



## IRONSHORE INDEMNITY, INC.

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**THIS IS A CLAIMS MADE AND REPORTED POLICY  
WITH CLAIM EXPENSES INCLUDED IN THE LIMIT OF LIABILITY  
PLEASE READ THE ENTIRE POLICY CAREFULLY**

### **LAWYERS PROFESSIONAL LIABILITY POLICY**

#### **Policy Number:**

In consideration of the payment of the premium and in reliance upon all statements made and information furnished to the **Insurer** shown in the Declarations, including the statements made in the **Application**, and subject to all terms, conditions and limitations of this Policy, the **Insured** and **Insurer** agree:

#### **Section I. Insuring Agreements**

- A.** The **Insurer** shall pay on behalf of each **Insured** all sums the **Insured** shall become legally obligated to pay as **Damages** as a result of a **Claim** first made against the **Insured** during the **Policy Period** and reported to the **Insurer** during the **Policy Period** and arising out of the rendering of or failure to render **Professional Legal Services**.
- B.** The **Insurer** shall have the right and duty to defend any **Claim** first made against the **Insured** during the **Policy Period** and reported to the **Insurer** during the **Policy Period** and arising out of the rendering of or failure to render **Professional Legal Services**, including an appeal thereof, seeking **Damages** to which this insurance applies even if any of the allegations are groundless, false, or fraudulent. The **Insurer** shall have the right to appoint defense counsel and to make any investigation it deems necessary and, with the written consent of the **Insured**, settle any **Claim** covered by the terms of this Policy. If the **Insured** shall refuse to consent to any settlement or compromise recommended by the **Insurer** and acceptable to the claimant and shall elect to contest the **Claim**, then the liability of the **Insurer** under this Policy shall not exceed the amount for which the **Insurer** would have been liable for **Damages** and **Claim Expenses** if the **Claim** had been settled or compromised, when and as so recommended. The **Insurer** shall have no liability for **Claim Expenses** incurred thereafter and shall have the right to withdraw from further investigation or defense of the **Claim** by tendering control of such investigation or defense to the **Insured**, and the **Insured** agrees, as a condition of the issuance of this Policy, to accept such tender.
- C.** The **Insurer** shall have neither the right nor the duty to defend a **Disciplinary Proceeding**. In the event the violation of disciplinary rules or other professional misconduct alleged in a **Disciplinary Proceeding** is not proven by a final and enforceable determination by a tribunal of competent jurisdiction adverse to the **Insured** and is not admitted by the **Insured**, then the **Insurer** shall reimburse the **Insured** for reasonable fees, costs and expenses incurred by an **Insured** to a limit of twenty-five thousand dollars (\$25,000) for each **Insured**, subject to an aggregate limit of one hundred thousand dollars (\$100,000) for all **Disciplinary Proceedings** during the **Policy Period** and reported to the **Insurer** pursuant to **Section VIII** of the Policy. These amounts shall be in excess of the **Limit of Liability** and no Deductible will apply in connection with a **Disciplinary Proceeding**.

**Section II. Definitions**

- A.** “**Application**” shall mean each and every signed application submitted to the **Insurer** for consideration of insurance together with any attachments to such applications, other material submitted therewith or incorporated therein, and any other documents submitted in connection with the underwriting of this Policy.
- B.** “**Bodily Injury**” shall mean physical injury, sickness, disease or death of any person.
- C.** “**Claim**” shall mean a demand received by an **Insured** for money or services, including the service of suit or institution of arbitration proceedings against the **Insured**.
- D.** “**Claim Expenses**” shall mean fees charged by any lawyer designated by the **Insurer** and all other fees, costs and expenses resulting from the investigation, adjustment, defense and appeal of a **Claim**, if incurred by the **Insurer**. However, **Claim Expenses** do not include salary charges of regular employees or officials of the **Insurer** or any fees, costs or expenses of any **Insured**. **Claim Expenses** shall include the reasonable costs of attendance by an **Insured**, at the request of the **Insurer**, at a trial or a court imposed hearing or arbitration proceeding, such reasonable costs not to exceed five hundred dollars (\$500) for each **Insured** for each day of attendance, subject to an aggregate amount of fifty thousand dollars (\$50,000) for all **Claims** during the **Policy Period** and reported to the **Insurer** pursuant to **Section VIII** of the Policy.
- E.** “**Damages**” shall mean a monetary judgment or settlement, including any such judgment or settlement for **Personal Injury**, but does not include fines or statutory penalties, sanctions, whether imposed by law or otherwise, any amount awarded in a **Disciplinary Proceeding**, any amount for which the **Insured** is not financially liable or that is without legal recourse to the **Insured** or matters that may be deemed uninsurable under law.
- F.** “**Disciplinary Proceeding**” shall mean a proceeding alleging violation of any disciplinary rule or other professional misconduct brought before a tribunal of competent jurisdiction that shall make a determination, subject to appeal or other review and/or a final and enforceable determination, as to whether such alleged professional misconduct is to be the subject of discipline.
- G.** “**Domestic Partner**” shall mean any natural person qualifying as a domestic partner under the provisions of any applicable federal, state or local law or under the provisions of any formal program established by the **Named Insured**.
- H.** “**Insured**” shall mean:
- (1) the **Named Insured**;
  - (2) if the **Named Insured** is an individual, such individual;
  - (3) if the **Named Insured** is a partnership or limited liability partnership, such partnership or limited liability partnership and each lawyer who is a partner thereof including any incorporated partner and each shareholder or any such incorporated partner;
  - (4) if the **Named Insured** is a professional corporation, professional association or limited liability corporation, such professional corporation, professional association or limited liability corporation and each lawyer who is a shareholder or member thereof;
  - (5) each lawyer employed by the **Named Insured**;

- (6) any person who previously qualified or who during the **Policy Period** qualifies as an **Insured** under 2, 3, 4 or 5 above, but only to extent such person performs or has performed **Professional Legal Services** on behalf of the **Named Insured**;
  - (7) each lawyer acting as “of counsel” but only while performing **Professional Legal Services** on behalf of the **Named Insured**;
  - (8) any lawyer who is acting as an independent contractor or on a per diem basis for the **Named Insured**, but only while acting within the scope of their **Professional Legal Services** on behalf of the **Named Insured**;
  - (9) all non lawyer employees who were, are now or become employees of the **Named Insured**, but only while acting within the scope of their employment by the **Named Insured**; and
  - (10) the estate, heirs, executors, administrators, assigns and legal representatives of each **Insured** in the event of the death, incapacity, insolvency or bankruptcy such an **Insured**, but only to the extent that such **Insured** would otherwise be provided coverage under this Policy.
- I. **“Insurer”** shall mean the Insurer stated in Item 8 of the Declarations.
- J. **“Named Insured”** shall mean the person or entity designated in Item 1 of the Declarations and any **predecessor** of such entity. For purposes of this definition, **“predecessor”** means any individual or entity engaged in the practice of law whose financial assets and liabilities the **Named Insured** is the majority successor in interest.
- K. **“Personal Injury”** shall mean:
- (1) False arrest, detention or imprisonment;
  - (2) Malicious prosecution;
  - (3) Libel or slander or other defamatory or disparaging materials;
  - (4) Publication or an utterance in violation of an individual’s right to privacy;
  - (5) Wrongful entry or eviction, or other invasion of the right to private occupancy; and
  - (6) mental anguish, mental injury, shock, humiliation, emotional distress or fright, if arising out of (1) through (5) above.
- L. **“Policy Period”** shall mean the period from the inception date of this Policy to the expiration date of this Policy as set forth in Item 2 of the Declarations, or its earlier termination if applicable. The expiration date of this Policy shall be extended to the next business day if the expiration date otherwise falls on a Saturday, Sunday or legal holiday.
- M. **“Professional Legal Services”** shall mean legal services and activities performed for others as a lawyer, and including pro bono legal services, services as a notary public, arbitrator, mediator, title insurance agent, designated issuing lawyer to a title insurance company, fiduciary, services rendered as a member of a bar association, ethics, peer review, formal accreditation board or similar professional boards or committees, or the publication or presentation of research papers or similar materials by an **Insured** but only if the fees generated from such publication or presentation are not greater than thirty thousand dollars (\$30,000). **Professional Legal Services** shall include services as an administrator, conservator, receiver, executor, guardian, or in any similar fiduciary capacity, or trustee, if such services are usual and customary to the practice of law and are in the rendering of professional services to others in an attorney client relationship.
- N. **“Property Damage”** shall mean injury to or destruction of any tangible property or loss of the use resulting therefrom. Tangible property does not include currency and negotiable instruments.
- O. **“Related Professional Legal Services”** shall mean **Professional Legal Services** that are the same, related or continuous, or **Professional Legal Services** that arise from a common nucleus of facts. **Claims** can allege

**Related Professional Legal Services** regardless of whether such **Claims** involve the same or different claimants, **Insureds** or legal causes of action.

**P.** **“Totally and permanently disabled”** shall mean that an **Insured** has become so disabled as to be wholly prevented from rendering **Professional Legal Services** provided that such disability:

- (1) has existed continuously for not less than 6 months, and
- (2) is expected to be continuous and permanent.

**“Totally and permanently disabled”** shall not include any condition that is a result of war or acts of war, whether or not declared, occurred during active service in the armed forces of any country or results from intentionally self-inflicted injuries, attempted suicide, whether or not sane or the abuse or misuse of addictive chemical compounds or alcohol.

### **Section III. Exclusions**

The **Insurer** shall not be liable to make any payments in connection with any **Claim** made against any **Insured**:

- A.** alleging, arising out of, based upon or attributable to:
  - (1) an **Insured** gaining any profit, advantage or remuneration to which they were not legally entitled; provided, however, this exclusion shall only apply when it is finally adjudicated that such conduct occurred;
  - (2) the deliberately fraudulent or criminal acts of an **Insured**; provided, however, this exclusion shall only apply when it is finally adjudicated that such conduct occurred; or
  - (3) **Professional Legal Services** for a trust or estate if the **Insured** is or becomes a beneficiary or distributee of such trust or estate.
- B.** alleging, arising out of, based upon or attributable to any **Professional Legal Services** or **Related Professional Legal Services** or any fact, circumstance or situation that has been the subject of any notice or **Claim** given under any other policy of which this Policy is a renewal or replacement;
- C.** alleging, arising out of, based upon or attributable to any pending or prior civil, criminal, administrative or investigative proceeding involving the **Insured** as of the effective date of the first Lawyers Professional Liability Policy issued by the **Insurer** to the **Insured** or any **Professional Legal Services** or **Related Professional Legal Services** or any fact, circumstance or situation underlying or alleged in such proceedings;
- D.** alleging, arising out of, based upon or attributable to **Professional Legal Services** prior to the Retroactive Date stated in Item 6 of the Declarations and any subsequent **Related Professional Legal Services**;
- E.** alleging, arising out of, based upon or attributable to **Professional Legal Services** if an **Insured**, prior to the effective date of the first Lawyers Professional Liability Policy issued by the **Insurer** to the **Insured**, had knowledge of the circumstances that gave rise to the **Claim** and reason to believe that a **Claim** might result;
- F.** for any actual or alleged **Bodily Injury, Property Damage**, mental anguish or emotional distress arising from such **Bodily Injury** or **Property Damage**, except this exclusion shall not apply to mental anguish or emotional distress arising from **Personal Injury**;
- G.** for any **Professional Legal Services** of an **Insured** in connection with any pension or welfare plan of the **Insured** or of any other entity, including, without limitation, any **Claim** against an **Insured** for a violation of

the duties, obligations, and responsibilities under the Employee Retirement Income Security Act of 1974, any rules or regulations thereunder or amendments thereto, except this exclusion shall not apply if an **Insured** is deemed to be a fiduciary solely by reason of **Professional Legal Services** rendered with respect to an employee benefit plan or if an **Insured** is appointed as a receiver, trustee or custodian of an employee benefit plan by a court;

- H. that is brought by or on behalf of the **Named Insured** or by or on behalf of any **Insured**, unless the **Claim** arises from an attorney/client relationship;
- I. alleging, arising out of, based upon or attributable to legal services or other act, error or omission by an **Insured** in any capacity with an entity other than the **Named Insured**;
- J. alleging, arising out of, based upon or attributable to any act, error or omission as an officer, director, partner, trustee or employee of a corporation, partnership, association, trust of fund, including a pension, welfare, profit sharing, mutual or investment fund or trust, or any other entity, business enterprise or charitable organization of any kind or nature other than that of the **Named Insured**, except this exclusion shall not apply if an **Insured** is appointed as a receiver, trustee or custodian of an employee benefit plan by a court;
- K. alleging, arising out of, based upon or attributable to services as a public officer, or an employee of a governmental body, subdivision, or agency;
- L. alleging, arising out of, based upon or attributable to the alleged certification or acknowledgement by an **Insured** in the capacity as a notary public of a signature on a document which the **Insured** did not personally witness being placed on the document;
- M. alleging, arising out of, based upon or attributable to the conversion, misappropriation, improper commingling of client funds, the return of or restitution, or disgorgement of fees, costs and expenses, or other amounts, or arising out of the rendering or failing to render investment advice;
- N. alleging, arising out of, based upon or attributable to **Professional Legal Services** by an **Insured** with respect to any entity if the **Insured** is an employee of the entity or controls, operates or manages the entity, either individually or in a fiduciary capacity, or if the **Insured** and/or members of the immediate family of the **Insured** own 10% or more of the issued and outstanding shares, units or other portions of the capital of the entity;
- O. alleging, arising out of, based upon or attributable to services as a title insurance agent where there is alleged to be a defect in title of which an **Insured** had actual knowledge as of the date of issuance of the title insurance policy or any actual or alleged breach of underwriting authority by an **Insured**.

#### **Section IV. Waiver of Exclusion (Innocent Insured) and Breach of Conditions**

If coverage under this Policy would be excluded or lost because of **Section III. Exclusions**, subsection **A. (2)** relating to a judgment or final adjudication alleging, arising out of, based upon or attributable to any deliberately fraudulent or criminal acts by an **Insured**, or because of noncompliance with **Section VIII. Notice of Claim**, relating to the giving of notice to the **Insurer**, with respect to which an **Insured** shall be in default solely because of the default or concealment of such default by one or more other **Insured** responsible for the loss or damage otherwise insured hereunder, the **Insurer** agrees that such insurance as would otherwise be afforded under this Policy shall apply with respect to each and every **Insured** who did not personally commit or personally participate in committing one or more of the acts described in either such exclusion or such condition. If the condition is one with which such **Insured** can comply after receiving knowledge thereof, the **Insured** entitled to the benefit of the **Waiver of Exclusion and Breach of Conditions** shall comply with such condition promptly after obtaining knowledge of the failure of any **Insured** to comply therewith. The obligation of the **Insurer** to pay in the event of such waiver shall be excess of the Deductible and

excess of the full extent of any assets in the **Named Insured**, or monetary value attributed to such assets, of any **Insured** who is not a beneficiary of the waiver.

**Section V.**  
**h**                    **Limit of Liability**

- A.**     The **Insurer** shall be liable to pay **Damages** and **Claim Expenses** in excess of the applicable Deductible amount stated in Item 4 of the Declarations up to the Each Claim Limit of Liability stated in Item 3 of the Declarations.
- B.**     The liability of the **Insurer** for all **Damages** and **Claim Expenses** arising from any and all **Claims** first made and reported pursuant to **Section VIII** of this Policy shall be the amount stated in Item 3 of the Declarations as the Aggregate Limit of Liability which shall be the maximum aggregate Limit of Liability of the **Insurer** for the **Policy Period** and Discovery Period, if applicable, regardless of the time of payment or the number of **Claims**.
- C.**     **Claim Expenses** shall be part of, and not in addition to, the Limit of Liability stated in Item 3 of the Declarations. Such **Claim Expenses** shall serve to reduce the Limit of Liability.
- D.**     More than one **Claim** involving the same **Professional Legal Services** or **Related Professional Legal Services** of one or more **Insureds** shall be considered a single **Claim**, subject to the Each Claim Limit of Liability stated in Item 3 of the Declarations and only one Deductible shall be applicable to such single **Claim**. All such **Claims** constituting a single **Claim** shall be deemed to have been made on the earlier of the following date: **(1)** the earliest date on which any such **Claim** was first made; or **(2)** the earliest date on which any such **Professional Legal Services** or **Related Professional Legal Services** were reported under this Policy or any other policy providing similar coverage.
- E.**     If two or more policies of Lawyers Professional Liability Insurance issued by the **Insurer** apply to the same **Claim** for which the **Insured** is jointly and severally liable, the **Insurer** shall not be liable under this Policy for a greater proportion of such **Damages** and **Claim Expenses** than the liability of the **Insurer** under this Policy bears to the total liability of the **Insurer** under all applicable valid and collectible insurance issued by the **Insurer**. Provided, the **Insurer** shall not be obligated to pay any sum that exceeds the Limit of Liability of the Policy issued by the **Insurer** that has the highest applicable Limit of Liability.

**Section VI.**            **Deductible**

- A.**     The Deductible shall apply to all **Damages** and **Claim Expenses**. One Deductible shall apply to **Damages** and **Claim Expenses** arising from each **Claim** alleging the same **Professional Legal Services** or **Related Professional Legal Services**.
- B.**     The Deductible shall be paid by the **Insured** as a condition precedent to payment of any **Damages** or **Claim Expenses** by the **Insurer**. Defense counsel assigned to defend a **Claim** may request payment of the Deductible. The **Insured** is required to remit the Deductible to defense counsel as may be requested by defense counsel. The Deductible shall be paid by the **Insured** for each and every **Claim** within thirty (30) days of written demand by the **Insurer**. The determination of the **Insurer** as to the reasonableness of the **Claim Expenses** shall be conclusive on the **Insured**.
- C.**     If the **Insured** agrees to the mediation of a **Claim** and such mediation results in a settlement of the **Claim** that is consented to by the **Insurer**, one-half of the Deductible shall not be payable by the **Insured** in connection with such **Claim**.

**Section VII.**            **Costs of Defense and Settlements**

- A. The **Insured** shall not incur any fees, costs or expenses, or admit liability, offer to settle, or agree to any settlement in connection with any **Claim** without the express prior written consent of the **Insurer**, which consent shall not be unreasonably withheld. The **Insured** shall provide the **Insurer** with all information and particulars it may reasonably request in order to reach a decision as to such consent. **Damages** resulting from an admission of liability, agreement to settle, or any fees, costs or expenses incurred prior to the consent of the **Insurer**, shall not be insured by this Policy.
- B. Notwithstanding **Section VII. A.** above, if all **Insureds** are able to settle all **Claims** that are subject to an applicable Deductible for an amount that, together with the **Claim Expenses**, does not exceed the applicable Deductible, the **Insured** may agree to such a settlement without the prior written consent of the **Insurer**.
- C. The **Insured** shall cooperate with the **Insurer** and provide the **Insurer** such information as it may reasonably require in the investigation, defense or settlement of any **Claim**.
- D. All **Claim Expenses** shall be first subtracted from the applicable Limit of Liability with the remainder, if any, being the amount available to pay **Damages**. If the Limit of Liability is exhausted prior to settlement or judgment of any pending **Claim**, the **Insurer** shall have the right to withdraw from the further investigation or defense thereof by tendering control of such investigation or defense to the **Insured**, and the **Insured** agrees, as a condition to the issuance of this Policy, to accept such tender.
- E. If a **Claim** made against an **Insured** includes both covered and uncovered matters, the **Insured** and the **Insurer** recognize that there must be an allocation between covered and uncovered **Damages** and **Claim Expenses**. The **Insured** and the **Insurer** shall use their best efforts to agree upon a fair and proper allocation between covered and uncovered **Damages** and **Claim Expenses**, taking into account the relative legal and financial exposures and the relative benefits obtained by each **Insured** as a result of the covered and uncovered matters and/or such benefits to an uninsured party using the same measure. If the **Insured** and the **Insurer** are not able to agree regarding the amount of the allocation, the **Insurer** shall pay only those amounts, excess of the applicable Deductible, that the **Insurer** deems to be fair and equitable until a different amount shall be agreed upon or determined pursuant to the provisions of this Policy and the above standards.

#### **Section VIII. Notice of Claim**

- A. The **Insured** shall, as a condition precedent to their rights under this Policy, give the **Insurer** notice in writing of any **Claim** that is made during the **Policy Period**. In the event suit is brought against an **Insured**, the **Insured** shall immediately forward to the **Insurer** every demand, notice, summons, complaints or other process received directly by the **Insured** or by a representatives of the **Insured**. Such notice shall be given as soon as practicable but in no event later than thirty (30) days after the end of the **Policy Period**. If notice is provided pursuant to this Section, any **Claim** subsequently made against an **Insured** and reported to the **Insurer** alleging, arising out of, based upon or attributable to the prior noticed **Claim** or alleging the same **Professional Legal Services** or **Related Professional Legal Services**, shall be considered related to the prior **Claim** and made at the time notice of the prior **Claim** was first provided.
- B. If during the **Policy Period** or during the Discovery Period (if applicable) the **Insured** shall become aware of any circumstances that may reasonably be expected to give rise to a **Claim** being made against an **Insured** and shall give written notice to the **Insurer** of the circumstances, the **Professional Legal Services** allegations anticipated and the reasons for anticipating such a **Claim** with full particulars as to dates, persons and entities involved, then a **Claim** that is subsequently made against such **Insured** and reported to the **Insurer** alleging, arising out of, based upon or attributable to such circumstances or alleging any **Related Professional Legal Services**, shall be considered made at the time notice of such circumstances was given. Notice of any such subsequent **Claim** shall be given to the **Insurer** as soon as practicable.



- C. In addition to furnishing the notice as provided in **Section VIII**, the **Insured** shall, as soon as practicable, furnish the **Insurer** with copies of reports, investigations, pleadings and other papers in connection therewith.
- D. Notice to the **Insurer** as provided in **Section VIII** shall be given in writing and to the **Insurer** in and to the address stated in Item 8 of the Declarations.

**Section IX. Discovery Period**

**A. Automatic Discovery Period**

If the **Named Insured** or the **Insurer** shall cancel or refuse to renew this Policy and the **Named Insured** has not obtained another policy of Lawyers Professional Liability Insurance within sixty (60) days of the termination of this Policy, then the **Insurer** shall extend the insurance afforded by this Policy, subject otherwise to its terms and conditions, to apply to a **Claim** first made against the **Insured** and reported to the **Insurer** during the sixty (60) days immediately following the effective date of such non renewal or cancellation, but only by reason of **Professional Legal Services** before such effective date and otherwise covered by this Policy.

**B. Optional Discovery Period**

If the **Named Insured** or the **Insurer** shall cancel or refuse to renew this Policy, then the **Named Insured**, upon payment of additional premium as set forth herein, shall have the option to extend the insurance afforded by this Policy to apply to a **Claim** first made against the **Insured** and reported to the **Insurer**, during (1) 12 months, (2) 24 months, (3) 36 months, (4) 60 months, (5) an unlimited period, as elected by the **Named Insured**, immediately following the effective date of such non renewal or cancellation, but only by reason of **Professional Legal Services** before such effective date and otherwise covered by this Policy. The extension of coverage for a **Claim** first made after the non-renewal or cancellation of this Policy shall be endorsed hereto, if purchased, and shall hereinafter be referred to as the "Optional Discovery Period".

**C. Individual Attorney Discovery Period**

If any **Insured**, except those under **Section II. Definitions, "Insured"**, sub-section 7, 8 and 9, shall retire or otherwise cease the private practice of law during the **Policy Period**, then such **Insured**, upon payment of an additional premium set forth herein, shall have the option to extend the insurance afforded by this Policy to apply to a **Claim** first made against such **Insured** and reported to the **Insurer** during (1) 12 months, (2) 24 months, (3) 36 months, (4) 60 months, or (5) an unlimited period, as elected by such **Insured**, but only by reason of **Professional Legal Services** committed or alleged to have been committed by such **Insured** before the date such **Insured** retired or terminated the private practice of law.

**D. Discovery Period Conditions**

- (1) The premium for a Discovery Period, if elected, shall be (1) 100% for 12 months, (2) 150% for 24 months, (3) 180% for 36 months, (4) 200% for 60 months, (5) 250% for an unlimited period, of the full annual premium for this Policy stated in the Declarations. The premium for an Individual Attorney Discovery Period shall be the per attorney rated premium of the above stated percentages.
- (2) The entire premium for a Discovery Period shall be deemed fully earned at inception of the Discovery Period. In the event the **Insured** terminates a Discovery Period before its expiration for any reason, the **Insurer** shall not be liable to return any portion of the premium for the Discovery Period.



- (3) The fact that the period during which a **Claim** must be first made against the **Insured** under this Policy is extended by virtue of a Discovery Period shall not in any way increase the Limit of Liability of this Policy. The Deductible provisions of this Policy will apply with respect to a **Claim** first made against the **Insured** during a Discovery Period.
- (4) As a condition precedent to the right to elect a Discovery Period, any and all premiums and Deductibles that are due must have been paid and all other terms and conditions of this Policy must have been complied with. An Individual Attorney Discovery Period is not available to any **Insured** when the license or right to practice the profession of such **Insured** is revoked, suspended or surrendered.
- (5) The right of the **Named Insured** to elect a Discovery Period must be exercised in writing not later than sixty (60) days after the effective date of the non renewal or cancellation of this Policy. Such election of a Discovery Period must indicate the total extension period desired and must include payment of the premium for such Discovery Period. If such conditions precedent are not satisfied on the effective date of the non renewal or cancellation of this Policy or if the election is not timely made, an **Insured** shall not at a later date be able to exercise such right.
- (6) The right of an **Insured** to elect an Individual Attorney Discovery Period must be exercised in writing not later than sixty (60) days after the **Insured** shall retire or otherwise cease the private practice of law. Such election of an Individual Attorney Discovery Period must indicate the total extension period desired and must include payment of the premium for such Individual Attorney Discovery Period. If such conditions precedent are not satisfied or if the election is not timely made, an **Insured** shall not at a later date be able to exercise such right.
- (7) If, during the Policy Period, (a) an **Insured** shall die, except by suicide, (b) an **Insured** who was the sole proprietor, partner (including the shareholder or an incorporated partner), shareholder, member or employed lawyer of the **Named Insured** shall become **totally and permanently disabled**, or (c) an **Insured** who was a sole proprietor, partner (including the shareholder or an incorporated partner), shareholder, member or employed lawyer of the **Named Insured** with three consecutive full years of coverage by the **Insurer** shall retire or otherwise cease the private practice of law, such **Insured** shall be entitled to an Individual Attorney Discovery Period at no additional premium.
- (8) The Individual Attorney Discovery Period shall not apply if there is other insurance in effect on or after the date the **Insured** retired or terminated the practice of law that covers the **Insured** for such **Professional Legal Services**. Such other insurance shall render this Individual Attorney Discovery Period inapplicable, even though the limit of liability of such other insurance may be inadequate to pay all losses and claim expenses and/or the deductible amount and retention provisions of such other insurance may be different from those of this Policy.
- (9) The Limit of Liability applicable to an Optional Extended Reporting Period or an Individual Attorney Discovery Period is an aggregate Limit of Liability, part of and not in addition to the Limit of Liability stated in the Declarations, for the applicable period for any and all **Insureds** electing an Optional Extended Reporting Period or an Individual Attorney Discovery Period and is not a Limit of Liability for each **Insured**.

**Section X. General Conditions**

**A. Cancellation or Non-Renewal**

- (1) This Policy may be cancelled by the **Named Insured** at any time by surrender thereof to the **Insurer** or by written notice to the **Insurer**. Upon cancellation, the **Insurer** shall retain the customary short rate portion of the premium.

- (2) This Policy may be cancelled by the **Insurer** by mailing to the **Named Insured** written notice stating when, not less than thirty (30) days thereafter, such cancellation shall be effective. However if the **Insurer** cancels this Policy because the **Insured** has failed to pay the premium or Deductible when due, this Policy may be cancelled by the **Insurer** by mailing a written notice of cancellation to the **Named Insured** stating when, not less than ten (10) days thereafter, such cancellation shall be effective. Such notice shall be conclusive on all **Insureds**. Any such notice of cancellation and any other notice to be provided by the **Insurer** to the **Named Insured** or any **Insured** hereunder shall be mailed to the **Named Insured** at its address set forth in the Declarations. If cancelled by the **Insurer**, earned premium shall be computed pro rata. Premium adjustment may be made at the time cancellation is effective or as soon as practicable thereafter.
- (3) If the **Insurer** elects not to renew this Policy, the **Insurer** shall provide the **Named Insured** with no less than sixty (60) days advance notice thereof.
- (4) The mailing of notice as aforementioned shall be sufficient notice and the effective date of cancellation stated in any notice shall become the end of the **Policy Period**. Delivery of such written notice by the **Named Insured** or the **Insurer** shall be the equivalent of mailing.

**B.** Application

It is agreed by the **Insured** that the particulars and statements contained in the **Application** and any information provided therewith (which shall be on file with the **Insurer** and be deemed attached hereto as if physically attached hereto) are the basis of this Policy and are to be considered as incorporated in and constituting a part of this Policy. It is further agreed by the **Insured** that the statements in the **Application** or in any information provided therewith are their representations, that they are material and that this Policy is issued in reliance upon the truth of such representations.

**C.** Other Insurance

Subject to **Section V. E.**, the insurance afforded by this Policy shall only apply as excess over any other valid policy or policies, whether such other policy or policies are stated to be primary, contributory, excess, contingent or otherwise.

**D.** Action Against the Insurer

- (1) No action shall be taken against the **Insurer** unless, as a condition precedent thereto, there shall have been full compliance with all the terms of this Policy, and until the obligation of the **Insured** to pay shall have been finally determined by an adjudication against the **Insured** or by written agreement of the **Insured**, claimant and the **Insurer**.
- (2) No person or organization shall have any right under this Policy to join the **Insurer** as a party to any **Claim** against an **Insured** nor shall the **Insurer** be impleaded by an **Insured** or their legal representative in any such **Claim**.

**E.** Coverage Extensions

- (1) Lawful Spouse or Domestic Partner Provision.

The coverage provided by this Policy shall also apply to the lawful spouse or **Domestic Partner** of an **Insured**, but only for a **Claim** arising out of any actual or alleged **Professional Legal Services** of such **Insured**.

- (2) Worldwide Provision

The coverage provided under this Policy shall apply worldwide.

**(3) Estates and Legal Representatives**

The coverage provided by this Policy shall apply to the estates, heirs, legal representatives or assigns of any **Insured** in the event of their death, incapacity or bankruptcy, but only for **Claims** arising out of any actual or alleged **Professional Legal Services** of any **Insured**.

**F. Subrogation**

In the event of any payment under this Policy, the **Insurer** shall be subrogated to all of the rights of recovery of the **Insured** and the **Insured** shall execute all papers required and shall do everything that may be necessary to secure such rights, including the execution of such documents as may be necessary to enable the **Insurer** to effectively bring suit in the name of any **Insured**.

**G. Dispute Resolution**

In the event any dispute arises in connection with this Policy that cannot be resolved, the **Insurer** and the **Insured** shall participate in a non-binding mediation in which the **Insurer** and the **Insured** shall attempt in good faith to resolve such dispute. Either the **Insured** or the **Insurer** shall have the right to commence a judicial proceeding or, if the parties agree, a binding arbitration, to resolve such dispute. However, no judicial proceeding or arbitration shall be commenced until termination of the mediation and until at least ninety (90) days has passed from the termination of the mediation. Each party will bear its own legal fees and expenses. The costs and expenses of a mediation, or any arbitration, shall be split equally by the parties.

**H. The warranties, terms, conditions, exclusions and limitations of this Policy are to be construed in an even handed fashion between the **Insured** and the **Insurer**. Without limitation, where the language of this Policy is deemed to be ambiguous or otherwise unclear, the issues shall be resolved in the manner most consistent with the warranties, terms, conditions, exclusions and limitations viewed as a whole without regard to authorship of the language and without any presumption or arbitrary interpretation or construction in favor of either the **Insured** or the **Insurer**.**

**I. Assignment**

Assignment of interest under this Policy shall not bind the **Insurer** until its consent is endorsed hereon.

**J. Named Insured Changes**

If during the Policy Period the total lawyer population of the **Named Insured** is changed by 50% or more, the **Named Insured** shall notify the **Insurer** within sixty (60) days of such change. In the event of a merger, dissolution or acquisition, the **Named Insured** will notify the **Insurer** within thirty (30) days of the projected date of such merger, dissolution or acquisition. In the event of a change in the lawyer population of the **Named Insured** or a merger, dissolution or acquisition, the **Insurer** shall have the right to accept or decline the continuation of coverage and to charge an additional premium. This provision shall not apply to a **Named Insured** that had less than six (6) lawyers at the inception of this Policy.

**K. Conformity to Statute**

Any terms of this Policy that are in conflict with the terms of any applicable laws are hereby amended to conform to such laws.

**L. Entire Agreement**

By acceptance of this Policy, the **Insured** and the **Insurer** agree that this Policy (including the Declarations, **Application** submitted to the **Insurer** and any information provided therewith) and any written endorsements attached hereto constitute the entire agreement between the parties. The terms, conditions and limitations of this Policy can be waived or changed only by written endorsement.

**M.** Named Insured Represents Insured

By acceptance of this Policy, the **Named Insured** signatory shall be designated to act on behalf of all **Insureds** for all purposes including, but not limited to, the giving and receiving of all notices, consents and correspondence, the cancellation

or non-renewal of this Policy, the payment of premiums, and the receipt of any return premiums that may be due under this Policy.

**N.** Representative of the Insurer

Ironshore Insurance Services, LLC, One State Street, New York, NY 10004 shall act on behalf of the **Insurer** for all purposes including, but not limited to, the giving and receiving of all notices and correspondence, provided, however, notice of **Claim** shall be given pursuant to **Section VIII** of the Policy.

**O.** Service of Suit

In the event of the failure of the **Insurer** to pay any amount claimed to be due hereunder, the **Insurer**, at the request of the **Insured**, will submit to the jurisdiction of any court of competent jurisdiction within the United States. Nothing in this condition constitutes or shall be understood to constitute a waiver of the right of the **Insurer** to commence an action in any court of competent jurisdiction within 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 in the United States. Service of process in any such suit may be made upon Ironshore Insurance Services, LLC, One State Street, New York, NY 10004. In any suit instituted against the **Insurer** upon this Policy the **Insurer** will abide by the final decision of such court or of any appellate court in the event of any appeal. Pursuant to any statute of any state, territory or district of the United States that makes provision therefore, the **Insurer** hereby designates the Superintendent, Commissioner or Director of Insurance, or other officer specified for that purpose in the statute, or his or her successor or successors in office, as its true and lawful attorney upon whom may be served lawful process in any action, suit or proceeding instituted by or on behalf of the **Insured** or any beneficiary hereunder arising out of this Policy, and hereby designates the above named Ironshore Insurance Services, LLC, One State Street, New York, NY 10004 as the entity to whom said office is authorized to mail such process or true copy thereof.

**P.** Bankruptcy

Bankruptcy or insolvency of the **Insured** shall not relieve the **Insurer** of any of its obligations under this policy.

**Q.** Headings

The descriptions in the headings of this Policy form no part of the terms and conditions of the coverage under this Policy.

Ironshore Indemnity Inc. by:

Secretary

President