



SPECIMEN

**LIBERTY SURPLUS INSURANCE CORPORATION (hereinafter called "the Company")**

**MISCELLANEOUS PROFESSIONAL LIABILITY INSURANCE POLICY**

**This is a Claims Made and Reported Policy. Please Read it Carefully.**

**All words that are in bold face type have special meanings set forth in Section V., DEFINITIONS, of the Policy.**

In consideration of and subject to the payment of the premium, the agreement of the Named Insured to pay the Deductible amount stated in the Declarations and described herein, and in reliance upon the particulars, statements, representations, attachments and exhibits contained in and submitted with the Application which shall be the basis of this Policy and deemed to be incorporated herein, and subject to all the terms, conditions, limitations and any endorsements to this Policy, the Company and Named Insured agree as follows:

**I. INSURING AGREEMENTS**

(A) The Company will pay on behalf of the **Insured** all sums in excess of the Deductible amount stated in the Declarations which the **Insured** shall become legally obligated to pay as **Damages** and **Claims Expenses** resulting from **Claims** first made against the **Insured** during the **Policy Period**, or **Extended Reporting Period**, if applicable, as a result of a **Wrongful Act** by the **Insured** or any **Entity** for whom the **Insured** is legally liable, provided that:

- (1) such **Wrongful Act** was committed on or after the **Retroactive Date** and before the end of the **Policy Period**; and
- (2) prior to the **Knowledge Date** stated in the Declarations of this Policy, the **Insured** did not know or could not have reasonably expected that such **Wrongful Act** might give rise to a **Claim**.

As a condition precedent to coverage, the **Insured** shall report all **Claims** in writing to the Company as soon as practicable, but in no event later than sixty (60) days after expiration or termination of this Policy, or during the **Extended Reporting Period**, if applicable.

(B) The **Insured** shall not admit or assume liability for any **Wrongful Act**, or settle any **Claim**, or incur any expenses, including **Claims Expenses**, without the written consent of the Company. However, the **Insured** must take all reasonable action within its ability to prevent or mitigate any **Claim** which would be covered under this Policy. The Company has the right to make such investigation and conduct negotiations and, with the written consent of the **Insured**, effect settlement of any **Claim** as the Company deems reasonable.

If the **Insured** refuses to consent to a settlement recommended by the Company and elects to contest or continue to contest the **Claim**, the Company's liability shall not exceed the amount for which the Company would have been liable for **Damages** and **Claims Expenses** if the **Claim** had been so settled when and as so recommended, and the Company shall have the right to withdraw from the further defense of the **Claim** by tendering control of the defense thereof to the **Insured**. The operation of this paragraph shall be subject to the Limits of Liability and Deductible provisions of this Policy.

The Company shall not be obligated to pay any **Damages** and/or **Claims Expenses**, or to undertake or continue the defense of any **Claim** after the applicable limit of the Company's liability has been exhausted by payment of **Damages** and/or **Claims Expenses** or after deposit of the applicable limit of the Company's liability with or subject to control of a court of competent jurisdiction.

## II. TERRITORY AND DEFENSE

- (A) The coverage afforded by this Policy applies worldwide.
- (B) The Company has the sole right to appoint defense counsel and the right and duty to defend any **Claim** made against the **Insured**.

## III. EXTENSION OF COVERAGE

Subject to all other terms and conditions, this Policy covers **Damages** and **Claims Expenses** the **Insured** becomes legally obligated to pay as a result of **Claims** arising out of the **Insured's** participation in a joint venture. This extension of coverage applies only to the **Insured's Wrongful Acts** and does not afford coverage to the joint venture itself or to any other **Entity** that is part of the joint venture.

## IV. SUPPLEMENTAL PAYMENTS

Subject to all other terms and conditions, this Policy affords the following Supplemental Payments. Any payment made by the Company under this section shall not apply to the Deductible and shall not reduce the Limits of Liability.

### (A) PRE-CLAIM ASSISTANCE

If during the **Policy Period** the **Insured** reports a specific **Wrongful Act** in accordance with Conditions (A) of this Policy, the Company, at its sole option, may investigate such specific **Wrongful Act** as it deems appropriate. Once the Company has incurred \$10,000 of expenses for such an investigation, the Company shall deem that a **Claim** arising from such specific **Wrongful Act** has been made. Until such time that a **Claim** arising from such specific **Wrongful Act** has or is deemed to have been made, any payment made by the Company for such investigation shall be at the Company's expense.

### (B) DISCIPLINARY PROCEEDINGS

If a **Disciplinary Proceeding** is commenced against the **Insured** and reported to the Company during the **Policy Period**, the Company will reimburse the **Insured** for reasonable attorney's fees incurred in responding to such **Disciplinary Proceeding**. The maximum payment made by the Company pursuant to this Supplemental Payment shall be \$10,000 for each **Policy Period** regardless of the number of **Disciplinary Proceedings**. The Company shall not pay **Damages** pursuant to this provision.

### (C) REIMBURSEMENT OF EXPENSES

If the **Insured** is requested by the Company to attend hearings, depositions and trials relative to the defense of a **Claim**, the Company shall reimburse the **Insured's** actual loss of earnings and reasonable expenses due to such attendance up to \$500 per day. The maximum payment made by the Company pursuant to this Supplemental Payment shall be \$10,000 for each **Policy Period**.

## V. DEFINITIONS

- (A) "**Claim**" means receipt of a civil action, suit, proceeding or demand naming the **Insured** seeking **Damages** and / or **Professional Services** arising out of a **Wrongful Act** by the **Insured** or any **Entity** for whom the **Insured** is **legally** liable. A **Claim** will be deemed first made on the earliest date any **Insured** receives the civil action, suit, proceeding or demand.

(B) "**Claims Expenses**" means:

- (1) Reasonable and necessary fees charged by an attorney(s) designated by the Company, or designated by the **Insured** with the Company's written consent, to defend a **Claim** and;
- (2) All other fees, costs and charges, resulting from the investigation, adjustment, defense, and appeal of a **Claim**, if incurred by the Company, or by the **Insured** with the Company's written consent, including premiums on appeal bonds, provided that the Company shall not be obligated to apply for or furnish such appeal bonds.

The determination by the Company as to the reasonableness of **Claims Expenses** shall be conclusive on the **Insured**. **Claims Expenses** do not include salary charges, wages or expenses of partners, principals, officers, directors, members or employees of either the Company or **Insured**.

(C) "**Damages**" means a compensatory monetary amount for which the **Insured** may be held legally liable, including judgments (inclusive of any pre- or post-judgment interest), awards, or settlements negotiated with the approval of the Company. **Damages** do not include any return, withdrawal or reduction of professional fees, profits or other charges, or fines, sanctions, taxes, penalties or awards deemed uninsurable pursuant to any applicable law. **Damages** include punitive or exemplary damages or the multiple portion of any multiplied damage award unless such damages are uninsurable pursuant to applicable law.

(D) "**Disciplinary Proceeding**" means any proceeding by a regulatory or disciplinary official, board or agency to investigate charges of professional misconduct in the performance of **Professional Services**.

(E) "**Entity**" means any individual, sole proprietor, partnership, or corporation or other form of association recognized as such by law.

(F) "**Extended Reporting Period**" means the applicable period of time after the end of the **Policy Period** for reporting **Claims** arising out of **Wrongful Acts** committed or alleged to have been committed prior to the end of the **Policy Period** and on or subsequent to the **Retroactive Date**, and otherwise covered by this Policy.

(G) "**Fungi**" means any type or form of fungus, bacterial matter, mold, mildew, mycotoxins, spores, or scents or by products produced or released by **Fungi**.

(H) "**Insured**" means only the following:

- (1) The Named Insured designated in Item 1. of the Declarations, or by endorsement to this Policy;
- (2) Any person who is, was, or hereafter becomes a partner, principal, officer, director, member, or employee of the Named Insured, but only while acting on behalf of the Named Insured;
- (3) Independent contractors who are natural persons, or any temporary or leased personnel or retired personnel, but only while acting under the direct supervision and on behalf of the Named Insured;
- (4) The estate, heirs, executors, administrators, and legal representatives of an **Insured**, in the event of such **Insured's** death, disability, incapacity, insolvency, or bankruptcy, but only to the extent such **Insured** would have otherwise been provided coverage under this Policy;
- (5) Any **Subsidiary**;
- (6) The lawful spouse of any **Insured** solely by reason of :
  - (a) Spousal status, or;
  - (b) A spouse's ownership interest in property or assets that are sought as recovery.

This Definition (H)(6) shall not apply to the extent a **Claim** alleges any **Wrongful Act** or omission by such spouse.

- (I) "**Interrelated Wrongful Acts**" means **Wrongful Acts** that have as a common nexus any fact, circumstance, situation, event, transaction, cause or series of causally connected facts, circumstances, situations, events, transactions or causes.
- (J) "**Knowledge Date**" means the effective date of the first Miscellaneous Professional Liability Insurance Policy issued by the Company to the Named Insured and continuously renewed and maintained in effect to the inception of this **Policy Period**.
- (K) "**Mediation**" means a non-binding process in which a neutral panel or individual assists the parties in reaching their own settlement. To be considered **Mediation** under this Policy, the process must be of a kind set forth in the Commercial Mediation Rules of the American Arbitration Association. The Company, however, at its sole option, may recognize any **Mediation** process or forum presented for approval.
- (L) "**Microbe**" means any non-fungal microorganism or non-fungal colony form organism that causes infection or disease.
- (M) "**Policy Period**" means the period specified in Item 2. of the Declarations, or any shorter period that may occur as a result of a cancellation of this Policy, and specifically excludes any **Extended Reporting Period** hereunder.
- (N) "**Pollutants**" means any substance exhibiting hazardous characteristics as is or may be identified on any list of hazardous substances issued by the United States Environmental Protection Agency, or any state, local, or foreign counterpart. This definition shall include, without limitation, any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, odors, noise, lead, oil or oil products, radiation, asbestos or asbestos – containing products, waste (including material to be recycled, reconditioned or reclaimed), and any electric, magnetic or electromagnetic field of any frequency, as well as any air emission, waste water, infectious medical waste, nuclear materials, nuclear waste, or any mold, mildew, or fungus.
- (O) "**Professional Services**" means those services specified in Item 7 of the Declarations which are provided by the **Insured** to a third party for a monetary fee; or as otherwise defined by endorsement to this Policy.
- (P) "**Retroactive Date**" means the date specified in Item 6. of the Declarations. This Policy shall only apply to **Claims** resulting from **Wrongful Acts** committed on or after that date.
- (Q) "**Subsidiary**" means any **Entity** in which the Named Insured owns either directly or indirectly 50% or more of the outstanding voting stock. An **Entity** ceases to be a **Subsidiary** on the date, during the **Policy Period**, that the Named Insured's ownership, either directly or indirectly, ceases to be 50% of the outstanding voting stock.

If during the **Policy Period**, the Named Insured acquires or creates another **Entity** in which the Named Insured has an ownership interest of greater than 50%, such **Entity** shall be considered an **Insured** under this Policy, but only for **Wrongful Acts** committed after the date of acquisition or creation.

As a condition precedent to coverage, the Named Insured shall give written notice to the Company of the acquisition or creation of such **Entity** no later than ninety (90) days after the effective date of such acquisition or creation, together with such information that the Company may require; and that prior to the effective date of such acquisition or creation, no partner, principal, officer, director or insurance manager of the Named Insured or of the acquired or created **Entity**, knew or could have reasonably expected that a **Claim** would be made.

Upon receipt of such acquisition or creation, the Company may at its sole option agree to appropriately endorse this Policy subject to additional premium and/or changed terms and conditions. If the Named Insured does not agree to the additional premium and/or changed terms and conditions, if any, coverage otherwise afforded under this provision for such acquired or created **Entity** shall terminate ninety (90) days after the effective date of such acquisition or creation, or at the end of the **Policy Period**, whichever is earlier. If the Named Insured ceases to have an ownership interest of greater than 50% in such acquired or created **Entity**, coverage otherwise afforded under this provision shall terminate effective on the date such ownership interest ceases.

The Company may, at its sole discretion, waive any additional premium due for any new **Subsidiary** where said new **Subsidiary's** gross revenue is equal to or less than 5% of the total gross revenue the Named Insured has listed on the application on file with the Company.

(R) "**Wrongful Act**" means any actual or alleged act, error, omission, misstatement, misleading statement, neglect, or breach of duty in the rendering of or failure to render **Professional Services**.

## VI. EXCLUSIONS

This Policy does not apply to and the Company shall not be liable for **Damages** and/or **Claims Expenses** resulting from any **Claim** made against an **Insured**:

(A) for, based upon, or arising from any actual dishonest, criminal, malicious or fraudulent act or omission by an **Insured**; however, this Exclusion shall not apply to **Claims Expenses** or the Company's duty to defend any such **Claim** unless or until a judgment or a final adjudication adverse to such **Insured** establishes the **Insured** committed such dishonest, fraudulent, criminal or malicious act or omission;

(B) by or on behalf of or with the assistance of any:

(1) **Insured** or

(2) **Entity** which at the time of the **Wrongful Act** or the time of the **Claim** or during the pendency of the **Claim**:

(a) is or was to any extent owned by or controlled by any **Insured**;

(b) to any extent owned or controlled any **Insured**;

(c) is or was affiliated with any **Insured** through any common ownership or control; or

(d) is or was acting with any **Insured** as a director, officer, partner, or principal stockholder;

For the purpose of this exclusion, a 10% or more owner of a publicly held corporation or a 30% or more owner of a privately held corporation shall be deemed to control such **Entity**;

(C) for, based upon, or arising from any actual or alleged wrongful employment practices or any discrimination of any person or entity on any basis;

(D) by an employee, former employee or job applicant of the **Insured** in their capacity as such;

(E) for, based upon, or arising from any actual or alleged infringement of any patent, trade secrets, copyright, trademark, service mark, service name, trade dress, trade name, title or slogan;

(F) for, based upon, or arising from bodily injury, sickness, disease, emotional distress, mental anguish, outrage, humiliation or death;

(G) for, based upon, or arising from injury to or destruction of any tangible property including loss of use thereof;

(H) for, based upon, or arising from the gaining in fact of any profit, remuneration or advantage to which the **Insured** is not legally entitled;

(I) for, based upon, or arising from any actual or alleged violation of:

the Employee Retirement Income Security Act of 1974, and amendments thereto, or similar provisions of any federal, state or local statute or common law; the Securities Act of 1933; the Securities Exchange Act of 1934; State Securities Law; any rules or regulations promulgated thereunder, or any other similar federal, state or common law, or foreign law in any state, country, province, district or territory; or any amendments thereof;

(J) for, based upon, or arising from breach of security, unauthorized access to, or use of, or tampering with data or systems;

(K) for, based upon, or arising from:

(1) any actual, alleged or threatened discharge, dispersal, release or escape of **Pollutants** at any time; or

- (2) any request, demand or order that any **Insured** or others detect, report, test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of **Pollutants**; including without limitation any **Claim**, suit or proceeding by or on behalf of a governmental authority, a potentially responsible party or any other person or entity for **Damages** because of detecting, reporting, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or on any way responding to, or assessing the effects of **Pollutants**;

(L) for, based upon, or arising from:

- (1) any actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, growth or presence of; or
- (2) the actual or alleged failure to detect, report, test for, monitor, clean up, remove, contain, dispose of, treat, detoxify or neutralize, or in any way respond to, assess the effects of, prevent, or advise of the existence of;

any **Fungi** or **Microbes**, or of any spores, mycotoxins, odors, or any other substances, products or byproducts produced by, released by, or arising out of the current or past presence of **Fungi** or **Microbes**. This exclusion applies regardless of whether any other causes, events, materials or products contributed concurrently or in any sequence to the injury, damage, expense, cost, loss, liability or legal obligation claimed;

## VII. CONDITIONS

### (A) REPORTING OF WRONGFUL ACTS THAT MAY GIVE RISE TO A CLAIM

If during the **Policy Period** the **Insured** becomes aware of a specific **Wrongful Act** that may reasonably be expected to give rise to a **Claim** against the **Insured**, and if the **Insured** reports such specific **Wrongful Act** to the Company during the **Policy Period** in writing, then any **Claim** subsequently arising from such specific **Wrongful Act** duly reported in accordance with this paragraph shall be deemed under this Policy to be a **Claim** made during the **Policy Period**. Such written notice to the Company shall include:

- (1) particulars as to the reasons for anticipating such a **Claim**; and
- (2) the nature and dates of the alleged **Wrongful Act**; and
- (3) the alleged injuries or damages sustained; and
- (4) the names of potential claimants, if available; and
- (5) the manner in which the **Insured** first became aware of the specific **Wrongful Act**.

### (B) NOTICE

In the event of a **Claim** the **Insured** shall as a condition precedent to the coverage afforded by this Policy:

- (1) Immediately forward to the Company every demand, notice, summons or other process including institution of arbitration proceedings received by the **Insured**.
- (2) Give written notice containing particulars sufficient to identify the **Insured** and claimant and full information with respect to the time, place and circumstances of the event complained of, and the names and addresses of the injured and of available witnesses, to the Company as soon as practicable.

Notice of any **Claim** or specific **Wrongful Act** shall be given in writing as described in Item 9. of the Declarations. Notice shall not be effective until the date of receipt by the Company at this address.

All other notices under this Policy shall be given in writing as described in Item 9. of the Declarations, and with referral to the Policy Number indicated in the Declarations.

### (C) COOPERATION

The **Insured** shall cooperate with the Company. Upon the Company's request, the **Insured** shall submit to examination and interrogation by a representative of the Company, under oath if required, shall assist in effecting settlement, securing and giving evidence, obtaining the attendance of witnesses and in the conduct of suits, as well as in the giving of a written statement or statements to the Company's representatives and meeting with such representatives for the purpose of investigation and/or defense, and shall provide the Company with any available information and documentation relevant to any matter under investigation by the Company, without charge to the Company.

Additionally, upon the Company's request and in accordance section IV(C), the **Insured** shall attend hearings, depositions and trials relative to the defense of a **Claim**.

The **Insured** shall take such action as may be necessary to secure and effect any rights of indemnity, contribution or apportionment which the **Insured** and/or the Company may have.

### (D) LIMITS OF LIABILITY

The Company's maximum liability for all **Damages** and **Claims Expenses** resulting from each **Claim** shall be the Limit of Liability for each **Claim** set forth in Item 3.(A) of the Declarations. The Company's maximum aggregate liability for all **Damages** and **Claims Expenses** resulting from all **Claims** covered by this Policy shall be the aggregate Limit of Liability for all **Claims** set forth in Item 3.(B) of the Declarations.

All **Claims** alleging, based upon, arising out of or attributable to the same **Wrongful Act** and **Interrelated Wrongful Acts** shall be deemed to be a single **Claim** regardless of whether made against one or more than one **Insured**, and such **Claim** shall be deemed to be first made on the date the earliest of such **Claims** is first made even if such date is before the **Policy Period**. Each separate **Wrongful Act** shall be treated as a separate **Claim**.

All **Claims** arising out of the same **Wrongful Act** shall be considered first made within the **Policy Period** in which the earliest of such **Claims** was first made or deemed to be made pursuant to Condition (A) of this Policy, and all such **Claims** shall be subject to one such Limit of Liability as set forth in Item 3.(A) of the Declarations.

The Limits of Liability of the Company for the **Extended Reporting Period**, if applicable, shall be part of, and not in addition to, the Limits of Liability of the Company for the **Policy Period**.

Any payment of **Damages** and/or **Claims Expenses** by the Company shall reduce the Limits of Liability.

**Claims** made against more than one **Insured** under this Policy shall not operate to increase the limit of the Company's liability.

### (E) DEDUCTIBLE

The Company shall only be liable for those amounts payable under this Policy for **Damages** and/or **Claims Expenses** which are in excess of the applicable Deductible stated in Item 4. of the Declarations.

The Deductible shall apply separately to each **Claim** and shall be borne by the **Insured** and remain uninsured. For purposes of the Deductible, **Claims** arising out of the same **Wrongful Act** shall be considered one **Claim**, and only one Deductible amount shall apply thereto. The Deductible shall not reduce or increase the Limits of Liability.

The **Insured** shall promptly make direct payments within the Deductible to appropriate parties as designated by the Company. The Company shall have no obligation to make payments within the Deductible and to then seek reimbursement from the **Insured**.

### (F) DEDUCTIBLE CREDIT

If a **Claim** is fully and finally resolved to the satisfaction of all parties including the Company as a result of **Mediation**, the **Insured's** Deductible obligation for such **Claim** shall be reduced by fifty (50) percent up to a maximum reduction of \$50,000.

#### (G) NOTICE OF CANCELLATION

This Policy may be cancelled by the Named Insured by surrender of this Policy to the Company or by giving written notice to the Company stating when thereafter such cancellation shall be effective. The Company may cancel this Policy by mailing to the Named Insured by registered, certified, or other first class mail, at the Named Insured's address shown in Item 1. of the Declarations, written notice stating when, not less than sixty (60) days thereafter (or ten (10) days thereafter when cancellation is due to non-payment of premium), the cancellation shall be effective. The mailing of such notice as aforesaid shall be sufficient proof of notice and this Policy shall terminate at the date and hour specified in such notice. If this Policy shall be cancelled by the Named Insured, the Company shall retain the customary short rate proportion of the premium hereon, except as otherwise provided in this Policy. If this Policy shall be cancelled by the Company, the Company shall retain the pro rata proportion of the premium hereon.

#### (H) EXTENDED REPORTING PERIOD

In case of cancellation or non renewal of this Policy, by either the Named Insured or the Company, for reasons other than material misrepresentation in the Application for this Policy or non-payment of premium or Deductible, the Named Insured shall have the right upon payment of an additional premium, to an extension of coverage under this Policy subject to all other terms, conditions, limitations of and any endorsements to this Policy for a period of either one year for an additional premium of 100% of the total annual premium; or two years for an additional premium of 150% of the total annual premium; or three years for an additional premium of 200% of the total annual premium following the effective date of such cancellation or refusal to renew but only with respect to any **Wrongful Act** committed before the date of such cancellation or non-renewal.

The offer of renewal terms, conditions, Limits of Liability and/or premiums different from those of this Policy shall not constitute a cancellation or refusal to renew.

The **Extended Reporting Period** shall terminate on the effective date and hour of any other insurance issued to the Named Insured or successor to the Named Insured which replaces in whole or in part the coverage afforded by the **Extended Reporting Period**.

As a condition precedent to the Named Insured's right to purchase the **Extended Reporting Period**, the full premium for this Policy and **Policy Period** must have been paid.

The Named Insured's right to purchase the **Extended Reporting Period** must be exercised by notice in writing not later than sixty (60) days following the non-renewal or cancellation date of this Policy, and must include payment of premium for the applicable **Extended Reporting Period** as well as payment of all premiums due the Company. If such notice is not so given to the Company, the Named Insured shall not, at a later date, be able to exercise such right.

At the commencement of any **Extended Reporting Period**, the entire premium thereafter shall be deemed earned and in the event the Named Insured terminates the **Extended Reporting Period** before its expiration date, the Company shall not be liable to return to the Named Insured any portion of the premium for the **Extended Reporting Period**.

The fact that this Policy may be extended by virtue of an **Extended Reporting Period** shall not in any way increase the Limits of Liability as set forth in the Declarations. The **Extended Reporting Period** shall be renewable at the sole option of the Company.

#### (I) OTHER INSURANCE

If any **Claim** or **Wrongful Act** noticed to the Company under this Policy is insured by another valid policy or policies, then this Policy shall apply only in excess of the amount of any deductibles, retentions and limits of liability under such other policy or policies, whether such other policy or policies are stated to be primary, contributory, excess, contingent or otherwise, unless such other insurance is written specifically excess of this Policy by reference in such other policy to the Policy Number indicated on this Policy's Declarations.



**(J) SUBROGATION**

In the event of any payment under this Policy, the Company shall be subrogated to all of the **Insured's** rights of recovery against any person or organization, and the **Insured** shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. The **Insured** shall do nothing after a **Claim** is made to prejudice such rights. The Company hereby waives its subrogation rights against a client of the **Insured** to the extent that the **Insured** had, prior to a **Claim**, or a **Wrongful Act** reasonably expected to give rise to a **Claim**, entered into a written agreement to waive such rights.

Any amount recovered upon the exercise of such rights of subrogation shall first be applied to the repayment of expenses incurred by the Company toward subrogation, second toward reimbursement of any payments made by the **Insured** pursuant to the **Insured's** Deductible, and any remaining balance shall be the Company's.

**(K) ALTERATION AND ASSIGNMENT**

No change in, modification of, or assignment of interest under this Policy shall be effective except when made by written endorsement signed by an authorized representative of the Company.

**(L) REIMBURSEMENT OF THE COMPANY**

If the Company has paid any **Damages** and/or **Claims Expenses** in excess of the applicable Limit of Liability or within the amount of the applicable Deductible, the **Insured** shall be liable to the Company for any and all such amounts and, upon demand, shall pay such amounts to the Company promptly.

**(M) ENTIRE CONTRACT**

By acceptance of this Policy the **Insured** agrees that the statements in the Declarations and Application are its agreements and representations, that this Policy is issued in reliance upon the truth of such representations and that this Policy embodies all agreements existing between the **Insured** and the Company.

**(N) NAMED INSURED SOLE AGENT**

The Named Insured shall be the sole agent of all **Insureds** hereunder for the purpose of effecting or accepting any amendments to or cancellation of this Policy, for the purpose of receiving such notices as may be required by law and/or any provision(s) of this Policy, for the completing of any Application and the making of any representations, for the payment of any premium and the receipt of any return premium that may become due under this Policy, for the payment of any Deductible obligations that may become due under this Policy, and the exercising or declining to exercise any right under this Policy, including declining or exercising any **Extended Reporting Period**.

**(O) BANKRUPTCY OR INSOLVENCY**

The bankruptcy or insolvency of any **Insured** or an **Insured's** estate will not relieve the Company of its obligations under this Policy.

In witness whereof, the Company has caused this Policy to be signed by its President and its Secretary at Boston, Massachusetts, and countersigned by a duly authorized representative of the Company.