

DECLARATION PAGE FOR LLOYD'S, LONDON
ARCHITECTS/ENGINEERS PROFESSIONAL LIABILITY
CLAIMS MADE AND REPORTED INSURANCE CERTIFICATE

CERTIFICATE NO:

Item 1. Named Assured and Mailing Address:

Item 2. Certificate Period:
FROM INCEPTION:
TO EXPIRATION:

(Both dates at 12.01 a.m. Local Standard Time at the Mailing Address)

Item 3. Limit of Liability:

The total Limit of Liability of the Underwriters, including Damages and Claims Expenses, for all Claims first made against the Assured and reported in writing to the Underwriters during the Certificate Period shall not exceed in the Aggregate

USD

Item 4. Self-Insured Retention:

The Self-Insured Retention amount shall be separately applicable to each Claim first made during the Certificate Period and shall apply to Damages and Claims Expenses

USD

Item 5. Premium:

USD

Item 6. Retroactive Date:

Coverage shall apply only to those Claims or those matters reported pursuant to the terms and conditions of the Certificate arising out of Professional Services described in Definitions VII above and performed subsequent to:

Item 7. Service of Suit upon the Underwriters pursuant to Condition XV may be made upon:

Mendes & Mount LLP, 750 Seventh Avenue, New York, NY 10019-6829

Mendes & Mount LLP, Citicorp Plaza, 725 South Figueroa Street, Los Angeles, California 90017 – 5419

Item 8. Recipient of Notice of Assured's Cancellation

Recipient of Notice of Assured's intention to purchase
Extended Reporting Period Coverage and premium for
Extended Reporting Period Coverage:

Item 9. Recipient of Notice of Assured's claims or potential claims as per condition I of the Certificate:

Mendes & Mount
750 Seventh Avenue
New York, NY 10019-6829

Item 10. Choice of Law

New York

Attachments:

Application dated:

Declaration dated:

LLOYD'S, LONDON
ARCHITECTS/ENGINEERS PROFESSIONAL LIABILITY
CLAIMS MADE AND REPORTED INSURANCE CERTIFICATE
NOTICE

This is a claims made and reported Certificate. Unless stated otherwise coverage afforded under this insurance is limited to claims that:

- (a) are first made against the ASSURED during the CERTIFICATE PERIOD and reported in writing to the Underwriters either during the CERTIFICATE PERIOD, or within sixty (60) days after the expiration of the CERTIFICATE PERIOD and;
- (b) arise from PROFESSIONAL SERVICES rendered subsequent to the retroactive date stated in item 6 of the Declarations.

The limit of liability available to pay DAMAGES shall be reduced and may be completely exhausted by the payment of CLAIMS EXPENSES. DAMAGES and CLAIMS EXPENSES shall be applied against the Self-Insured Retention. Please review this Certificate carefully with your insurance agent, broker or representative.

INSURING AGREEMENTS

The Underwriters, in consideration of the payment of the premium, and the ASSURED undertaking to promptly pay the Self-Insured Retention as described in Item 4 of the Declarations, and in reliance upon the statements and representations in the application and any supplemental materials submitted therewith, which are made a part hereof, and attached hereto and subject to all the terms and conditions of this Certificate, agree with the ASSURED as follows:

I. A. **COVERAGE - PROFESSIONAL LIABILITY**

To pay on behalf of the ASSURED those sums which the ASSURED shall become legally obligated to pay as "DAMAGES" by reason of a CLAIM first made against the ASSURED during the CERTIFICATE PERIOD and reported in writing to the Underwriters either during the CERTIFICATE PERIOD, or within sixty (60) days after the expiration of the CERTIFICATE PERIOD arising out of any negligent act, error or omission in rendering or failure to render PROFESSIONAL SERVICES by the ASSURED or by any person for whose negligent act, error or omission the ASSURED is legally responsible.

B. **SUPPLEMENTARY PAYMENTS**

All payments made under this Clause are not subject to the Self-Insured Retention and are payable by the Underwriters in addition to the Limits of Liability.

1) **Defendants Reimbursement**

Upon the Underwriter's request, or as required, the ASSURED shall attend mediation meetings, arbitration proceedings, hearings, depositions and trials relative to the defense of a CLAIM. After the first three (3) days attendance required for each CLAIM, the Underwriters shall reimburse the ASSURED, upon written request, for actual loss of earnings and reasonable expenses due to such attendance up to USD 400 for each day in the aggregate for all ASSURED subject to a maximum amount of USD 7,500 for each CLAIM

2) **ADA, FHA, OSHA Regulatory / Administrative Actions Reimbursement**

Underwriters will reimburse the ASSURED, upon written request, for legal fees and expenses up to USD 25,000 in the aggregate for the CERTIFICATE PERIOD, incurred by the ASSURED with the prior written consent of the Underwriters, in responding to a regulatory or administrative action brought directly against the ASSURED during the CERTIFICATE PERIOD by a government agency under the Americans with Disabilities Act of 1990 (ADA), the Fair Housing (FHA) or the Occupational Safety and Health Act (OSHA) provided that the regulatory or administrative action:

- a) arises out of the rendering of or failure to render PROFESSIONAL SERVICES; and
- b) is reported in writing to the Underwriters during the CERTIFICATE PERIOD.

After the Underwriters have paid USD 25,000 under this Clause, the Underwriters shall not be obligated to pay any further legal fees and expenses.

3) Disciplinary Proceedings Reimbursement

Underwriters will reimburse the ASSURED, upon written request, for legal fees and expenses up to USD 7,500 in the aggregate for the CERTIFICATE PERIOD, incurred by the ASSURED with the prior written consent of the Underwriters, in responding to a disciplinary proceeding brought directly against the ASSURED during the CERTIFICATE PERIOD provided that the disciplinary proceeding:

- a) arises out of the rendering of or failure to render PROFESSIONAL SERVICES; and
- b) is reported in writing to the Underwriters during the CERTIFICATE PERIOD.

After the Underwriters have paid USD 7,500 under this Clause, the Underwriters shall not be obligated to pay any further legal fees and expenses.

1) DEFENCE AND SETTLEMENT

- 1) The Underwriters shall have the right and duty to defend, subject to the limit of liability, a CLAIM against the ASSURED seeking DAMAGES which are payable under the terms of this insurance, even if any of the allegations of the CLAIM are groundless, false or fraudulent.
- 2) It is agreed that the limit of liability available to pay DAMAGES shall be reduced and may be completely exhausted by payment of CLAIMS EXPENSES. DAMAGES and CLAIMS EXPENSES shall be applied against the Self-Insured Retention.
- 3) The Underwriters shall have the right to make any investigation they deem necessary with respect to coverage, including, without limitation, any investigation with respect to the application, statements made in the application and any supplemental materials submitted therewith. The ASSURED shall submit for examination by a representative of the Underwriters, under oath if requested, in connection with all matters relating to this Certificate.
- 4) If the NAMED ASSURED shall refuse to consent to any settlement or compromise recommended by the Underwriters and acceptable to the claimant and elects to contest the CLAIM, Underwriters' liability for any DAMAGES and CLAIMS EXPENSES shall not exceed the amount for which the CLAIM could have been settled including the CLAIMS EXPENSES incurred up to the time of such refusal, or the applicable limit of liability, whichever is less and the Underwriters shall have the right to withdraw from the further defence thereof by tendering control of said defence to the NAMED ASSURED.
- 5) It is further provided that the Underwriters shall not be obligated to pay any DAMAGES OR CLAIMS EXPENSES or to undertake or continue defence of a CLAIM after the applicable limit of liability has been exhausted by payment of DAMAGES or CLAIMS EXPENSES, and that upon such payment, the Underwriters shall have the right to withdraw from the further defence thereof by tendering control of said defence to the NAMED ASSURED.

III. LIMIT OF LIABILITY

The Limit of Liability of the Underwriters for all CLAIMS covered under the terms of the Certificate, regardless of the number of CLAIMS, shall not exceed the amount of the Limit of Liability stated in Item 3 of the Declarations. Neither the inclusion herein of more than one ASSURED, nor the making of CLAIMS by more than one person or entity, shall increase the Limit of Liability.

IV. SELF-INSURED RETENTION

The Self-Insured Retention amount stated in Item 4 of the Declarations shall apply separately to each and every CLAIM and shall apply to DAMAGES and CLAIMS EXPENSES, separately or in combination. Subject to the Limit of Liability stated in Item 3 of the Declarations, the obligation of the Underwriters to pay on behalf of the ASSURED for DAMAGES and CLAIMS EXPENSES, separately or in combination, shall only be in excess of the Self-Insured Retention amount, and only after the Assured has fully paid the Self-Insured Retention.

The Self-Insured Retention shall not apply to those Supplementary Payments detailed in Insuring Agreement I.B.

V. TERRITORY

The insurance afforded herein applies worldwide.

EXCLUSIONS

- A. This Certificate shall not apply to CLAIMS or CLAIMS EXPENSES arising out of:
- 1) Any facts or circumstances in respect of which the ASSURED, prior to the commencement of this Certificate, has given notice to any insurer on any other insurance.
 - 2) Any facts or circumstances known to the ASSURED prior to commencement of this Certificate which a reasonably prudent person, if aware of said facts or circumstances, might expect to give rise to a CLAIM against the ASSURED;
 - 3) Any fraudulent, criminal, malicious or knowingly or intentionally wrongful or dishonest acts, errors or omissions of any ASSURED. However, nothing contained in the foregoing shall exclude coverage to the NAMED ASSURED or to any other ASSURED who neither committed nor had knowledge of such acts, errors or omissions as described above except that this Certificate shall then only pay in excess of the full extent of the assets of the NAMED ASSURED or any ASSURED who committed such acts, errors or omissions as described above, and any other personal assets of such ASSURED recovered by the NAMED ASSURED shall inure, to the extent of the amount paid by this Certificate, to the benefit of Underwriters;
 - 4) Any liability of one or more ASSUREDS under this Certificate to any other one or more ASSUREDS under this Certificate;
 - 5) Any projects where project specific professional liability insurance has been purchased and is in force, unless specifically endorsed hereon;
 - 6) The advising or requiring of, or failure to advise or require, or failure to maintain any form of insurance, suretyship or bond, either with respect to the ASSURED or any other person;
 - 7) Personal injury, bodily injury, sickness, disease or death to any employee of the ASSURED arising out of and in the course of employment by the Assured; or any obligation which the Assured or any carrier as insurer may be liable under any worker's compensation, unemployment compensation, employers liability, disability benefits law or under any similar law;
 - 8) Express Warranties, Representations, Guarantees and Promises for or arising out of or resulting from:
 - a) breach of any express warranty or representation except for an agreement to perform within a reasonable standard of care or skill consistent with applicable professional and industry standards; or
 - b) breach of guarantee or any promises of cost savings, profits, or return on investment.
 - 9) or resulting from the liability of others assumed by the Assured under any contract or agreement either oral or written, including any hold harmless or indemnity agreements, except to the extent the ASSURED would have been liable in the absence of such contract or agreement.
 - 10) the cost to repair or replace any faulty workmanship performed in whole or in part by any ASSURED on any construction, erection, fabrication, installation, assembly, manufacture or remediation, including any materials, parts, labor or equipment furnished in connection with such repair or replacement.
 - 11) the design or manufacture of any goods or products for multiple sales or mass distribution which are sold or supplied by the ASSURED or by others under license from the ASSURED;
 - 12) Professional Services performed for any entity which:
 - a) is operated, managed or controlled by the ASSURED or in which the ASSURED has an ownership interest in excess of 15%; or in which the ASSURED is an officer or director; or
 - b) wholly or partly owns, operates, controls or manages the ASSURED.

This exclusion does not apply to legal liability that arises out of a negligent act, error or omission in the performance of the ASSURED'S PROFESSIONAL SERVICES in a joint venture.

- 13) directly or indirectly, or resulting from or in consequence of, or in any way involving, either in whole or in part, asbestos, or any materials containing asbestos in whatever form or quantity; provided, that this exclusion does not apply to any claim arising out of any negligent act, error or omission in rendering or failure to render PROFESSIONAL SERVICES on or after 1st January 1990 or the Retroactive Date set forth in Item 6. of the Declarations (whichever is the later) by or on behalf of the ASSURED.
- 14) any claim or claims directly or indirectly brought about by, arising out of or attributable to any actual or alleged violation of the Racketeer Influenced and Corrupt Organisations Act, 18 USC Sections 1961 et seq., or any comparable state law, and any amendments thereto, or any rules or regulations promulgated thereunder.

B. U.S.A. Nuclear Incident Exclusion Clause – Liability – Direct (Broad) 17/3/60 NMA1256

1. Under any Liability Coverage, to injury, sickness, disease, death or destruction
 - a) with respect to which an insured under the certificate is also an insured under a nuclear energy liability Certificate issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters or Nuclear Insurance Association of Canada, or would be an insured under any such Certificate but for its termination upon exhaustion of its limit of liability; or
 - b) resulting from the hazardous properties of nuclear material and with respect to which [1] any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or [2] the insured is, or had this certificate 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.
2. Under any Medical Payments Coverage, or under any Supplementary Payments Provision relating to immediate medical or surgical relief, to expenses incurred with respect to bodily injury, sickness, disease or death resulting from the hazardous properties of nuclear material and arising out of the operation of a nuclear facility by any person or organization.
3. Under any Liability Coverage, to injury, sickness, disease, death or destruction resulting from the hazardous properties of nuclear material, if
 - a) the nuclear material [1] is at any nuclear facility owned by, or operated by or on behalf of, an insured or [2] has been discharged or dispersed therefrom;
 - b) 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
 - c) the injury, sickness, disease, death or destruction arises 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, but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion [c] applies only to injury to or destruction of property at such nuclear facility.

4. As used in this endorsement:

"HAZARDOUS PROPERTIES" include radioactive, toxic or explosive properties; "NUCLEAR MATERIAL" means source material, special nuclear material or byproduct material; "SOURCE MATERIAL", "SPECIAL NUCLEAR MATERIAL", and "BYPRODUCT MATERIAL" have the meanings given them in the Atomic Energy Act 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 [1] containing byproduct material and [2] resulting from the operation by any person or organization of any nuclear facility included within the definition of nuclear facility under paragraph [a] or [b] thereof; "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 or contains 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.

With respect to injury to or destruction of property, the word "INJURY" or "DESTRUCTION" includes all forms of radioactive contamination of property.

It is understood and agreed that, except as specifically provided in the foregoing to the contrary, this clause is subject to the terms, exclusions, conditions and limitations of the Certificate to which it is attached.

C. Radioactive Contamination Exclusion Clause - Liability-Direct U.S.A. 13/2/64 NMA1477

In relation to liability arising outside the U.S.A., its Territories or Possessions, Puerto Rico or the Canal Zone, this Certificate does not cover any liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel.

D. War and Terrorism Exclusion - NMA2918

Notwithstanding any provision to the contrary within this insurance or any endorsement thereto it is agreed that this insurance excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss;

1. war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power; or
2. any act of terrorism.

For the purpose of this endorsement an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

This endorsement also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to 1 and/or 2 above.

If the Underwriters allege that by reason of this exclusion, any loss, damage, cost or expense is not covered by this insurance the burden of proving the contrary shall be upon the Assured.

In the event any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

DEFINITIONS

As used throughout this Certificate, whether expressed in singular or plural:

1. ASSURED shall mean:
 - a) the NAMED ASSURED designated in Item 1 of the Declarations;
 - b) a present principal, partner, director or officer of the NAMED ASSURED but only while acting in his capacity as such on behalf of the NAMED ASSURED;
 - c) a present employee of the NAMED ASSURED but only while acting in his capacity as such on behalf of the NAMED ASSURED;
 - d) a former principal, partner, director, officer or employee (and estate of any such former principal, partner, director, officer or employee) of the NAMED ASSURED, but only while acting in his capacity as such on behalf of the NAMED ASSURED during the period of such service with the NAMED ASSURED; provided always that any such ASSURED must have been performing those PROFESSIONAL SERVICES.
 - e) the legal heir, executor, administrator or legal representative of the ASSURED in the event of the ASSURED's death, incapacity or bankruptcy, but only with respect to the performance of PROFESSIONAL SERVICES;
2. CLAIM shall mean: (a) the ASSURED'S receipt of a written demand for money or services or a request for arbitration; or, (b) the ASSURED'S receipt of a suit seeking relief against it, which is covered under the terms of the Certificate. Two or more CLAIMS arising from a single or related series of negligent acts, errors or omissions shall be considered as a single CLAIM if such claims arise out of the performance of Professional Services for a single project and entered under a single contract, excepting a single project does not include projects constructed in phases. Each phase, for the purpose of this Certificate, shall be considered a single project. For the purposes of this Certificate, irrespective of the number of claimants and/or negligent acts, errors omissions all CLAIMS shall be deemed to have been made at the time of the first CLAIM.
3. CLAIMS EXPENSES shall mean those fees, costs and expenses incurred by an attorney consented to by the Underwriters to represent the ASSURED and all other costs, charges and expenses incurred for the investigation, adjustment, settlement, arbitration, defence or appeal of a CLAIM which is covered under the terms of the Certificate.

CLAIMS EXPENSES do not include salaries of Underwriters' employees, representatives or officials, or fees and expenses of independent adjusters or supervisory counsel.
4. DAMAGES shall mean a judgment, award or settlement, including any interest thereon.
 - a) The term DAMAGES shall not include sanctions, fines, penalties, taxes, return of fees, multiple damages, and any matters uninsurable under the law under which this Certificate shall be construed, OR
 - b) punitive damages and exemplary damages, unless insurable under the law by which this Certificate is construed.
5. NAMED ASSURED shall mean only those persons, partnerships, corporations or entities specified in Item 1 of the Declarations. The term NAMED ASSURED shall not include any partnerships, corporations or entities formed or acquired by the NAMED ASSURED subsequent to the inception date of this Certificate unless specifically endorsed hereon.
6. CERTIFICATE PERIOD shall mean that period between the inception and expiration dates specified in Item 2 of the Declarations subject to any earlier termination date.
7. PROFESSIONAL SERVICES shall mean only those services provided by the ASSURED acting in the capacity of an architect, engineer, construction or project manager, landscape architect, land surveyor, planner or as specifically endorsed hereon.

CONDITIONS**1. A. NOTICE OF CLAIMS**

If any CLAIM is made against the ASSURED, whether or not the alleged DAMAGES fall within or in excess of the Self-Insured Retention, the ASSURED shall have the duty to immediately give written notice to the Underwriters' representatives.

Such written notice must contain complete details of the CLAIM, the exact date the CLAIM was first made, the location, the circumstances giving rise to such CLAIM, the identity of all claimants and a full description of the nature and scope of the alleged DAMAGES. The ASSURED must immediately forward every demand, notice, summons or other process received by it or its representative, upon receipt thereof, to Underwriters' representatives, as per item 9 of the Declarations.

B. NOTICE OF CIRCUMSTANCES

If the ASSURED becomes aware of any specific negligent act, error or omission which may reasonably be expected to give rise to a CLAIM, the ASSURED shall, during the CERTIFICATE PERIOD, give written notice to Underwriters of:

- a) the specific act, error or omission;
- b) the injury or damage which has or may result from such act, error or omission; and
- c) the circumstance by which the ASSURED first became aware of such act, error or omission.

Then if the ASSURED complies with the foregoing notice requirements (i), (ii) and (iii), any CLAIM subsequently made against the ASSURED arising out of such act, error or omission shall be treated as a CLAIM first made on the date on which such written notice was received by Underwriters.

For purposes of providing notice to Underwriters under CONDITIONS I B, such notice shall be given to the Underwriters' representatives as per item 9 of the Declarations.

2. PURCHASE OF EXTENDED REPORTING PERIOD

If the Underwriters or the ASSURED cancel or refuse to renew this Certificate, the ASSURED shall then have the right, in consideration of an additional premium equal to one hundred percent of the full annual Premium charged hereunder, to an extension of the cover granted by this Certificate, subject to its terms, conditions, exclusions, definitions and limitations, in respect of any CLAIM first made against the ASSURED and reported in writing to the Underwriters during the period of twelve (12) months after the cancellation or expiry date of this Certificate but only when such CLAIM arises as a result of PROFESSIONAL SERVICES rendered subsequent to the retroactive date and prior to the cancellation date of this Certificate, or the Expiration date stated in Item 2 of the Declarations.

To exercise this right, the ASSURED must give notice in writing within thirty (30) days of the cancellation or expiry date of this Certificate, to the Underwriters' representatives named in Item 8 of the Declarations and remit full payment of the premium for this Extended Reporting Period to Underwriters within thirty (30) days of the cancellation or expiry date of this Certificate. In the event of failure by the ASSURED to give such notice and remit such premium prior to such date, it shall not at a later date be able to invoke this extension. The mailing by the ASSURED by registered mail of notice to the persons designated in Item 8 of the Declarations shall be sufficient proof of notice.

In the event of the purchase of the Extended Reporting Period, the entire premium therefore shall be deemed earned at its commencement and in the event the ASSURED terminates the Extended Reporting Period before its term for any reason, Underwriters shall not be liable to return any portion of the premium paid for the Extended Reporting Period.

The quotation by Underwriters of a different premium of Self-Insured Retention or Limit of Liability or changes in certificate language for the purpose of renewal shall not constitute a refusal to renew by the Underwriters.

This condition II does not apply if the ASSURED has failed to pay the full premium for this Certificate or if the Underwriters have given notice of cancellation for a lack of such full payment of Premium.

The purchase of the Extended Reporting Period shall not reinstate or increase the Limit of Liability as stated in item 3 of the Declarations.

3. **COOPERATION AND ASSISTANCE OF THE ASSURED**

The ASSURED shall have the duty to cooperate fully with and assist the Underwriters and their representatives with respect to the investigation, settlement or defence of any CLAIM or potential CLAIM.

It is expressly understood however that in no event shall the ASSURED be reimbursed for loss of earnings or fees, or for internal expenses or costs incurred in cooperating with or assisting the Underwriters in investigating or settling any CLAIM at the direction of the Underwriters or in the ASSURED'S defence of any CLAIM, nor shall any such loss of earnings or fees or costs or expenses apply to the ASSURED'S responsibility to pay the Self-Insured Retention.

However, the above condition does not apply to reasonable costs incurred in securing the co-operation of former principals, officers or employees in the defence of a CLAIM otherwise covered herein.
4. **ADMISSION OF LIABILITY**

The ASSURED shall not, without the prior written consent of the Underwriters, incur any expenses, including but not limited to forgoing or reducing any compensation due or alleged to be due, or make any other payment, assume any obligation, make any settlement, attempt any remedial measure or in any way admit or acknowledge liability in connection with any CLAIM or potential CLAIM.
5. **NO ACTION AGAINST UNDERWRITERS**

No action shall lie against the Underwriters or their representatives unless, as a condition precedent thereto, the ASSURED shall have fully complied with all the terms and conditions of this Certificate, or until the amount of any DAMAGES has been finally determined either by operation of law or by written agreement of the ASSURED, the claimant and the Underwriters.

Nothing contained in this Certificate shall give any person or organisation any right to join Underwriters as a defendant or co-defendant or other party in any action against the ASSURED to determine the ASSURED'S liability.
6. **OTHER INSURANCE**

The coverage afforded by this Certificate shall be excess of all other applicable professional liability insurance, whether or not valid or collectible, including any Self-Insured Retention portion thereof.
7. **CHANGES**

None of the Insuring Agreements, Exclusions, Definitions or Conditions or other terms of this Certificate shall be amended, waived or otherwise changed except by endorsement hereto signed by the Underwriters.
8. **NAMED ASSURED AS AGENT**

The NAMED ASSURED specified in Item 1 of the Declarations shall be considered the agent of all ASSURED'S with respect to the giving of or receipt of all notices pertaining to this Certificate and shall be responsible for the payment to the Underwriters of all premiums and for payment of the Self-Insured Retention.
9. **PREMIUM**

The premium for this Certificate shall be the amount specified in Item 5 of the Declarations.
10. **SUBROGATION**

In the event of any payment under this Insurance, the Underwriters shall be subrogated to all the ASSURED'S rights of recovery therefore against any person or organization, and the ASSURED shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. The ASSURED shall do nothing to prejudice such rights. The Underwriters agree to waive their rights of recovery against any client of the ASSURED for a CLAIM which is covered pursuant to Insuring Agreements of this Certificate to the extent the ASSURED had, prior to such CLAIM, a written agreement to waive such rights. Any recoveries shall be applied first to subrogation expenses, second to DAMAGES and CLAIMS EXPENSES paid by the Underwriters, and third to the Self-Insured Retention. Any additional amounts recovered shall be paid to the Named Assured.
11. **ASSIGNMENT**

No assignment or transfer of any ASSURED'S rights under this Certificate shall bind the Underwriters.
12. **APPLICATION**

By acceptance of this Certificate, all ASSURED'S agree that the statements contained in the application and any supplemental materials submitted therewith are their agreements and representations, that this Certificate is issued in reliance upon the truth thereof, and that this Certificate embodies all agreements existing between

themselves and the Underwriters. The application and any supplemental materials submitted therewith or a copy thereof is attached to and is specifically made a part of this Certificate and is the basis upon which this Certificate is issued.

13. CANCELLATION

The NAMED ASSURED may cancel this Certificate by mailing, registered mail, to the person named in Item 8 of the Declarations written notice stating when thereafter such cancellation shall be effective.

The Underwriters may cancel this Certificate by mailing to the NAMED ASSURED, at the mailing address specified in Item 1 of the Declarations, written notice stating when not less than thirty (30) days thereafter such cancellation shall be effective except that for non-payment of premium, not less than ten (10) days advance notice of cancellation shall be given.

The mailing of notice as aforesaid shall be sufficient proof of the intent to cancel. The date and hour of cancellation specified in such notice shall represent the time of termination of this Certificate. Delivery of such notice shall be equivalent to mailing.

If the NAMED ASSURED cancels, twenty percent of the premium shall be deemed earned upon inception of the certificate and the remaining earned premium shall be computed in accordance with the customary short rate. If the Underwriters cancel, the earned premium shall be computed pro rata. Premium adjustment may be made either at the time cancellation is effective or as soon as practicable thereafter, but payment or tender of unearned premium or the return of this Certificate shall not be a condition of cancellation.

If the Limit of Liability stated in Item 3 of the Declarations has been exhausted by payment of CLAIMS, the premium shall be deemed earned and Underwriters shall not be liable for return of any premium paid.

14. FORFEITURE

Any (a) action or failure to act by the ASSURED with the intent to defraud the Underwriters or (b) material misrepresentation or non-disclosure of any material fact by the ASSURED in the application or in any supplemental materials submitted therewith shall render this Certificate null and void, and all coverage hereunder shall be forfeited.

15. SERVICE OF SUIT

It is agreed that in the event of the failure of Underwriters hereon to pay any amount claimed to be due under this Certificate, Underwriters hereon, at the request of the ASSURED, will submit to the jurisdiction of a court of competent jurisdiction within the United States. This Condition does not constitute and should not be understood to constitute an agreement by Underwriters that an action is properly maintained in a specific forum, nor may it be construed as a waiver of Underwriters' rights to commence an action in a court of competent jurisdiction in the United States, to remove an action to a United States District Court, or to seek a transfer of a case to another court as permitted by the laws of the United States or of any State of the United States, all of which rights Underwriters expressly reserve. It is further agreed that service of process in such suit may be made upon the Underwriters' representatives specified for that purpose in Item 7 of the Declarations.

The Underwriters' representatives are authorized and directed to accept service of process on behalf of Underwriters in any such suit and/or upon the request of the ASSURED to give written undertaking to the ASSURED that they will enter a general appearance upon Underwriters' behalf in the event such a suit shall be instituted. Further, pursuant to any statute of any state, territory or district of the United States which makes provision thereof, Underwriters hereon hereby designate the Superintendent, Commissioner or Director of Insurance or other officer specified for that purpose in the statute or his successor or successors in office, as their true and lawful attorney upon whom may be served any lawful process in any action, suit or proceedings instituted by or on behalf of the ASSURED or any legal representative of the ASSURED arising out of this contract of insurance, and hereby designate the Underwriters' representatives as the persons to whom the said officer is authorized to mail such process or a true copy thereof.

16. CHOICE OF LAW CLAUSE

In consideration of the premium charged for this certificate, it is hereby understood and agreed by both the ASSURED and the Underwriters that any dispute concerning the interpretation of this Certificate shall be governed by the laws of the state designated in item 10 of the declarations.

17. SEVERAL LIABILITY NOTICE LSW1001

The subscribing insurers' obligations under policies to which they subscribe are several and not joint and are limited solely to the extent of their individual subscriptions. The subscribing insurers are not responsible for the subscription of any co-subscribing insurer who for any reason does not satisfy all or part of its obligations.

18. SHORT RATE CANCELLATION TABLE

Notwithstanding anything to the contrary contained herein and in consideration of the premium for which this Insurance is written it is agreed that in the event of cancellation thereof by the ASSURED the Earned Premium shall be computed as follows:

SHORT RATE CANCELLATION TABLE

A. For insurances written for one year:-

Days Insurance in Force	Percent of One Year Premium	Days Insurance in Force	Per cent. of One Year Premium
1 - 54	25	192 - 196	63
55 - 58	26	197 - 200	64
59 - 62	27	201 - 205	65
63 - 65	28	206 - 209	66
66 - 69	29	210 - 214	67
70 - 73	30	215 - 218	68
74 - 76	31	219 - 223	69
77 - 80	32	224 - 228	70
81 - 83	33	229 - 232	71
84 - 87	34	233 - 237	72
88 - 91	35	238 - 241	73
92 - 94	36	242 - 246	74
95 - 98	37	247 - 250	75
99 - 102	38	251 - 255	76
103 - 105	39	256 - 260	77
106 - 109	40	261 - 264	78
110 - 113	41	265 - 269	79
114 - 116	42	270 - 273	80
117 - 120	43	274 - 278	81
121 - 124	44	279 - 282	82
125 - 127	45	283 - 287	83
128 - 131	46	288 - 291	84
132 - 135	47	292 - 296	85
136 - 138	48	297 - 301	86
143 - 146	50	302 - 305	87
147 - 149	51	306 - 310	88
150 - 153	52	311 - 314	89
154 - 156	53	315 - 319	90
157 - 160	54	320 - 323	91
161 - 164	55	324 - 328	92
165 - 167	56	329 - 332	93
168 - 171	57	333 - 337	94
172 - 175	58	338 - 342	95
176 - 178	59	343 - 346	96
179 - 182	60	352 - 355	98
183 - 187	61	356 - 360	99
188 - 191	62	361 - 365	100

B. For Insurances written for more or less than one year:-

1. If insurance has been in force for 12 months or less, apply the standard short rate table for annual insurances to the full annual premium determined as for an insurance written for a term of one year.
2. If insurance has been in force for more than 12 months:
 - (a) Determine full annual premium as for an insurance written for a term of one year.

- (b) Deduct such premium from the full insurance premium, and on the remainder calculate the pro rata Earned Premium on the basis of the ratio of the length of time beyond one year the insurance has been in force to the length of time beyond one year for which the insurance was originally written.
- (c) Add premium produced in accordance with items (a) and (b) to obtain Earned Premium during full period insurance has been in force.

Furthermore and notwithstanding the foregoing, Underwriters shall retain the total premium for this Insurance, such total premium to be deemed earned upon inception of the Policy if any claim or any circumstance that could reasonably be the basis for a claim is reported to Underwriters under this Insurance on or before such date of cancellation.

19. **PREMIUM PAYMENT WARRANTY**

It is hereby warranted that all premium due to Underwriters under this certificate is paid within the 45 days from inception. Non-receipt by Underwriters of such premium, by midnight (local standard time) on the premium due date, shall render this certificate void with effect from Inception

20. **CONFORMITY CLAUSE**

It is understood and agreed that the following terms shall be synonymous, wherever used in this Certificate:

"Policy" and "Certificate"

"Policy Period", "Period of Insurance" and "Certificate Period"

"Insurer" and "Underwriters"

"You", "your", "Insured" and "Named Assured"