



Wesco Insurance Company

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Lawyers Professional Liability Policy

NOTICE: THIS LAWYERS PROFESSIONAL LIABILITY POLICY PROVIDES COVERAGE ON A CLAIMS MADE AND REPORTED BASIS AND IS LIMITED TO ONLY THOSE **CLAIMS** WHICH ARE FIRST MADE AGAINST THE **INSURED** AND REPORTED TO THE **COMPANY** DURING THE **POLICY PERIOD** OR ANY APPLICABLE EXTENDED REPORTING PERIOD.

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** and reported to the **Company** 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, 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, or if this policy has been continuously renewed, prior to the inception date of the first policy issued by the Company, no **Insured** knew or could reasonably have foreseen that any such act or omission, or **related act or omission**, might 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.

If any **claim** covered under this policy is resolved through the use of **Formal Mediation** within six months from the date it is first reported to the **Company** or within 90 days after suit is filed, the Deductible amount the **Named Insured** is obligated to pay will be reduced by fifty percent (50%), or by \$12,500, whichever is less.

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 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 written or verbal 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 in connection with a **claim** 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. **“Client network damage claim”** means a demand, including the service of suit or the institution of any alternative dispute resolution proceeding, received by the **Insured** for money or services alleging that a **security breach** or **electronic infection** caused **network damage** to a client’s **network** in the rendering of **legal services**.
- D. **“Company”** means the insurance **Company** named in the Declarations.
- E. **“Computer virus”** means unauthorized computer code that is designed and intended to transmit, infect and propagate itself over one or more **networks**, and cause:
1. a computer code or programs to perform in an unintended manner;
 2. the deletion or corruption of electronic data or software; or
 3. the disruption or suspension of a **network**.

- F. **“Confidential Commercial Information”** means information that has been provided to the **Insured** by another, or created by the **Insured** for another where such information is subject to the terms of a confidentiality agreement or equivalent obligating the **Insured** to protect such information on behalf of another.
- G. **“Damages”** means judgments, awards and settlement if 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**.
- H. **“Denial of service attack”** means an attack executed over one or more **networks** or the **Internet** that is specifically designed and intended to disrupt the operation of a **network** and render a **network** inaccessible to authorized users.
- I. **“Disciplinary Proceeding”** means any proceeding before a state or federal licensing board or a peer review committee to investigate charges alleging professional misconduct.
- J. **“Electronic infection”** means the transmission of a **computer virus** to a **network**, including without limitation, such transmission to or from the **Named Insured’s network**.
- K. **“Electronic information damage”** means the destruction, deletion or alteration of any information residing on the **network** of any third party.
- L. **“Formal Mediation”** means the voluntary process by which a qualified professional mediator, chosen by parties to a **claim** with agreement by the **Company**, meets with and intercedes between the parties in an attempt to resolve the **claim**. **Formal mediation** does not include litigation or arbitration.
- M. **“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.

N. "**Internet**" means the worldwide public **network** of computers as it currently exists or may be manifested in the future, but **Internet** does not include the **Named Insured's network**.

O. "**Legal services**" mean:

1. those services performed by an **Insured** for others as a lawyer, arbiter, mediator, expert witness, title agent, a notary public, governmental affairs advisor or lobbyist, 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.

P. "**Named Insured**" means the persons and entities designated in the Declarations.

Q. "**Network**" means a party's local or wide area **network** owned or operated by or on behalf of or for the benefit of that party; provided, however, **network** shall not include the **Internet**, telephone company **networks**, or other public infrastructure **networks**.

R. "**Network Damage**" means:

1. the unscheduled and unplanned inability of an authorized user to gain access to a **network**;
2. **electronic information damage**; or
3. the suspension or interruption of any **network**;

S. "**Non-public personal information**" means personal information not available to the general public from which an individual may be identified, including without limitation, an individual's name, address, telephone number, social security number, account relationships, account numbers, account balances, and account histories.

T. "**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.

U. "**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.

- V. **“Predecessor firm”** means any entity which has undergone dissolution and the financial assets and liabilities of which the **Named Insured** is the majority successor in interest.
- W. **“Privacy breach notice law”** means any statute or regulation that requires an entity who is the custodian of **nonpublic personal information** to provide notice to individuals of any actual or potential privacy breach with respect to such **non-public personal information**. **Privacy breach notice laws** include Sections 1798.29 and 1798.82-1798.84 of the California Civil Code (formerly S.B. 1386) and other similar laws in any jurisdiction.
- X. **“Privacy claim”** means a demand, including the service of suit or the institution of any alternative dispute resolution proceeding, received by the **Insured** for money or services and alleging **privacy injury and identity theft** that occurred in the rendering of **legal services**.
- Y. **“Privacy injury and identity theft”** means:
1. any unauthorized disclosure of, inability to access, or inaccuracy with respect to, **non-public personal information** in violation of:
 - a. the **Named Insured’s** privacy policy; or
 - b. any federal, state, foreign or other law, statute or regulation governing the confidentiality, integrity or accessibility of **non-public personal information**, including but not limited, to the Health Insurance Portability and Accountability Act of 1996, Gramm-Leach-Bliley Act, Children's Online Privacy Protection Act, or the EU Data Protection Act.
 2. the **Insured’s** failure to prevent **unauthorized access to confidential commercial information**;
- Z. **“Privacy policy”** means the **Named Insured’s** policies in written or electronic form that:
1. govern the collection, dissemination, confidentiality, integrity, accuracy or availability of **non-public personal information**; and
 2. the **Insured** provides to its clients, customers, employees or others who provide the **Insured** with **nonpublic personal information**.
- AA. **“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.
- BB. **“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**.
- CC. **“Security breach”** means the failure of the **Named Insured’s network** hardware, software, firmware, the function or purpose of which is to:
1. identify and authenticate parties prior to accessing the **Named Insured’s network**;
 2. control access to the **Named Insured’s network** and monitor and audit such access;
 3. protect against **computer viruses**;
 4. defend against **denial of service attacks** upon the **Insured** or unauthorized use of the **Insured’s network** to perpetrate a **denial of service attack**; or,
 5. ensure confidentiality, integrity and authenticity of information on the **Insured’s network**.

DD. **“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.

EE. **“Unauthorized access”** means any accessing of information in the **Insured’s** care, custody or control by unauthorized persons or by authorized persons accessing or using such information in an unauthorized manner. **Unauthorized access** also includes:

1. theft from the **Insured** of any information storage device used by the **Insured** to:
 - a. store and retrieve information on the **Insured’s network**; or
 - b. transport information between the **Insured** and authorized recipients;
2. any unauthorized use by the **Insured** of information in the **Insured’s** clients’ care, custody or control if accessed by the **Insured** in the course of rendering **legal services**.

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 **claims 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 are 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**. The Limits of Liability for any such **related claims** shall be part of, and not in addition to, any remaining Limits of Liability as stated in the Declarations of the policy.

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 \$25,000 per claim and \$50,000 in the aggregate 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 court-ordered hearing, arbitration or mediation as follows:

1. \$500 per day for each **Insured** up to a maximum of \$10,000 per **claim**, regardless of the number of **Insureds** or days in attendance, or the number of trials.
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** must provide the **Company** with a copy of the subpoena and the **Company** will appoint 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 **Company's** obligation under this provision is subject to a maximum amount of \$25,000 per **policy period** for all attorney's fees and other reasonable costs, expenses, or fees incurred by lawyers appointed by the **Company**, 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.

H. Privacy Breach Investigation

If, during the **policy period**, a state licensing board, self regulatory body, public oversight board or a governmental agency with the authority to regulate the **Insured's legal services** or any entity acting on behalf of such entities initiates an investigation of **the Insured** arising from an actual or alleged violation of a **privacy breach notice law** or any law referenced under the definition of **privacy injury and identity theft** that occurred in the rendering of **legal services** and which the **Insured** reports to the **Company** in accordance with Section V.A. of this policy, the **Company** agrees to pay attorney fees, attorney costs and court costs (excluding such attorney fees and costs incurred as a result of services performed by the **Insured**) incurred in responding to the investigation. The maximum amount the **Company** will pay for such attorney fees and costs is \$20,000 regardless of the number of investigations or the number of **Insureds** who are subject to such investigations.

I. Network and Privacy Breach

The **Company** will provide for the defense of **privacy claims** and **client network damage claims** 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 \$25,000 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.

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 against or admission by such **Insured**; 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; or
 - 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 governmental body, subdivision or agency;
- 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.

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** during the **policy period**:
 - a. of any **claim** made against the **Insured** during the **policy period**;
 - b. of the **Insured's** receipt of any notice, advice or threat, whether written or verbal, that any person or organization intends to make a **claim** against the **Insured**;
 - c. Any act or omission that may reasonably be expected to be the basis of a **claim** against the **Insured**.
2. If during the **policy period** the **Insured** shall become aware of any act or omission that might 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:

c/o AmTrust North America
135 South LaSalle Street, Suite 1925
Chicago IL 60603
Attn: AUI Claim Department

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 act or omission 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 act or omission and otherwise complies with all terms and conditions of the **policy**.

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 act or omission.

C. Territory

This policy applies to an act or omission taking place anywhere in the world, provided that the **claim** is made and suit is brought against the **Insured** within the United States of America, including its territories, possessions, Puerto Rico or Canada. The **Company** may elect at any time but shall not be obligated to investigate, settle or defend such **claims** or suits that are brought anywhere other than the United States of America, its territories, possessions, Puerto Rico, or Canada.

D. Alternative Dispute Resolution

In the event a **claim** made against an **Insured** can be, by agreement between the **Company** and the claimant, subject to arbitration or mediation, then the **Company** will have the right to have the **claim** so resolved. 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 who or organization 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 act or omission. 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.

800 Superior Avenue E., 21st Floor
Cleveland, OH 44114

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 any remaining 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 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 cancellation or 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 an Extended Reporting Period for the specific period of time set forth in an endorsement to be issued by the **Company**. 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. The Optional Extended Reporting Period shall commence at the effective date of the 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, six years or unlimited. 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, six years at 200% of such premium, or for an unlimited period at 225% of such premium.

C. Non-Practicing Extended Reporting Period:

If an **Insured** dies or becomes **totally and permanently disabled** during the **policy period**, then 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, the **Insured** shall be provided with a Non-Practicing Extended Reporting Period as provided below:

1. 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.
2. 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 1. hereof shall apply.

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

D. Retirement Extended Reporting Period:

If an **Insured**, except those attorneys under Definitions M.3, 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 such **Insured** 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 such **Insured's** death in which case subparagraph C.1. above shall apply or until such **Insured** shall resume the practice of law.

No additional premium will be charged for any Retirement Extended Reporting Period.

E. Elimination of Right to Any Extended Reporting Periods

There is no right to Extended Reporting Periods if the **Company** shall cancel or refuse to renew this policy due to:

1. non-payment of any amount due under this policy; or
2. non-compliance by an **Insured** with any of the terms and conditions of this policy; or

3. any misrepresentation or omission in the application for this policy, or if at the time this right could be exercised by an **Insured**, such **Insured's** license to act as a legal professional has been revoked, suspended or surrendered at the request of any regulatory authority.