragraph H(3) – **Insured**, dies during the **Policy Period**, such **Insured** shall be provided with a death extended reporting period endorsement commencing after the termination of the **Policy Period** at no additional premium until the executor or administrator of the estate is discharged, provided always that the death did not result from an intentionally self-inflicted injury, suicide or alcohol or drug abuse, and provided always that written notification and written proof of death of the **Insured** is provided within sixty (60) days of the date of death or prior to the end of the **Policy Period**, whichever is earlier.

If an **Insured** becomes **Totally and Permanently Disabled** during the **Policy Period**, such **Insured** shall be provided with a disability extended reporting period endorsement commencing after the termination of the **Policy Period** at no additional premium until the **Insured** is no longer **Totally and Permanently Disabled**. A condition to the extended reporting period for total and permanent disability shall be that the **Insured** has had continuous coverage with the **Insurer** for at least three (3) consecutive prior full years, the **Insured** or his legal guardian provides written notice of the disability to the **Insurer** within sixty (60) days or prior to the termination of the **Policy Period**, whichever is earlier, and the **Insured** or the **Insured's** legal guardian provides a physician's written certification of the disability, including the date it began.

4. **ALL REPORTING PERIOD OPTIONS**

- (a) The right to any of the extended reporting period endorsement options is not available to any **Insured** where cancellation or nonrenewal by the **Insurer** is due to:
  - (i) nonpayment of premium, Retention or other money due to the **Insurer**; or
  - (ii) the suspension, surrender or revocation of any **Insured's** right or license to practice law.
- (b) The Limit of Liability available for any extended reporting period option is part of, and not in addition to, the Limit of Liability shown in Item 3 of

the Declarations of the policy. The Retention, as shown on the Declarations, will apply separately to each and every **Claim** brought under any extended reporting period option. The Retention will be waived in the event of the death of the **Insured** or in the event the **Insured** becomes **Totally and Permanently Disabled**.

- (c) None of the extended reporting period options are cancelable or renewable. The additional premium for the extended reporting period endorsement is fully earned at the inception of the extended reporting period.

#### H. **POLICY TERRITORY**

The coverage afforded by this Policy applies to any **Wrongful Acts** that occur, and **Claims** brought, anywhere in the world.

#### I. **NOTICE TO THE INSURER**

- 1. Notice to the **Insurer** shall be made to the address shown in Item 5 of the Declarations.

- 2. **NOTICE OF AN ACTUAL CLAIM**

The **Insured**, as a condition precedent to this Policy, shall, as soon as practicable and no later than thirty (30) days after the termination of the **Policy Period**, provide **Notice** to the **Insurer** of any **Claim** made against an **Insured**. In the event suit is brought against the **Insured**, the **Insured** shall immediately forward to the **Insurer** every demand, notice, summons or other process received directly or by an **Insured's** representative.

- 3. **NOTICE OF A POTENTIAL CLAIM**

If during the **Policy Period** any **Insured** becomes aware of any **Wrongful Act** that may reasonably be expected to be the basis of a **Claim** against an **Insured**, the **Insured** shall as a condition precedent to this Policy immediately give **Notice** to the **Insurer** of such **Wrongful Act**, and the reasons for anticipating a **Claim**. Any such **Claim** that is subsequently made against the **Insured** and promptly reported to the **Insurer** shall be deemed to have been made and reported at the time such **Notice** was given.

- 4. **FRAUDULENT CLAIM**

If any **Insured** shall commit fraud in proffering any **Claim** with regard to amount or otherwise, this Policy shall become void from the inception as to such **Insured**.

#### J. **ASSISTANCE AND COOPERATION OF THE INSURED**

All **Insureds** shall cooperate with the **Insurer**, including providing all information requested by the **Insurer** regarding any **Claim**, and cooperating fully with the **Insurer** in the defense, investigation and settlement of any **Claim**. Upon the **Insurer's** request, all **Insureds** shall submit to examination by a representative of the **Insurer**, under oath if required. In addition, upon the **Insurer's** request, all **Insureds** shall attend hearings,

depositions and trials, and shall assist in effecting settlements, securing and giving evidence, obtaining the attendance of witnesses, and in the conduct of suits, all without charge to the **Insurer**.

The **Insured** shall follow the **Insurer's** direction regarding whether to accept or reject a demand for arbitration of any **Claim** and shall not voluntarily agree to arbitrate a **Claim** without the **Insurer's** written consent. No **Insured** shall, except at the **Insured's** own cost, make any payment, make any admission, admit liability, waive any rights, settle any **Claim**, assume any obligation or incur any expense without the prior written consent of the **Insurer**.

#### K. **PROTECTION FOR THE INNOCENT INSUREDS**

Whenever coverage under this Policy would be excluded, suspended or lost because of Part III – Exclusions, paragraph B.1., the **Insurer** agrees that such insurance as would otherwise be afforded under this Policy shall be applicable with respect to any **Insured** who did not acquiesce in or remain passive after having knowledge of such conduct.

#### L. **SUBROGATION**

The **Insurer** shall be subrogated to all **Insureds'** rights of recovery against any person or organization. All **Insureds** shall assist the **Insurer** in effecting any rights of indemnity, contribution and apportionment available to any **Insured**, including the execution of such documents as are necessary to enable the **Insurer** to pursue claims in the **Insureds'** names and shall provide all other assistance and cooperation which the **Insurer** may reasonably require. All **Insureds** shall cooperate with the **Insurer** and do nothing to jeopardize, prejudice or terminate in any way such rights.

The **Insurer** shall not exercise any such rights against any **Insured** except as provided herein. Notwithstanding the foregoing, however, the **Insurer** reserves the right to exercise any rights of subrogation against any **Insured** with respect to any **Claim** brought about or contributed to by the intentional, criminal, fraudulent, malicious or dishonest act or omission of such **Insured**.

#### M. **CANCELLATION; NO OBLIGATION TO RENEW**

1. This Policy shall terminate upon the Expiration Date set forth in Item 2 of the Declarations, or upon any earlier cancellation.
2. This Policy may be canceled by the **Named Insured** by mailing advance written notice to the **Insurer** stating when such cancellation shall take effect. If canceled by the **Named Insured**, the **Insurer** shall retain the earned premium, which shall be the greater of: (1) the amount computed in accordance with the customary short rate table and procedure, or (2) twenty-five percent (25%) of the premium amount shown in Item 6 of the Declarations.
3. This Policy may be canceled by the **Insurer** by written notice mailed to the **Named Insured** at its last known address. The notice will state the reason for and the effective date of the cancellation. If the Policy is canceled by the **Insurer**, the **Insurer** shall retain the earned premium, which shall be computed on a pro rata basis.

4. Premium adjustment may be made at the time cancellation is effected or as soon as practicable thereafter. Failure to pay any premium adjustment at, on, or around the time of the effective date of cancellation shall not alter the effectiveness of cancellation.
5. The **Insurer** will not be required to renew this Policy upon its expiration. If the **Insurer** elects not to renew this Policy, the **Insurer** will deliver or mail written notice, to the **Named Insured** at its last known address, to that effect, at least sixty (60) days before the Expiration Date set forth in Item 2 of the Declarations. Such notice shall state the specific reason(s) for non-renewal.

N. **CHANGE IN RISK**

1. If, during the **Policy Period**, any of the following events occur:
  - (a) the merger into or acquisition of the **Named Insured** by another entity such that the **Named Insured** is not the surviving entity, or the acquisition of substantially all of the assets of the **Named Insured**;
  - (b) the dissolution of, or appointment of a receiver, conservator, trustee, liquidator or rehabilitator or similar official for the **Named Insured**;

the **Named Insured** shall report the event to the **Insurer** as soon as practicable. Coverage will continue with respect to **Claims** for **Wrongful Acts** committed before such event, but coverage will cease with respect to **Claims** for acts or omissions committed on or after such event. After any such event, the policy may not be cancelled, and the entire premium for the policy will be deemed fully earned.

2. If, during the **Policy Period**, the number of lawyers or professional corporations performing **Legal Services** on behalf of the **Named Insured** increases by more than 30%, the **Named Insured** shall immediately notify the **Insurer** in writing. The **Insurer** shall have the right to modify the terms and conditions of the Policy, including premium, as it determines in its sole discretion is appropriate.

O. **OTHER INSURANCE**

Subject to Part I – Insuring Agreement, A – Coverage, and Part IV – Conditions, Subsection A – Limits of Liability, this insurance will apply only as excess insurance over any other valid insurance. This Policy is written as specific excess of coverage available under any **Extended Reporting Period**.

P. **ASSIGNMENT**

Neither this Policy nor any **Insured's** interest under this Policy may be assigned.

Q. **ACTION AGAINST THE INSURER**

No action shall lie against the **Insurer** unless, as a condition precedent thereto, all **Insureds** have fully complied with all the terms of this Policy and not until the amount of all **Insured's** obligations to pay have been fully and finally determined either by

judgment against all **Insureds** after actual trial or by written agreement of the **Named Insured**, the claimant and the **Insurer**.

Nothing contained in this Policy shall give any person or organization any right to join the **Insurer** as a defendant in the action against any **Insured**.

**R. APPLICATION**

By acceptance of this Policy, all **Insureds** affirm or reaffirm as of the Inception Date of this Policy that:

1. the statements in the **Application** are true and accurate and are specifically incorporated herein, and are all **Insureds'** agreements, personal representations and warranties; and
2. all such communicated information shall be deemed material to the **Insurer's** issuance of this Policy; and
3. this Policy is issued in reliance upon the truth and accuracy of such representations; and
4. this Policy embodies all agreements existing between the **Insureds** and the **Insurer**, or any of its agents, relating to this insurance; and
5. if any representation is false or misleading, this Policy shall be void from the inception.

**S. ENTIRE AGREEMENT**

No change or modification of this Policy shall be effective except when made by a written endorsement to this Policy signed by an authorized representative of the **Insurer**. No representations by any person shall have any force or effect except as included in such endorsement.

**T. WAIVER**

The **Insurer's** failure to insist on strict compliance with any terms, provisions or conditions to coverage of this Policy or the failure to exercise any right or privilege shall not operate or be construed as a waiver thereof or of any subsequent breach thereof or a waiver of any other terms, provisions, conditions, privileges or rights.

**U. DEFINED TERMS**

Terms used in the Policy in bold faced type are defined herein.

**In Witness Whereof, the Insurer has caused this policy to be executed by its authorized officers, but this policy will not be valid unless countersigned on the Declarations page by a duly authorized representative of the Insurer.**