

## ATTORNEYS' SELECT LAWYERS PROFESSIONAL LIABILITY INSURANCE POLICY

### THIS IS A CLAIMS MADE AND REPORTED POLICY – PLEASE REVIEW THE POLICY CAREFULLY

Various provisions of this Policy restrict coverage. Read the entire Policy carefully to determine rights, duties, and what is not covered. Throughout this Policy, the words “**we**”, “**us**”, and “**our**” refer to the **Company** providing this insurance. Words and phrases that appear in **bold** are defined in Section IV. DEFINITIONS.

In consideration of the payment of premium and in reliance upon the statements in the **application** attached hereto and made a part hereof, and subject to all of the terms, conditions, exclusions, and limits of liability of this Policy, **we** agree with the **Named Insured** as stated in the Declarations as follows:

#### I. INSURING AGREEMENT

##### A. Coverage – Professional Liability

**We** will pay on **your** behalf, **loss** arising from a **claim** first made against **you** during the **policy period** and reported in writing to **us** during the **policy period**, or if applicable, an **extended reporting period**, pursuant to the terms of this policy for any actual or alleged **covered act** whenever or wherever such **covered act** has been committed by:

1. **you** in rendering or failing to render **professional services** for others; or
2. any other person or law firm in rendering or failing to render **professional services** for others on **your** behalf for whose **covered acts you** are legally responsible;

provided that:

- a. **you** report the **claim** in writing to **us** as soon as practicable, but in no event later than thirty (30) days after expiration or termination of this policy as permitted by CONDITIONS VII.A. of this policy, or during an optional **extended reporting period**, if applicable;
- b. the **covered act** was committed on or after the **retroactive date** and before the end of the **policy period**; and
- c. the **claim** does not result from events that **you** knew or should have known, prior to the effective date shown in the Declarations, would reasonably result in a **claim**.

## B. Defense and Settlement

**We** have the right and duty to defend, including selection of counsel, and subject to the applicable Limits of Liability, any **claim** made against **you** pursuant to the terms of this policy for any actual or alleged **covered act** for which coverage is afforded under this policy, even if any of the allegations of the **claim** are groundless, false, or fraudulent.

**We** have the right to make any investigation **we** deem necessary with respect to any **claim** or notice of a **covered act** under this policy. **We** have the right to make, with **your** written consent or the consent of **your designee**, any settlement of a **claim** under this policy. **We** will not settle a **claim** without **your** written consent. However, if **you** refuse to consent to any settlements recommend by **us** and elect to contest the **claim** or to continue legal proceedings in connection with such **claim**, then **our** maximum limit of liability shall be limited to the amount for which the **claim** could have been settled, including the total amount of **defense costs** incurred with **our** consent up to the date of **your** refusal. Such amounts are subject to the provisions of Section II.A. Limits of Liability of this policy.

In all events, **we** will not be obligated to settle any **claim**, pay any **loss**, or undertake or continue defense of any **claim** after the applicable limit of liability has been exhausted by settlement of any **claim** or payment of any **loss**. In each such case, **we** will have the right to withdraw from the further defense of the **claim** by tendering control of the defense to **you**.

**We** are not required to appeal any judgment against **you** but may do so at **our** sole discretion.

**You** will not, except at **your** own cost, admit or assume any liability, settle any **claim**, or incur any **costs** in connection with a **claim** without **our** written consent.

## II. LIMITS OF LIABILITY AND DEDUCTIBLE

## A. Limits of Liability

The Limits of Liability stated in the Declarations as each **claim** and aggregate are described below:

## 1. EACH CLAIM

The Limit of Liability designated in Item 3.a. of the Declarations as each **claim** is the maximum limit of **our** liability for **loss** arising from each **claim** first made against **you** during the **policy period** and reported in writing to **us** during the **policy period** or any applicable **extended reporting period**.

## 2. AGGREGATE

The Limit of Liability designated in Item 3.b. of the Declarations as aggregate is the maximum limit of **our** liability for all **loss** arising from all **claims** first made against **you** during the **policy**

**period** and reported in writing to **us** during the **policy period** or any applicable **extended reporting period**.

**Our** limits of liability for any applicable **extended reporting period** are part of and not in addition to the Limits of Liability stated in Item 3. of the Declarations.

A single set of limits of liability will apply to **loss** arising from all **claims** alleging a **covered act** or **interrelated covered acts**.

B. Deductible

This policy will pay only that part of the **loss** (including **defense costs**) which exceeds the deductible amount(s) stated in Item 4. of the Declarations, such deductible amount(s) to be borne by **you** and which deductible amount(s) will remain uninsured.

The Deductible amount stated in the Declarations as each **claim** and aggregate are described below:

1. EACH CLAIM

The each **claim** deductible amount stated in Item 4.a. of the Declarations is the amount for which **you** are responsible with respect to **loss** arising from each **claim**.

2. AGGREGATE

The aggregate deductible amount stated in Item 4.b. of the Declarations is the amount for which **you** are responsible with respect to **loss** arising from all **claims** in the aggregate under this policy.

A single deductible amount will apply to **loss** arising from all **claims** alleging the same **covered act** or **interrelated covered acts**.

**We** will have no obligation whatsoever to pay all or any portion of the deductible on **your** behalf. **We** will, however, at **our** sole discretion, have the right and option to do so, in which event **you** will repay **us** any amounts so paid.

- C. If **we** have paid any amounts in satisfaction of any **claims** or **defense costs** in excess of the applicable limit of liability or within the amount of the applicable deductible, all of **you**, jointly and severally, will be liable to **us** for any and all such amounts, and upon written demand from **us**, must pay such amounts to **us** within sixty (60) days of such written demand.

### III. DEFENSE COSTS

All **defense costs** are included within the Deductible(s) and the Limits of Liability and are not in addition thereto. All **defense costs** will reduce the Deductible(s) and the available Limits of Liability.

All **defense costs** will first be subtracted from the Limits of Liability with the remainder, if any, being the amount available to pay **loss**.

### IV. DEFINITIONS

Whenever used in this policy:

- A. **Alternative Dispute Resolution** means the use of arbitration or non-binding mediation in a form approved by **us** in which a neutral panel or individual assists the parties in reaching their own settlement.
- B. **Application** means all applications, supplements, written statements, and other materials furnished to **us**, by **you** or through **your** agent, to procure lawyers' professional liability insurance and which are part of this policy as if physically attached.
- C. **Claim** means:
1. a written demand for money or services;
  2. a written demand to toll or waive a statute of limitations; or
  3. a judicial civil proceeding or arbitration proceeding.
- D. **Controlling Interest** means the right, directly or indirectly, to (a) vote ten percent (10%) or more of the issued and outstanding voting stock in an incorporated entity; (b) elect ten percent (10%) or more of the directors of an incorporated entity; (c) receive ten percent (10%) or more of the profits of an unincorporated entity; or (d) have the position of general partner of a limited partnership, managing general partner of a general partnership, or comparable position in any other business enterprise.
- E. **Covered Act** means a negligent act, error, or omission, including breach of contract or duty, breach of **fiduciary** duty, or **personal injury** arising from **professional services** performed by any of **you**.
- F. **Defense Costs** means reasonable and necessary fees and costs incurred by **us** or incurred by **you** with **our** written consent resulting from the investigation, adjustment, defense, or appeal of a **claim** against **you**; provided, however, that **defense costs** will not include compensation of any of **you** or any of **us**.

- G. **Designee** means: (a) the individual **you** have identified as contact person in the **application**; (b) **your** managing or executive partner; or (c) **your** management committee, executive committee, or **your** general counsel.
- H. **Extended Reporting Period** means the period of time after the end of the **policy period** for reporting **claims** arising out of **covered acts** occurring during the **policy period**.
- I. **Fiduciary**, except in Exclusion H., means **you** in **your** capacity as an administrator, committee of an incompetent, conservator, escrow agent, executor, guardian, receiver, or trustee, but only while rendering or failing to render **professional services**.
- J. **Interrelated Covered Act(s)** means **covered acts** which are the same, related, or continuous; or **covered acts** which arise from the same, related, or common nexus of facts. **Claims** can allege **interrelated covered acts** regardless of whether such **claims** involve the same or different claimants, numbers of **you**, or legal causes of action.
- K. **Lawyer** means an individual who is actively admitted to practice law.
- L. **Loss** means damages, judgements, settlements, and **defense costs** which **you** are legally obligated to pay; provided, however, that **loss** does not include:
1. punitive or exemplary damages;
  2. the multiplied portion(s) of any multiplied damages;
  3. fines, sanctions, fees, taxes, or penalties imposed by law;
  4. reimbursement, disgorgement, reduction, set-off, or return of any fees paid or owed as remuneration for **professional services**;
  5. non-monetary relief; or
  6. matters that are uninsurable under the law pursuant to which this policy is construed.
- M. **Named Insured** means the individual, partnership, or firm engaged in the practice of law under the name stated in Item 1. of the Declarations and its **predecessor firm**, if any.
- N. **Personal Injury** means allegations of libel, slander, or other defamatory or disparaging material or publication; utterance in violation of an individual's right of privacy; false arrest, detention, or imprisonment; wrongful entry, eviction, or other invasion of the right of private occupancy; or malicious prosecution.
- O. **Policy Period** means the period of time between the inception date shown in Item 2. of the Declarations and the effective date of cancellation or expiration of this policy, but specifically excludes any **extended reporting period**..
- P. **Predecessor Firm** means the lawyer(s) or law firm(s) identified in the **application** as a **predecessor firm** and to whose financial assets and liabilities the **Named Insured** is the majority successor in

interest (fifty percent (50%) or more of the former lawyer(s)'s or law firm(s)'s assets and liabilities).

Q. **Professional Services** means legal and/or consulting services performed for others by **you** or by any of **your** employees in connection with assisting **you** to perform:

1. as a **lawyer**, notary public, arbitrator, mediator, or **fiduciary**;
2. as a **lawyer** working for any bar association, including its board or committees;
3. as a **lawyer** performing pro bono services; or
4. as a speaker or author of legal treatises or legal research papers;

provided, however, that the remuneration for such services inures to **your** benefit.

R. **Property Damage** means injury to tangible property, including all resulting loss of use of that property or loss of use of tangible property that is not physically injured.

S. **Retroactive Date** means the date specified in Item 6. of the Declarations.

T. **We, Our, or Us** means the insurance company whose name appears on the Declarations of this policy.

U. **You or Your** means the **Named Insured** and any person who was, is, or becomes any of the following, but in all cases only while acting on **your** behalf:

1. a partner, principal, director, member, officer, or shareholder of **you**;
2. an incorporated partner, including the shareholders thereof;
3. **your** employee or leased or temporary employee of **you**;
4. **your** employed **lawyer**;
5. a **lawyer** designated by **you** as "counsel" or "of counsel";
6. a **lawyer** engaged by **you** as an independent contractor on a per diem basis; or
7. the estate, heirs, executors, administrators, assigns, and legal representatives of any person or law firm that previously qualified as **you** in the event of **your** death, incapacity, insolvency, or bankruptcy, but only to the extent that **you** would otherwise be provided coverage under this policy;

In all events, coverage as afforded with respect to a **claim** made against **you** will only apply to **covered acts** committed or allegedly committed by **you** on or after the date **you** joined the **Named Insured** and prior to the time **you** ceased to be designated by the **Named Insured** as one of U.1. through U.7., above, or were otherwise not acting on behalf of the **Named Insured**.

## V. EXCLUSIONS

This policy excludes coverage for any **loss** in connection with a **claim** based upon, arising out of, attributable to, directly or indirectly resulting from, in consequence of, or in any way involving:

- A. criminal, fraudulent, dishonest, or malicious acts, errors, or omissions or any intentional acts or knowing violations of law on the part of any of **you**. However, this exclusion will not apply to **defense costs** incurred in defending any such **claims** until it is determined by any trial verdict, court ruling, regulatory ruling, or admission, whether appealed or not, that **you** did commit any criminal, fraudulent, dishonest, malicious, or intentional acts or knowing violations of law. This exclusion does not apply to any of **you** who did not intentionally or knowingly participate in committing these acts or violations and who made proper disclosure after obtaining personal knowledge of such conduct.
- B. the gaining of any profit or advantage to which **you** were not legally entitled.
- C. the conversion, misappropriation, or commingling of client funds.
- D. a **claim** brought by or on behalf of **you**, in any capacity, against any other of **you**, unless such **claim** arises solely out of **professional services** performed in an attorney/client relationship.
- E. a **covered act** committed by **you** in connection with any business enterprise which is not the **Named Insured** if at the time of such **covered act** any of **you** had a **controlling interest** in such business enterprise. This exclusion applies regardless of whether an attorney/client relationship existed.
- F. activities performed by **you** as an officer, director, partner, manager, or employee of any corporation, operation, or organization other than the **Named Insured**.
- G. activities performed by **you** in connection with a trust or estate if **you** are a beneficiary of distribute of the trust or estate.
- H. activities performed by **you** as a fiduciary under the Employee Retirement Income Securities Act of 1974 ("ERISA"), its amendments, or any regulations or orders promulgated pursuant thereto, unless **you** are a **fiduciary** solely as defined in Definition I.
- I. activities performed by **you** as a public official or as an employee of a governmental body or subdivision or agency thereof, unless **you** are employed solely to render **professional services** and the remuneration for said **professional services** is paid to **you**.
- J. bodily injury, sickness, disease, death, mental anguish, humiliation, or emotional distress. However, this exclusion does not apply to mental anguish, humiliation, or emotional distress solely caused by **personal injury**.
- K. **property damage**, including destruction or loss of use of tangible property. However, this exclusion does not apply to client records that are in **your** care, custody, or control.
- L. any of **you** alleging discrimination by any other of **you** on the basis of age, color, race, sex, gender, sexual orientation, creed, national origin, or marital status.

- M. any liability assumed by **you** under any contract or agreement.
- N. any promotion, sale, solicitation, offering, or recommendation of any securities, real estate, or other investments by **you**.
- O. any fact, circumstance, or situation which has been the subject of any notice given under any prior insurance policy.
- P. any fact, circumstance, or situation which, prior to the inception date of this policy, any of **you** knew or reasonably should have known might give rise to a **claim**.

VI. EXTENDED REPORTING PERIODS

A. Automatic **Extended Reporting Period**

If this policy is cancelled or nonrenewed by either **us** or **you**, **we** will provide the **Named Insured** with an automatic, non-cancellable **extended reporting period** of thirty (30) days.

B. Optional **Extended Reporting Period**

If this policy is cancelled or nonrenewed by either **us** or **you**, **you** have the right to purchase one of the following **extended reporting periods** at the corresponding premium:

1. 12 months for one hundred percent (100%) of the expiring annual premium;
2. 24 months for one hundred seventy-five percent (175%) of the expiring annual premium; or
3. 36 months for two hundred twenty-five percent (225%) of the expiring annual premium;

provided that:

1. **we** receive a written request from **you** to purchase the optional **extended reporting period** and full payment for said optional **extended reporting period** within thirty (30) days of the date of cancellation, termination, or nonrenewal of this policy; and
2. **you** have paid all premiums owed for this policy at the time you request to purchase the optional **extended reporting period**.

C. Death or Disablement **Extended Reporting Period**

If during the **policy period** any of **you** die or become totally and permanently disabled, **we** will provide a death or disablement **extended reporting period** at no charge. Totally and permanently disabled means that **you** have become disabled as to be completely prevented from rendering **professional services** and such disability has existed for not less than ninety (90) consecutive days and is expected to be continuous, total, and permanent.

The death or disablement **extended reporting period** will start on the date **you** die or become totally and permanently disabled, and will end when one of the following occurs:

1. the executor or administrator of **your** estate has been discharged;
2. the total and permanent disability ends, whether or not **you** resume the practice of law;
3. any insurance is issued which replaces, in whole or in part, the coverage afforded by the death or disablement **extended reporting period**; or
4. the Limits of Liability of this policy have been exhausted.

We will issue a death or disablement **extended reporting period** endorsement only if **you** or **your** representative request it from **us** in writing no more than sixty (60) days after the date of **your** death or permanent disability or sixty (60) days after the end of the **policy period**, whichever is later. Such written request must include:

1. a copy of the certified death certificate; or
2. written proof, certified by **your** attending physician, of total permanent disability, including the date it occurred.

D. The following provisions are applicable to all **extended reporting periods** under this policy:

1. the **extended reporting periods** do not change the scope of the coverage provided;
2. the **extended reporting periods** do not reinstate or increase the limits of liability;
3. the **extended reporting periods** are not renewable;
4. coverage provided pursuant to this section V. cannot be cancelled or terminated;
5. the additional premium for any **extended reporting period** is fully earned at the inception of the **extended reporting period**;
6. the **extended reporting periods** only apply to **claims** resulting from **covered acts** committed before the end of the **policy period** and on or after the **retroactive date**, if any, shown in the Declarations; and
7. the right to any **extended reporting period** option contained in this section V. is not available to any of **you** if at the time such **extended reporting period** option is requested:
  - a. any amount due under this policy is unpaid, including but not limited to, premiums or deductibles;
  - b. any of **you** are non-compliant with any of the terms and conditions of this policy;

- c. any misrepresentation or omission has been made by **you** in the **application** for this policy; or
- d. any insured seeking to exercise the right to an **extended reporting period** has their license to practice law revoked, suspended, or surrendered.

## VII. CONDITIONS

### A. Territory

This policy applies to **covered acts** occurring anywhere in the world, provided that the **claim** is made and the judicial civil proceeding or arbitration proceeding filed brought against **you** in the United States of America, its territories or possessions, Puerto Rico, or Canada.

### B. Multiple Insureds, **Claims**, and Claimants

All **claims** alleging a **covered act** or **interrelated covered acts**, regardless of: (1) the number of **claims**; (2) the number of **you** insured; or (3) the number of claimants, are considered to be one **claim**. All such **claims** are considered first made at the time the first **claim** alleging such **covered act** or **interrelated covered acts** was first made. **Interrelated covered acts** are deemed to have occurred at the time the first **interrelated covered act** occurred.

### C. Notice of **Claim** and **Claim** Reporting Procedures

If during the **policy period**, or if applicable, an **extended reporting period**, either:

1. a **claim** is made against any of **you**; or
2. **you** (if an individual); any partner, principal, director, officer, or shareholder; any member of **your** management or executive committee; or any person of the **Named Insured** with management responsibility for evaluating or dealing with actual or potential **claims** against **you** knows or should reasonably foresee that a **covered act** committed by **you** could be the basis of a **claim**;

then, as a condition precedent to **your** right to coverage under this policy with respect to such **claim** or **covered act**, **you** or **your designee** will give **us** written notice of such **claim** or **covered act** as soon as practicable during the **policy period** or within thirty (30) days after the end of the **policy period**.

Such written notice shall contain copies of every demand, notice, summons, subpoena, or other process received by **you** and particulars as to the time, place, and circumstances of the events complained of and the names and (if known) addresses of all claimants and any witnesses.

The written notice given to **us** in compliance with this section IV.C. shall be deemed a **claim** first made against **you** and reported to **us** during the **policy period**, or if applicable, an **extended reporting period**. Any **claim** that may subsequently be made against **you** arising out of such act, omission, or **covered act** shall be deemed to have been made against **you** on the date **we** received said notice complying with this section IV.C.

D. Cooperation and Assistance

**You** will provide **us** and any defense counsel assigned by **us** full cooperation in the investigation, defense, and settlement of any **claim**, including any information that **we** and/or defense counsel reasonably request.

Upon **our** request, **you** will attend hearings, depositions, mediations, arbitrations, and/or trials, submit to an examination or questioning under oath, assist in securing and giving evidence, including obtaining the attendance of witnesses, and assist in effectuating settlements.

**You** will assist **us** in effecting any rights of indemnity, apportionment, or contribution available to **you** or to **us**.

**You** shall not, without **our** prior written consent, admit any liability, waive any rights, assume any obligations, agree to arbitration or any similar means of resolution of any dispute, make any payment, incur any **defense costs**, or settle any **claim**.

**Your** obligations under this section IV.D. will survive the termination or expiration of this policy.

E. Change in **Named Insured** Membership

If during the **policy period** the total number of lawyers of the **Named Insured** increases or decreases more than ten (10) lawyers or twenty-five percent (25%), whichever is less, **you** must notify **us** in writing within thirty (30) days at which time **we** will have the right to adjust the premium and/or impose additional coverage terms at **our** discretion.

F. Notice of Cancellation

This policy may be cancelled by **you** by surrender thereof to **us** or by mailing to **us** written notice stating when thereafter such cancellation will be effective. If this policy is cancelled by **you**, **we** will retain the customary short rate portion of the premium.

This policy may be cancelled by **us** by mailing to the **Named Insured** at the last mailing address known to **us** written notice stating when, not less than thirty (30) days thereafter, such cancellation will be effective. However, this policy may be cancelled as aforesaid by not less than ten (10) days' notice when the cancellation is being effected by reason of the **Named Insured's** nonpayment of premium. Proof of mailing will be sufficient proof of notice and the effective date of cancellation stated in the notice will become the end of the **policy period**. If **we** cancel the

policy, earned premium will be computed pro rata. The cancellation will be effective even if **we** have not made or offered a refund. Delivery of written notice via electronic means by **us to you** will be the equivalent of mailing.

G. Other Insurance

If there is other valid and collectible insurance applicable to a **claim** covered by this policy, this policy shall be excess insurance over and above the applicable limits of liability of all such other insurance unless such other insurance is written only as specific excess insurance over the limits of liability provided in this policy.

If it is determined that both this insurance and any other insurance apply to any **claim** covered by this policy on the same basis, **we** shall not be liable under this policy for a greater portion of the **loss** and **defense costs** than the applicable limits of liability under this policy for such **loss** and **defense costs** bears to the total applicable limits of liability of all valid insurance, whether or not collectible against such **claims**.

H. Assignment

The interests of any of **you** under this policy are not assignable without **our** written consent. However, if **you** are an individual and die or are adjudged incompetent, this policy will cover **your** legal representative with respect to liability previously incurred and covered by this policy.

I. Authorization and Notice to Agent

Notice to any agent or knowledge possessed by any agent or by any other person shall not effect a waiver or a change in any part of this policy or stop **us** from asserting any right under the terms, conditions, exclusions, or limitations of this policy; nor will the terms, conditions, exclusions, or limitations of this policy be waived or changed, except by endorsement issued to form a part of this policy and signed by **our** duly authorized agent.

The **Named Insured** will be the sole agent of all of **you** under this policy for the purposes of:

1. completing any **applications** and making any representations;
2. paying any premium or receiving any return premium that may become due under this policy;
3. effecting or accepting notices of cancellation, nonrenewal, conditional renewal, premium increase, or change in policy terms; and
4. exercising or declining to exercise any right under this policy, including exercising or declining the **extended reporting period** options set forth in section VI.

J. Action Against the **Company**

No action shall lie against **us** unless, as a condition precedent thereto, the **Named Insured** has fully complied with all the terms of this policy, and until the amount of the **Named Insured's**

obligation to pay has been finally determined either by a judgment against the **Named Insured** after an actual trial or by written agreement of the **Named Insured**, the claimant(s), and **us**. Any person or entity not insured under this policy, or the legal representative thereof, who has secured such judgment or written agreement will thereafter be entitled to make a claim to recover under this policy to the extent of the insurance afforded by this policy.

Nothing contained in this policy gives any person or entity any right to join **us** as a codefendant in any action against the **Named Insured** to determine the **Named Insured's** liability, nor shall **we** be impleaded by the **Named Insured** or its legal representative.

K. Subrogation

In the event of any payment by **us** under this policy, **we** will be subrogated to all of **your** rights of recovery against any person or entity. **You** will cooperate with **us** and do whatever is necessary to secure such rights and will do nothing to prejudice such rights.

Any amounts recovered under this section VII.J. shall first be applied toward reimbursement of any payments made by **you** pursuant to **your** deductible and any remaining balance shall be **ours**. **Your** obligations under this section VII.J. will survive the termination or expiration of this policy.

L. Headings

The descriptions in the headings and subheadings of this policy are solely for convenience and form no part of the terms, conditions, exclusions, and limitations of this policy.

M. Integration of Contract

All the provisions of this policy are intended to be read together as one integrated document. No applicable provision, nor any part thereof, is intended to be separable from the balance of the applicable policy provisions. The meaning of each applicable provision of this policy is created by what is written in such provision and by what is written in the balance of the applicable policy provisions.

N. Entire Agreement

By acceptance of this policy, **you** agree that the statements in the **application** are **your** statements and representations, that this policy is issued in reliance upon the truth of such representations, and that this policy embodies all agreements existing between **you** and **us** or any of **our** agents relating to this insurance.