

## Lawyers Professional Liability Policy

**NOTICE: THIS LAWYERS PROFESSIONAL LIABILITY POLICY PROVIDES COVERAGE ON A CLAIMS MADE BASIS AND IS LIMITED TO ONLY THOSE CLAIMS WHICH ARE FIRST MADE AGAINST THE INSURED AND REPORTED TO THE COMPANY IN ACCORDANCE WITH THE POLICY'S TERMS AND CONDITIONS.**

PLEASE REVIEW THIS POLICY CAREFULLY. THIS POLICY CONTAINS IMPORTANT EXCLUSIONS AND CONDITIONS. WORDS AND PHRASES THAT APPEAR IN BOLD ARE DEFINED IN THE DEFINITIONS SECTION OF THE POLICY.

In consideration of the payment of the premium, in reliance upon the statements made to the **Company** in the application and subject to the Limits of Liability and all other terms, conditions, exclusions and limitations contained herein, the **Company** agrees as follows:

### I. INSURING AGREEMENT

#### A. Coverage

The **Company** will pay on behalf of the **Insured** sums in excess of the deductible that the **Insured** shall become legally obligated to pay as **damages** because of a **claim** that is first made against the **Insured** during the **policy period** or any Extended Reporting Period arising out of an act or omission in the performance of **legal services** by the **Insured** or by any person for whom the **Insured** is legally liable, and reported to the Company in accordance with Section V.A.1. below, provided that:

1. prior to the inception date of the **policy period**, the **Insured** did not give notice under any other insurance policy of such **claim** or **related claim** or such act or omission or **related act or omission**; and
2. prior to the inception date of the first policy issued by the **Company**, if continuously renewed, no **Insured** had a basis to believe that any such act or omission, or **related act or omission**, might reasonably be expected to be the basis of a **claim**.

The **Company** shall also pay **claim expenses** in connection with such **claim**.

#### B. Defense

The **Company** shall have the right and duty to defend, subject to and as part of the Limits of Liability, any **claim** against the **Insured** seeking **damages** which are payable under the terms of this Policy even if any of the

allegations of the **claim** are groundless, false or fraudulent. The **Company** shall have the right to appoint counsel and to make such investigation and defense of a **claim** as it deems appropriate. If a **claim** shall be subject to arbitration or mediation, the **Company** shall be entitled to exercise all of the **Insured's** rights in the choice of arbiters or mediators and in the conduct of an arbitration or mediation proceeding.

#### C. Settlement

The **Company** shall have the right to negotiate a settlement or compromise of a **claim** as it deems appropriate but shall not commit to settlement of a **claim** without the written consent of the **Named Insured**. If the **Named Insured** refuses to consent to a settlement or compromise recommended by the **Company** and acceptable to the claimant, then the **Company's** Limits of Liability under this Policy shall be reduced to the amount for which the **claim** could have been compromised or settled, plus all **claim expenses** incurred up to the time the **Company** makes its recommendation, which amount shall not exceed the remainder of the Limits of Liability specified in Section III. A.

#### D. Exhaustion of limits

The **Company** is not obligated to investigate, defend, pay or settle, or continue to investigate, defend, pay, or settle a **claim** after the applicable Limits of Liability have been exhausted by payment of **damages** and/or **claim expenses**, or any combination thereof, or after the

**Company** has deposited the remaining Limits of Liability into a court of competent jurisdiction in satisfaction of a judgment. In such case, the **Company** shall have the right to withdraw from further investigation, defense, payment or settlement of such **claim** by tendering control of said investigation, defense or settlement of the **claim** to the **Insured**. The **Company** will initiate and cooperate in the transfer of control to the **Named Insured** of any **claims** which were reported to the **Company** prior to the exhaustion of such limit and the

**Named Insured** must cooperate in the transfer of control of such **claims**. The **Company** agrees to take the necessary steps, as it deems appropriate, to avoid a completed a default in such **claims** until the transfer has been completed, provided the **Named Insured** is cooperating in such transfer. The **Named Insured** must reimburse the **Company** for expenses it incurs in taking those steps it deems appropriate to avoid a default during the transfer of control.

## II. DEFINITIONS

Wherever used in this Policy:

A. **“Claim”** means a demand received by the **Insured** for money or services arising out of an act or omission, including **personal injury**, in rendering or failing to render **legal services**. A demand shall include the service of suit or the institution of an arbitration proceeding against the **Insured**.

B. **“Claim expenses”** mean:

1. fees charged by attorneys designated by the **Company** or by the **Insured** with the written consent of the **Company**; and
2. all other reasonable and necessary 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 written consent of the **Company**, including, but not limited to, premiums for any appeal bond, attachment bond or similar bond but without any obligation of the **Company** to apply for or furnish any such bond.

**Claim expenses** shall not include fees, costs or expenses of employees or officers of the **Company**. Nor shall **claim expenses** include salaries, loss of earnings or other remuneration by or to any **Insured**.

C. **“Company”** means the insurance **Company** named in the Declarations.

D. **“Damages”** means judgments, awards and settlements as negotiated with the assistance and approval of the **Company**. **Damages** do not include:

1. Legal fees, costs and expenses paid to or incurred or charged by the **Insured**, whether or not claimed as restitution of specific funds, forfeiture, financial loss, set-off or otherwise, and injuries that are a consequence of any of the foregoing;

2. Return or replenishment of client or other funds that the **Insured** commingled, converted, misused, misappropriated or was not otherwise entitled to, regardless of whether such funds are received in the form of a loan, retainer, contingency or otherwise;

3. civil or criminal fines, sanctions, penalties or forfeitures, whether pursuant to federal, state or local law, statute, regulation or court rule and injuries that are a consequence of any of the foregoing;

4. punitive or exemplary amounts and the multiplied portion of multiplied awards;

5. injunctive or declaratory relief;

6. amounts for which the **Insured** is not financially liable or that are without legal recourse to the **Insured**.

E. **“Disciplinary Proceeding”** means any proceeding before a state or federal licensing board or a peer review committee to investigate charges alleging professional misconduct.

F. **“Insured”** means the **Named Insured**, **predecessor firm** and the persons or entities described below:

1. Any lawyer, partnership, professional corporation, professional association, limited liability corporation or limited liability partnership who is or becomes a partner, officer, director, stockholder-employee, associate, manager, member or salaried employee of the **Named Insured** during the **policy period** shown in the Declarations;

2. Any lawyer previously affiliated with the **Named Insured** or a **predecessor firm** as a partner, officer, director, stockholder-employee, associate,

manager, member or salaried employee but only for **legal services** performed on behalf of the **Named Insured** or a **predecessor firm** at the time of such affiliation;

3. Any lawyer, law firm, partnership, professional corporation, professional association, limited liability corporation or limited liability partnership who acts as Of Counsel to the **Named Insured** or any non-employee independent contractor attorney or per diem attorney to the **Named Insured** but only for **legal services** performed on behalf of the **Named Insured**;
4. Any former or current employee who is a non-lawyer of the **Named Insured** or any **predecessor firm**, but solely for services performed within the course and scope of their employment by the **Named Insured** or any **predecessor firm**;
5. The estate, heirs, executors, administrators, assigns and legal representatives of an **Insured** in the event of such **Insured's** death, incapacity, insolvency or bankruptcy, but only to the extent that such **Insured** would have been provided coverage under this Policy.

G. "**Legal services**" mean:

1. those services performed by an **Insured** for others as a lawyer, arbiter, mediator, title agent, a notary public, or member of a bar association, ethics, peer review or similar professional board or committee but only if such services are performed for a fee that inures to the benefit of the **Named Insured** except that no fee need inure to the **Named Insured** where eleemosynary (pro bono) services are performed and approved by the **Named Insured**. Any title agency or company, on whose behalf the **Insured** acts as title agent or designated issuing attorney, is not an **Insured** under this Policy;
2. those services performed by an **Insured** as an administrator, conservator, receiver, executor, guardian, trustee or in a fiduciary capacity excluding acts of a "fiduciary" as defined under the Employee Retirement Income Security Act of 1974

and its amendments or any regulation or order issued pursuant thereto or any other similar state or local law. Services performed by an **Insured** as an administrator, executor or trustee must be services ordinarily rendered by a lawyer and with the approval of the **Named Insured** at the time of retention.

- H. "**Named Insured**" means the persons and entities designated in the Declarations.
- I. "**Personal Injury**" means libel, slander, or other defamatory or disparaging material or publication; utterance in violation of an individual's right of privacy; false arrest, humiliation, detention, or imprisonment; wrongful entry, eviction, or other invasion of the right of private occupancy; or malicious prosecution or abuse of process.
- J. "**Policy Period**" means the period of time between the inception date and time shown in the Declarations and the date and time of termination, expiration or cancellation of this Policy.
- K. "**Predecessor firm**" means any entity which has undergone dissolution and whose financial assets and liabilities the **Named Insured** is the majority successor in interest.
- L. "**Related act or omission**" means all acts or omissions in the rendering of **legal services** that are temporally, logically or causally connected by any common fact, circumstance, situation, transaction, event, advice or decision.
- M. "**Related claim**" means all **claims** arising out of a single act or omission or arising out of **related acts or omissions** in the rendering of **legal services**.
- N. "**Totally and permanently disabled**" means that an **Insured** is so disabled as to be wholly prevented from rendering **legal services** provided that such disability:
  1. has existed continuously for not less than six (6) months; and
  2. is reasonably expected to be continuous and permanent.

### III. LIMITS OF LIABILITY AND DEDUCTIBLE

A. Limits of Liability - each claim

Subject to paragraph B. below, the Limits of Liability of the **Company** for each **claim** shall not exceed the amount stated in the Declarations for each **claim**.

B. Limits of Liability - in the aggregate

The Limits of Liability of the **Company** for all **claims** shall not exceed the amount stated in the Declarations as the aggregate.

C. Deductible

The deductible amount stated in the Declarations is the total amount of the **Insured's** liability for each and every **claim** and applies to the payment of **damages** and **claim expenses**. The deductible shall be paid by the **Named Insured** or, upon the **Named Insured's** failure to pay, jointly and severally by all **Insureds**. The Limits of Liability set forth in the Declarations are in addition to and in excess of the deductible.

D. Multiple Insureds, claims and claimants

The Limits of Liability shown in the Declarations are subject to the provisions of this Policy and is the amount the **Company** will pay regardless of the number of **Insureds, claims** or persons or entities making **claims**. If **related claims** are subsequently made against the **Insured** and reported to the **Company** during the **policy period** or any subsequent renewal or Extended Reporting Period, all such **related claims**, whenever made, shall be considered a single **claim** first made and reported to the **Company** during the **policy period** in which the earliest of the **related claims** was first made and reported to the **Company**.

E. Disciplinary Proceedings

The **Company** will provide for the defense of a **Disciplinary Proceeding** brought against an **Insured** during the **policy period** arising out of the performance of **legal services**. The **Company's** obligation under this provision is subject to a maximum amount of \$10,000 per **policy period** for all attorney fees and other reasonable costs, expenses or fees incurred by lawyers appointed by the **Company**. There will be no deductible for payments made under this provision, and any such payments are in addition to the Limits of Liability.

F. Loss of Earnings

The **Company** will reimburse the **Insured** for actual loss of earnings and reasonable expenses incurred at the

**Company's** request for attendance at a trial or hearing, arbitration or mediation as follows:

1. \$500 each day for each **Insured** up to a maximum of \$10,000 each **claim**, regardless of the number of **Insureds** or days in attendance.
2. \$50,000 in the aggregate during the **policy period** for all **claims** and **Insureds**.

There will be no deductible for payments made under this provision and any such payments are in addition to the Limits of Liability.

G. Subpoena Assistance

In the event the **Insured** receives a subpoena for documents or testimony during the **policy period** arising out of **legal services** rendered and the **Insured** requests the **Company's** assistance in responding to the subpoena, the **Insured** may provide the **Company** with a copy of the subpoena and the **Company** will retain an attorney to provide advice regarding the production of documents, to prepare the **Insured** for sworn testimony, and to represent the **Insured** at the deposition(s), provided that:

1. the subpoena arises out of a lawsuit to which the **Insured** is not a party; and
2. the **Insured** has not been engaged to provide advice or testimony in connection with the lawsuit, nor has the **Insured** provided such advice or testimony in the past.

The maximum amount payable hereunder is \$5,000 per **policy period** regardless of the number of **Insureds** involved or the number of subpoenas received. There will be no deductible for payments made under this provision and any such payments are in addition to the Limits of Liability.

**IV. EXCLUSIONS**

This Policy does not apply:

- A. to any **claim** based on or arising out of any dishonest, fraudulent, criminal or malicious act or omission by an **Insured**, however, the **Company** shall provide the **Insured** with a defense of any **claim** based on or arising out of any dishonest, fraudulent or malicious act or omission by an **Insured** until the dishonest, fraudulent or malicious act or omission has been determined by adjudication, including regulatory ruling or by legal

admission; but providing such a defense will not waive any of the **Company's** rights under this Policy;

- B. to any **claim** against an **Insured** as a beneficiary or distributee of any trust or estate;
- C. to any **claim** by or on behalf of an **Insured** under this Policy against any other **Insured** hereunder unless an attorney/client relationship exists;

D. to any **claim** based on or arising out of an **Insured's** capacity as:

1. a former, existing or prospective officer, director, shareholder, partner or manager of a business enterprise or charitable organization unless such enterprise or organization is named in the Declarations; except that this exclusion shall not apply to a **claim** based on or arising out of an **Insured's** capacity as a member, director, or officer of any professional legal association, its governing board or any of its committees.
2. a former, existing or prospective officer, director, shareholder, partner, manager, or trustee of a fund or trust which is a pension, welfare, profit-sharing, mutual or investment fund or trust; or
3. a fiduciary under the Employee Retirement Income Security Act of 1974 and its amendments or any regulation or order issued pursuant thereto or any other similar state or local law;

E. to any **claim** based on or arising out of an **Insured's** capacity as a public official or an employee or representative of a governmental body, subdivision or agency unless the **Insured** is deemed as a matter of law to be a public official or employee or representative of such entity solely by virtue of rendering **legal services** to such entity.

F. to any **claim** based on or arising out of **legal services** performed for any existing or prospective partnership,

organization, corporation, company or other business enterprise, including any **claim** made by or on behalf of such partnership, organization, corporation, company or other business enterprise, if at the time of the act or omission giving rise to such **claim**:

1. any **Insured** controlled, operated or managed or intended to control, operate or manage such enterprise; or
2. any **Insured**:
  - a. was a partner or employee of such enterprise; or
  - b. directly or indirectly owned more than 10% of such enterprise; or
3. **Insureds** cumulatively owned more than 35% of such enterprise.

As used in this exclusion, the word "partner" shall be deemed to include members of limited liability companies or limited liability partnerships.

G. to any **claim** based on or arising out of the certification or acknowledgment of a signature by any **Insured** acting in the capacity of a notary public if such certification or acknowledgment was made without the contemporaneous physical presence of the individual whose act of signature was certified or acknowledged.

## V. CONDITIONS

A. Notice of **claims** and potential **claims**

1. The **Insured**, as a condition precedent to the obligations of the **Company** under this Policy, shall give written notice to the **Company** as soon as practicable following the Insured's receipt during the **policy period** or any Extended Reporting Period of:
  - a. any **claim** made against the **Insured**; and
  - b. any notice, advice or threat, whether written or verbal, that any person or organization intends to hold the **Insured** responsible for any alleged breach of duty.

Provided always that such written notice shall be given to the **Company**: during the **policy period** or any Extended Reporting Period; or, within thirty (30) days following the expiration of the **policy period** if the **Insured** received

such **claim**, notice, advice or threat during the last thirty (30) days of the **policy period**.

2. If during the **policy period** the **Insured** shall become aware of any act or omission that may reasonably be expected to be the basis of a **claim** against the **Insured** and gives written notice to the **Company** during the **policy period** of such act or omission and the reasons for anticipating a **claim**, with full particulars, including but not limited to:
  - a. the specific act or omission;
  - b. the date(s) and person(s) involved;
  - c. the identity of anticipated or possible claimants;
  - d. the circumstances by which the **Insured** first became aware of the possible **claim**;

then any such **claim** that is subsequently made against the **Insured** arising out of such act or omission and reported to the **Company** shall be deemed to have been made at the time such written notice was received by the **Company**.

3. Any notice required to be given to the **Company** in this section will be provided in writing to:

Valiant Insurance Company  
110 William Street, 21<sup>st</sup> Floor  
New York, N.Y. 10038

Attn: Claims Department - Lawyers Professional Liability

#### B. Innocent Insured

Whenever coverage under this Policy would be excluded, suspended or lost because of the exclusion relating to dishonest, fraudulent, criminal or malicious conduct by any person insured hereunder, the **Company** agrees that such insurance, as would otherwise be afforded under this Policy, shall be applicable with respect to an **Insured** who did not personally participate in such conduct or remained passive (including failure to give timely notice) after having knowledge of such conduct.

The **Company's** obligation to pay **damages** hereunder will be excess of the full extent of the assets of any **Insured** involved in such dishonest, fraudulent, criminal or malicious conduct.

#### C. Territory

This Policy applies to an act or omission taking place anywhere in the world, provided that the **claim** is made and suit brought against the **Insured** within the United States of America, including its territories, possessions, Puerto Rico or Canada.

#### D. Alternative Dispute Resolution

In the event a **claim** made against an **Insured** can, by agreement between the **Company** and the claimant, be contested by arbitration or mediation, then the **Company** will have the right to have the **claim** so contested. The **Company** will give the **Insured** written notice of the intention to refer such **claim** to arbitration or mediation, and the **Company** will be entitled to exercise any rights of the **Insured** with respect to arbitration or mediation including, without limitation, choice of arbiter(s) or mediator(s) and choice of venue.

#### E. Other Insurance

If there is other insurance that applies to the **claim**, this insurance shall be excess over such other valid and collectible insurance whether such insurance is stated to be primary, contributory, excess, contingent or otherwise. This does not apply to insurance that is purchased by the **Named Insured** specifically to apply in excess of this Policy.

#### F. Assistance and cooperation of the Insured

1. The **Insured** shall cooperate with the **Company** and, upon the **Company's** request, shall attend hearings and trials and shall assist in effecting settlements, the securing and giving of evidence, obtaining the attendance of witnesses, and the conduct of suits and proceedings in connection with a **claim**;
2. The **Insured** shall assist in the enforcement of any right of contribution or indemnity against any person or organization whom or which may be liable to any **Insured** in connection with a **claim**;
3. The **Insured** shall not, except at its own cost, voluntarily make any payment, assume or admit any liability or incur any expense without the consent of the **Company**.

#### G. Action against the Company

No action shall lie against the **Company** unless, as a condition precedent thereto, there has been full compliance with all the terms of this Policy, nor until the amount of the **Company's** obligation to pay shall have been fully and finally determined.

In the event any person or entity has secured a judgment covered under this Policy and the **Company** does not pay the judgment within thirty (30) days from the service of notice of the judgment upon the **Insured** or its attorney and the **Company**, then an action may be brought against the **Company** for the amount of the judgment not exceeding the amount of the applicable Limits of Liability under this Policy, except during a stay or limited stay of execution against the **Company** on such judgment.

No person or organization shall have any right under this Policy to join the **Company** as a party to any action against an **Insured**, nor shall the **Company** be impleaded by the **Insured** or its legal representative. Bankruptcy or insolvency of the **Insured** or of the **Insured's** estate shall not relieve the **Company** of any of its obligations hereunder.

#### H. Subrogation

In the event of any payment under this Policy, the **Company** shall be subrogated to all the **Insured's** rights of recovery thereof against any person or organization, including any rights such **Insured** may have against any other **Insured** involved in dishonest, fraudulent, criminal, malicious or intentional conduct. The **Insured** shall execute and deliver instruments and papers and do whatever else is necessary to secure and collect upon such rights and the **Insured** shall do nothing to prejudice such rights.

#### I. Changes

None of the provisions of this Policy will be waived, changed or modified except by written endorsement, which is signed by the **Company**, and then issued to form a part of this Policy.

#### J. Assignment

No assignment of interest of the **Insured** under this Policy shall be valid, unless the written consent of the **Company** is endorsed hereon.

#### K. Cancellation

This Policy may be canceled by the **Named Insured** by surrender thereof to the **Company** or any of its authorized representatives or by mailing to the **Company** written notice stating when thereafter the cancellation shall be effective.

This Policy may be canceled by the **Company** by mailing to the **Named Insured** at the address stated in the Declarations written notice stating when, not less than sixty (60) days thereafter or ten (10) days in the case of nonpayment of premium, such cancellation shall be effective.

The mailing of notice shall be sufficient proof of notice and the time of the surrender or the effective date and hour of cancellation stated in the notice shall become the end of the **policy period**. Delivery of such written notice either by the **Named Insured** or by the **Company** shall be equivalent to such mailing.

If either the **Named Insured** or the **Company** cancels, earned premium shall be the pro rated amount of the annual premium. Premium adjustment may be made at the time cancellation is effected or as soon as practicable after cancellation becomes effective. The **Company's** check or the check of its representative mailed as

aforesaid shall be sufficient tender of any refund or premium due to the **Named Insured** provided that if, at the time of cancellation, the applicable Limits of Liability for the **Policy Period** have been exhausted, the entire premium shall be considered earned.

#### L. Nonrenewal

The **Company** may nonrenew this Policy by mailing or delivering to the **Named Insured** at the address stated in the Declarations written notice at least sixty (60) days before the expiration date of this Policy. The offer of renewal policy terms, conditions, or premium amount different than those in effect prior to renewal does not constitute nonrenewal.

#### M. Entire Contract

By acceptance of this Policy the **Insured** agrees that:

1. the information and statements provided to the **Company** by the **Insured** are true, accurate and complete and shall be deemed to constitute material representations made by all of the **Insureds**;
2. this Policy is issued in reliance upon the **Insured's** representations;
3. this Policy, endorsements thereto, together with the completed and signed application and any and all supplementary information and statements provided by the **Insured** to the **Company** (all of which are deemed to be incorporated herein) embody all of the agreements existing between the **Insured** and the **Company** and shall constitute the entire contract between the **Insured** and the **Company** ; and
4. the misrepresentation of any material matter by the **Insured** or the **Insured's** authorized agent/broker, which if known by the **Company** would have led to the refusal by the **Company** to make this contract or provide coverage for a **claim** hereunder, will render this Policy null and void and relieve the **Company** from all liability herein.

#### 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 notices hereunder, any amendments to or cancellation of this Policy, for the completing of any applications and the making of any statements, representations and warranties, for the payment of any premium and the receipt of any return premium that

may become due under this Policy, and the exercising or declining to exercise any right under this Policy.

O. Liberalization

If the **Company** adopts any revision that would broaden coverage under this Policy without additional premium at any time during the **policy period**, the broadened coverage will immediately apply to this Policy except that it will not apply to **claims** that were first made against the **Insured** prior to the effective date of such revision.

P. Notices

Any notices (other than notice of claims or potential claims) required to be given by an **Insured** shall be submitted in writing to the **Company** at the address below. If mailed, the date of mailing of such notice shall be deemed to be the date such notice was given and proof of mailing shall be sufficient proof of notice.

Valiant Insurance Company  
1 Marcus Boulevard, Suite 101  
Albany, NY 12205

Attn: Lawyers Professional Liability – Underwriting

Q. Changes in Exposure

1. If, during the **policy period**, the total number of attorneys in the **Named Insured** increases by more than twenty-five percent (25%), the **Named Insured** shall immediately give the **Company** written notice thereof, and the **Company** will be entitled to impose

such additional coverage terms and charge such additional premium in connection therewith as the **Company**, in its sole discretion, may require. In the event that the **Named Insured** does not accept any such additional coverage terms and/or such additional premium, no coverage shall apply under this Policy *ab initio* with respect to any **claim** based on or arising out of **legal services** performed by person who was not a partner, officer, director, stockholder-employee, associate, manager, member or salaried employee of the **Named Insured** at the inception of the **policy period**.

2. If, during the **policy period** any of the following events occur:

- a. the merger with or acquisition of the **Named Insured** by another entity such that the **Named Insured** is not the surviving entity, or the acquisition of substantially all of the assets of the **Named Insured**; or
- b. the dissolution of, or appointment of a receiver, conservator, trustee, liquidator or rehabilitator or similar official for the **Named Insured**;

then the **Named Insured** shall report the event to the **Company** as soon as practicable. Coverage will continue with respect to **Claims** for acts or omissions in rendering **legal services** committed before such event, but coverage will cease with respect to **Claims** for such acts or omissions committed after such event.

**VI. EXTENDED REPORTING PERIODS**

As used herein, "Extended Reporting Period" means the period of time after the end of the **policy period** for reporting **claims** first made and reported during the Extended Reporting Period by reason of an act or omission that occurred prior to the end of the **policy period** and is otherwise covered by this Policy. The Limits of Liability for any Extended Reporting Period shall be part of, and not in addition to, the Limits of Liability as stated in the Declarations of this Policy.

A. Automatic Extended Reporting Period:

In the event of cancellation or non-renewal of this Policy by either the **Named Insured** or the **Company**, an automatic a thirty (30) day Extended Reporting Period will be provided to the **Named Insured** at no additional cost if the **Named Insured** has not obtained another lawyers professional liability policy within thirty (30) days of the termination of this Policy.

B. Optional Extended Reporting Period:

In the event of cancellation or non-renewal of this Policy by either the **Named Insured** or the **Company**, then the **Named Insured** upon payment of an additional premium as set forth below shall have the right to extend the insurance afforded by this Policy for a specific time period. This right shall terminate, however, unless written notice of this election together with the additional premium is received by the **Company** or its authorized agent/broker from the **Named Insured** within thirty (30) days after the effective date of cancellation or non-renewal.

1. Only one such Extended Reporting Period coverage endorsement shall be issued and the Extended Reporting Period for such coverage shall be one year, three years or six years. This period includes the



automatic thirty (30) day period specified in Item A. above.

2. The additional premium for the Optional Extended Reporting Period shall be based upon the annualized rates for such coverage in effect on the date this Policy expires and shall be for one year at 100% of such premium, three years at 150% of such premium, or six years at 200% of such premium.

C. Non-Practicing and Retirement Extended Reporting Periods:

1. If a lawyer under Definitions F.1. dies or becomes **totally and permanently disabled** during the **policy period**, then such lawyer (or the estate, heirs, executors or administrators in the event of death) shall be provided with a Non-Practicing Extended Reporting Period as provided in subparagraphs a. and b. below, commencing upon the latter of the expiration of: the **policy period**; any renewal or successive renewal of this Policy; or any Automatic or Optional Extended Reporting Period.

- a. In the event of death, the estate, heirs, executors or administrators of such **Insured** must provide the **Company** with written proof of the date of death. This Non-practicing Extended Reporting Period is provided to the estate, heirs, executors and administrators of such **Insured** until the executor or administrator of the estate of such **Insured** is discharged.

- b. If an **Insured** becomes **totally and permanently disabled**, such **Insured** or such **Insured's** legal guardian must provide the **Company** with written proof that such **Insured** is **totally and permanently disabled**, including the date the disability commenced and certified by the **Insured's** physician. The **Company** retains the right to contest the certification made by the **Insured's** physician and it is a condition precedent to this coverage that such **Insured** agree to submit to a medical examination by any physician designated by the **Company**. This Non-Practicing Extended Reporting Period is provided until such **Insured** shall no longer be **totally and permanently disabled** or until such **Insured's** death in which case subparagraph a. above shall apply.

2. If a lawyer under Definitions F.1. retires or otherwise voluntarily ceases, permanently and totally, the private practice of law, during the **policy period**, and has been continuously insured by the **Company** for

at least three consecutive years, then upon request such lawyer shall be provided with a Retirement Extended Reporting Period commencing upon the latter of the expiration of: the **policy period**; any renewal or successive renewal of this Policy; or any Automatic or Optional Extended Reporting Period. This Retirement Extended Reporting Period is provided until:

- a. such **Insured's** death in which case subparagraph C.1. above shall apply; or

- b. until such **Insured** shall resume the practice of law.

3. No additional premium will be charged for any Non-Practicing or Retirement Extended Reporting Period.

D. Elimination of right to any Extended Reporting Period:

There is no right to any Extended Reporting Period:

1. If the **Company** shall cancel or refuse to renew this Policy due to:

- a. non-payment of premiums; or

- b. non-compliance by an **Insured** with any of the terms and conditions or this Policy; or

- c. any misrepresentations or omission in the application for this Policy; or

2. If at the time this right could be exercised by an **Insured**, such **Insured's** right to practice law has been revoked, suspended or surrendered at the request of any regulatory authority for reasons other than that the **Insured** is **totally and permanently disabled**.