

OLD REPUBLIC INSURANCE COMPANY

Lawyers Professional Liability Insurance Policy

IMPORTANT NOTICE

THIS POLICY APPLIES ONLY TO CLAIMS FIRST MADE AGAINST THE INSURED DURING THE POLICY PERIOD AND REPORTED IN WRITING TO THE COMPANY AS DESCRIBED IN SECTION 8 BELOW. UPON TERMINATION OF THE POLICY, AN EXTENDED REPORTING PERIOD MAY BE AVAILABLE FOR CERTAIN CLAIMS.

THE LIMIT OF INSURANCE SHALL BE REDUCED, AND MAY BE COMPLETELY EXHAUSTED, BY THE PAYMENT OF DAMAGES OR DEFENSE COSTS. THE COMPANY'S OBLIGATION TO DEFEND ANY CLAIM ENDS WHEN THE LIMIT OF INSURANCE IS EXHAUSTED.

THIS POLICY CONTAINS A DEDUCTIBLE WHICH MUST BE PAID BY THE INSURED WITH RESPECT TO EACH CLAIM. THE COMPANY'S OBLIGATION TO PAY DAMAGES AND/OR DEFENSE COSTS APPLIES IN EXCESS OF THE DEDUCTIBLE.

VARIOUS PROVISIONS IN THIS POLICY RESTRICT COVERAGE. PLEASE READ THE ENTIRE POLICY CAREFULLY TO DETERMINE YOUR RIGHTS, DUTIES AND WHAT IS AND IS NOT COVERED.

WORDS AND PHRASES PRINTED IN ALL CAPITAL LETTERS HAVE SPECIAL MEANINGS WHICH ARE SET FORTH IN SECTION 4. DEFINITIONS.

In consideration of the payment of the premium when due and in reliance upon the statements made and the information furnished by the INSURED to the COMPANY in the APPLICATION, which is attached to and made part of this POLICY, and subject to all of the provisions of this POLICY, the COMPANY and the INSURED agree as follows:

1. Coverage

The COMPANY shall pay on behalf of the INSURED all sums in excess of the deductible which the INSURED shall become legally obligated to pay as DAMAGES as a result of any CLAIM first made against the INSURED during the POLICY PERIOD, provided such CLAIM is reported in writing to the COMPANY as described in Section 8. herein. The CLAIM must be caused by an act, error, omission or PERSONAL INJURY committed by the INSURED in the performance of PROFESSIONAL SERVICES for others and committed on or after the RETROACTIVE DATE.

2. Defense and Settlement of Claims

The COMPANY shall have the right and the duty to defend any CLAIM seeking DAMAGES to which this POLICY applies even if any allegations of the CLAIM are groundless, false or fraudulent. The INSURED and the COMPANY shall mutually agree upon the selection of defense counsel to conduct the defense of any CLAIM.

The COMPANY may investigate any CLAIM as it deems necessary, but the COMPANY shall not settle any CLAIM without the INSURED'S consent. If, however, the INSURED refuses to consent to a settlement recommended by the COMPANY and acceptable to the claimant, the COMPANY'S liability for any DAMAGES and DEFENSE COSTS incurred as a result of such CLAIM shall not exceed the sum of:

- (a) the amount of the proposed settlement and DEFENSE COSTS incurred up to the time of such refusal; and
- (b) fifty percent (50%) of the amount of DAMAGES and DEFENSE COSTS incurred as a result of such CLAIM in excess of the amount specified in (a) above.

The COMPANY shall not be obligated to defend or continue to defend any CLAIM after the applicable limit of insurance has been deposited with a court or exhausted by the payment of DAMAGES and/or DEFENSE COSTS.

3. Disciplinary Proceeding Coverage

The COMPANY shall pay on behalf of the INSURED DEFENSE COSTS incurred in the investigation or defense of a DISCIPLINARY PROCEEDING against the INSURED, provided the DISCIPLINARY PROCEEDING is first received by the INSURED during the POLICY PERIOD and is reported in writing to the COMPANY as described in Section 8. herein.

The INSURED, and not the COMPANY, shall have the duty to defend any such DISCIPLINARY PROCEEDING, and the COMPANY shall not be liable to pay any DEFENSE COSTS incurred with respect to a DISCIPLINARY PROCEEDING prior to the COMPANY'S consent to such DEFENSE COSTS, such consent not to be unreasonably withheld.

The COMPANY'S maximum liability for all covered DEFENSE COSTS incurred by all INSUREDS with respect to each DISCIPLINARY PROCEEDING and all DISCIPLINARY PROCEEDINGS shall be the respective amounts set forth in Items 3. (b) and (c) of the Declarations. Such amounts are sublimits which are part of and not in addition to the COMPANY'S aggregate limit of insurance set forth in Item 3. (a) of the Declarations.

The deductible amount applicable to each DISCIPLINARY PROCEEDING shall be the amount stated in Item 4. (b) of the Declarations.

4. Definitions

- A. APPLICATION means the application for this POLICY, any attachment to such application and any other materials or representations provided to the COMPANY in connection with the underwriting and issuance of this POLICY.
- B. CLAIM means a written demand or an assertion of a right against the INSURED, including the service of suit or institution of arbitration proceedings against the INSURED. A CLAIM shall be deemed first made when written notice of the CLAIM is first received by the INSURED. Solely for purposes of DEFENSE COSTS coverage pursuant to Section 3. above, CLAIM also means a DISCIPLINARY PROCEEDING.
- C. COMPANY means the insurance company named in the Declarations.
- D. DAMAGES means a monetary judgment, award or settlement. DAMAGES does not include:
1. sanctions, fines or penalties;
 2. the return or forfeiture of fees paid or owed to the INSURED for PROFESSIONAL SERVICES; or
 3. amounts which are uninsurable under the law pursuant to which this POLICY shall be construed.
- E. DEFENSE COSTS means:
1. reasonable fees, costs and expenses charged by a lawyer selected to defend the INSURED; and
 2. all other reasonable fees, costs and expenses resulting from the investigation, adjustment, defense and appeal of a CLAIM if incurred by the COMPANY or by the INSURED with the prior written consent of the COMPANY.
- DEFENSE COSTS does not include salary charges of officers and employees of the COMPANY or fees and expenses of supervisory counsel retained by the COMPANY.
- F. DISCIPLINARY PROCEEDING means any pending matter before, including an investigation or initial inquiry by, a state or federal licensing board or a formal peer review committee in connection with an alleged violation of any rule of professional conduct in the performance of PROFESSIONAL SERVICES.
- G. INSURED means:
1. the NAMED INSURED and any PREDECESSOR FIRM;
 2. any person or professional corporation who is or becomes a partner, officer, director or employee of the NAMED INSURED but solely while performing PROFESSIONAL SERVICES in connection with the NAMED INSURED'S practice of law;
 3. any person or professional corporation who was a partner, officer, director or employee of the NAMED INSURED or a PREDECESSOR FIRM but solely while performing PROFESSIONAL SERVICES in connection with the NAMED INSURED'S or PREDECESSOR FIRM'S practice of law;
 4. any person or professional corporation designated as "of counsel" to the NAMED INSURED or PREDECESSOR FIRM but solely while performing PROFESSIONAL SERVICES in connection with the NAMED INSURED'S or PREDECESSOR FIRM'S practice of law;
 5. any person or professional corporation who was, is or becomes a contract lawyer of the NAMED INSURED or PREDECESSOR FIRM but solely while performing PROFESSIONAL SERVICES in connection with the NAMED INSURED'S or PREDECESSOR FIRM'S practice of law; and

6. the heirs, executors, administrators and legal representatives of each INSURED in the event of such INSURED'S death, incapacity or bankruptcy, and the spouses and domestic partners of each INSURED, but solely with respect to the liability of such INSURED as otherwise covered by this POLICY.

In no event shall coverage apply with respect to any act, error, omission or PERSONAL INJURY by such heirs, executors, administrators, legal representatives, spouses or domestic partners. The term domestic partner shall mean any natural person qualifying as a domestic partner under either (i) the provisions of any applicable federal, state or local law, or (ii) the provisions of any formal program established by the NAMED INSURED.

- H. NAMED INSURED means the person or organization named in Item 1. of the Declarations.
- I. PERSONAL INJURY means:
 1. false arrest, detention or imprisonment, wrongful entry or eviction, other invasion or private occupancy;
 2. a publication or an utterance of libelous, slanderous or other defamatory or disparaging material, except when made by or at the direction of an INSURED with such INSURED'S knowledge of the falsity thereof, or a publication or an utterance in violation of an individual's rights of privacy; or
 3. infringement or misappropriation of copyright, title, slogan, patent, trademark, trade dress, trade name, trade secret, service mark or service number, or advertising activities by the NAMED INSURED which cause injury.
- J. POLICY means this insurance policy. The POLICY includes the Declarations, the APPLICATION and any forms or endorsements attached to and made a part of this insurance policy.
- K. POLICY PERIOD means the period from the effective date of this POLICY to the expiration date as set forth in Item 2. of the Declarations or its earlier termination date, if any.
- L. PREDECESSOR FIRM means a law firm to whose financial assets and liabilities the NAMED INSURED became the majority successor in interest before the effective date of this POLICY and identified in the Application.
- M. PROFESSIONAL SERVICES means services rendered by the INSURED:
 1. as a lawyer or notary public;
 2. as an administrator, conservator, executor, receiver, guardian, trustee or escrow agent, or in any similar fiduciary capacity, provided such services are rendered in connection with the NAMED INSURED'S or PREDECESSOR FIRM'S practice of law;
 3. as a member of, or for legal professional advice or services to, a bar association, an ethics, peer review or formal accreditation board, or a similar professional board or committee;
 4. in connection with the publication or presentation of research papers or similar materials by an INSURED but only if the fees generated from such publication or presentation are not greater than thirty thousand dollars (\$30,000); or
 5. an arbitrator or mediator.
- N. RETROACTIVE DATE means the date specified in Item 6. of the Declarations.

When used in this POLICY definitions are either in the singular or the plural.

5. Exclusions

This POLICY does not apply to:

- A. any CLAIM arising out of an act, error, omission or PERSONAL INJURY committed by an INSURED:
 1. before the RETROACTIVE DATE; or
 2. after the RETROACTIVE DATE and before the effective date of this POLICY if, before the effective date of this POLICY, any INSURED knew or could reasonably foresee that such act, error, omission or PERSONAL INJURY might be the basis for a CLAIM;
- B. any CLAIM arising out of a dishonest, criminal, malicious or deliberately fraudulent act, error, omission or PERSONAL INJURY committed by an INSURED, if a judgment or other final adjudication establishes, or if such INSURED admits, that such act, error, omission or PERSONAL INJURY was committed, or knowingly acquiesced

in, by such INSURED, but this exclusion shall not apply to any INSURED who neither was adjudged nor has admitted to have committed or knowingly acquiesced in such act, error, omission or PERSONAL INJURY;

- C. any CLAIM for any bodily injury, sickness, disease or death of any person or injury to or destruction of any tangible property including loss of use of such injured or destroyed property, but this exclusion shall not apply to emotional distress or mental anguish alleged in a CLAIM arising out of PROFESSIONAL SERVICES;
- D. any CLAIM made by or in the right of an INSURED against another INSURED, unless such CLAIM arises out of PROFESSIONAL SERVICES for that INSURED in a lawyer-client relationship;
- E. any CLAIM made by, against or arising out of the conduct of any organization (other than the NAMED INSURED or a PREDECESSOR FIRM) if one or more INSUREDS controls, manages, operates, owns ten percent (10%) or more of the equity interest in, or is or was an officer, director, partner, member or employee of, such organization;
- F. any CLAIM arising out of an INSURED'S activities and/or capacity as:
 - 1. an officer, director, partner, member or employee of any organization (other than the NAMED INSURED or a PREDECESSOR FIRM);
 - 2. a public official or employee of a governmental body, subdivision or agency;
 - 3. a fiduciary under the Employee Retirement Income Security Act of 1974 and its amendments or any regulation or order issued pursuant thereto, except if an INSURED is deemed to be a fiduciary solely by reason of legal advice rendered with respect to an employee benefit plan; or
 - 4. a trustee of a pension, welfare, profit-sharing, mutual or investment fund or investment trust;
- G. any CLAIM made against an INSURED as a beneficiary or distributee of any trust or estate;
- H. any CLAIM arising out of the certification or acknowledgement by an INSURED, in the INSURED'S capacity as a notary public, of a signature on a document which the INSURED did not witness being placed on the document; or
- I. any CLAIM made against an INSURED outside of the United States of America, its territories or possessions, or Canada.

6. Limit of Insurance and Deductible

The Limit of Insurance stated in Item 3. (a) of the Declarations is the maximum amount which the COMPANY shall pay for all DAMAGES and DEFENSE COSTS as a result of all CLAIMS to which this Policy applies, regardless of the number of INSUREDS or claimants.

The sublimits of liability stated in Items 3. (b) and (c) of the Declarations are the maximum amounts which the COMPANY shall pay for DEFENSE COSTS incurred in the investigation or defense of DISCIPLINARY PROCEEDINGS, as provided in Section 3.

The COMPANY'S obligation to pay DAMAGES and/or DEFENSE COSTS with respect to any CLAIM applies in excess of the deductible stated in Item 4. (a) of the Declarations. The INSURED shall pay all DAMAGES AND DEFENSE COSTS resulting from each CLAIM up to the amount of the deductible. The deductible applies separately to each CLAIM.

If for any reason the COMPANY shall pay any DAMAGES or DEFENSE COSTS within the deductible, the INSURED shall promptly reimburse the COMPANY for such amounts.

7. 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 Deductible or the Limit of Insurance.

All CLAIMS arising out of the same act, error, omission or PERSONAL INJURY or series of related acts, errors, omissions or PERSONAL INJURIES shall be considered one CLAIM and deemed to have been first made at the time the first of those CLAIMS is made against the INSURED.

8. Claims and Potential Claims

The INSUREDS shall, as a condition precedent to their rights under this POLICY, give to the COMPANY written notice of any CLAIM made against the INSURED as soon as practicable but in no event later than (i) Sixty (60) days after the expiration of the POLICY PERIOD if the Extended Reporting Period is not purchased, or (ii) expiration of the Extended Reporting Period if the Extended Reporting Period is purchased. Any such notice of CLAIM shall include the name and address of the claimant and information concerning the time, place and nature of the alleged act, error, omission or PERSONAL INJURY.

The INSURED shall immediately send the COMPANY copies of all demands, notices, summonses and legal papers which the INSURED receives in connection with any CLAIM.

The INSURED shall cooperate with the COMPANY in the investigation, defense and settlement of any CLAIM and shall assist the COMPANY in enforcing any right of contribution or indemnity against any person or organization who may be liable to the INSURED.

The INSURED shall not make any payment, admit liability, offer or agree to any settlement, assume any obligation, agree to arbitration or any similar means of resolution, or incur any DEFENSE COSTS in connection with any CLAIM without the COMPANY'S prior written consent, such consent not to be unreasonably withheld.

If, during the POLICY PERIOD, the INSURED first becomes aware of an act, error, omission or PERSONAL INJURY that could reasonably be the basis for a CLAIM and gives written notice to the COMPANY during the POLICY PERIOD of:

- (a) the specific act, error, omission or PERSONAL INJURY;
- (b) the identity of the potential claimants;
- (c) the injury or damage which may result or has resulted from the act, error, omission or PERSONAL INJURY; and
- (d) the circumstances by which the INSURED first became aware of the act, error, omission or PERSONAL INJURY;

any subsequent CLAIM made against the INSURED arising out of such act, error, omission or PERSONAL INJURY shall be deemed to have been first made at the time the written notice was given to the COMPANY no matter when thereafter the CLAIM is actually made against the INSURED.

9. Change in Status

If the NAMED INSURED is:

- (a) dissolved; or
- (b) merged into, or consolidated with, or otherwise acquired by, another law firm and the NAMED INSURED is not the surviving entity;

the POLICY PERIOD shall end on the effective date of such event, and the NAMED INSURED shall receive a refund from the COMPANY for the pro-rated, unearned premium as of such date.

The NAMED INSURED must notify the COMPANY in writing when such an event takes place and shall have the right to purchase an Extended Reporting Period in accordance with Section 11. of this POLICY.

10. Named Insured as Successor

This POLICY does not cover any law firm to whose financial assets and liabilities the NAMED INSURED becomes the majority successor in interest on or after the effective date of this POLICY, unless the COMPANY agrees to cover such law firm and the NAMED INSURED accepts any POLICY changes and/or additional premium as may be required by the COMPANY.

11. Extended Reporting Period

The NAMED INSURED shall have the option to purchase an Extended Reporting Period for certain CLAIMS first made against the INSURED after the end of the POLICY PERIOD if:

- (a) an event described in Section 9. of this POLICY takes place; or

- (b) this POLICY is canceled or not renewed for any reason other than non-payment of premium and/or deductible, or non-compliance with the provisions of this POLICY.

The Extended Reporting Period, if purchased, shall become effective at the end of the POLICY PERIOD and last for: (a) twelve (12) calendar months, (b) twenty-four (24) calendar months, (c) thirty-six (36) calendar months, (d) forty-eight (48) calendar months, or (e) seventy-two (72) calendar months, as elected by the NAMED INSURED when the Extended Reporting Period is purchased. Coverage afforded pursuant to the Extended Reporting Period shall apply to CLAIMS which are first made against the INSURED during the Extended Reporting Period and which are reported in writing to the COMPANY during the Extended Reporting Period or within thirty (30) days after the end of the Extended Reporting Period, but only to the extent such CLAIMS are caused by acts, errors, omissions or PERSONAL INJURIES committed by the INSURED in the performance of PROFESSIONAL SERVICES for others between the RETROACTIVE DATE and the end of the POLICY PERIOD.

The additional premium for the Extended Reporting Period shall be calculated at the following percentages of the full annual premium for this POLICY: (a) one hundred percent (100%) for twelve (12) calendar months, (b) one hundred and eighty-five percent (185%) for twenty-four (24) calendar months, (c) two hundred and twenty-five percent (225%) for thirty-six (36) calendar months, (d) two hundred and forty percent (240%) for forty-eight (48) calendar months, and (e) two hundred and fifty percent (250%) for seventy-two (72) calendar months. The additional premium shall be deemed fully earned and non-refundable once the Extended Reporting Period becomes effective.

The option to purchase the Extended Reporting Period shall lapse if the NAMED INSURED does not request the Extended Reporting Period from the COMPANY in writing and pay the additional premium to the COMPANY within ten (10) days after the end of the POLICY PERIOD. The COMPANY shall issue a written endorsement to this POLICY to document the purchase of the Extended Reporting Period.

The Extended Reporting Period, if purchased, shall not operate to increase or reinstate the limit of insurance or extend the POLICY PERIOD or waive any other provisions of the POLICY.

12. Application

By accepting this POLICY, the INSURED affirms that the statements made and the information furnished to the COMPANY in the APPLICATION, which is attached to and made a part of this POLICY, are the INSURED'S true and accurate representations. These representations have been relied upon by the COMPANY in, and are material to, the issuance of this POLICY.

13. Notices

All notices under any provision of this POLICY shall be in writing and given by prepaid express courier, e-mail, facsimile or certified mail properly addressed to the appropriate party. Notice to the COMPANY of any CLAIM or potential CLAIM shall be given to the respective address set forth in Item 7. of the Declarations. All notices to the NAMED INSURED under this POLICY shall be given to the NAMED INSURED at the address stated in Item 1. of the Declarations.

Notice 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 notice is sent, whichever is earlier, subject to the proof of transmittal.

14. Other Insurance

This POLICY applies in excess of any other valid and collectible insurance available to the INSURED, unless such other insurance is written only as specific excess insurance over the limit of insurance of this POLICY. This POLICY shall not be construed as being subject to the provisions of any other insurance.

15. Rights of Recovery

If the INSURED has rights against any other person or organization to recover all or part of any payment the COMPANY has made under this POLICY, those rights are transferred to the COMPANY. The INSURED must do nothing to impair those rights. At the COMPANY'S request, the INSURED shall bring suit to enforce those rights or shall transfer those rights to the COMPANY and assist the COMPANY in enforcing those rights.

16. Legal Action Limitation

The INSURED may not bring a legal action against the COMPANY concerning this POLICY until:

- (a) the INSURED has fully complied with all of the provisions of this POLICY; and
- (b) the amount of the INSURED'S obligation to pay has been decided by judgment against the INSURED after actual trial or by written agreement between the INSURED, the COMPANY and the claimant.

No person or organization has any right under this POLICY to include the COMPANY in any action against the INSURED to determine the INSURED'S liability nor will the COMPANY be brought into such an action by the INSURED or the INSURED'S representative.

17. Bankruptcy

Bankruptcy or insolvency of the INSURED or of the INSURED'S estate shall not relieve the COMPANY of any of its obligations under this POLICY.

18. Changes

This POLICY contains all of the agreements between the INSURED and the COMPANY relating to the insurance afforded. None of the provisions of this POLICY can be waived, changed or modified except by written endorsement issued by the COMPANY to form a part of this POLICY.

19. Transfer of Interest

This POLICY cannot be transferred or assigned without the prior written consent of the COMPANY.

20. Cancellation and Nonrenewal

The NAMED INSURED may cancel this POLICY by mailing or delivering to the COMPANY advance written notice of cancellation.

The COMPANY may cancel this POLICY by mailing or delivering to the NAMED INSURED written notice of cancellation at least:

- (a) ten (10) days before the effective date of cancellation if the COMPANY cancels for non-payment of the premium or the deductible; or
- (b) thirty (30) days before the effective date of cancellation if the COMPANY cancels for any other reason.

Notice of cancellation will state the effective date of cancellation. The POLICY PERIOD will end on that date.

If the NAMED INSURED cancels this POLICY, the COMPANY shall refund the unearned premium, which shall be ninety percent (90%) of the pro rata unearned premium. If the COMPANY cancels this POLICY, the return premium shall be computed pro rata. The COMPANY will make premium adjustment with the NAMED INSURED at the time the cancellation is effective or as soon as practicable after that time, but premium adjustment is not a condition of cancellation.

If the COMPANY decides to nonrenew this POLICY, the COMPANY will mail to the NAMED INSURED written notice stating such intent at least sixty (60) days before the expiration date set forth in Item 2. of the Declarations.

21. Authorization

The NAMED INSURED shall act on behalf of all INSUREDS with respect to the giving and receiving of any notices under this POLICY, the payment of any premiums and deductibles and the receiving of any return premiums which may become due under this POLICY.

22. Headings

The descriptions in the headings and sub-headings of this POLICY are inserted solely for convenience and do not constitute any part of the provisions of this POLICY.