

OLD REPUBLIC INSURANCE COMPANY

IMPORTANT NOTICE

THIS POLICY APPLIES ONLY TO CLAIMS FIRST MADE AGAINST THE INSURED DURING THE POLICY PERIOD AND REPORTED IN WRITING TO THE COMPANY DURING THE POLICY PERIOD OR WITHIN THIRTY (30) DAYS AFTER THE END OF THE POLICY PERIOD. UPON TERMINATION OF THE POLICY, AN EXTENDED REPORTING PERIOD MAY BE AVAILABLE FOR CERTAIN CLAIMS.

THE LIMIT OF INSURANCE SHALL BE REDUCED, AND MAY BE COMPLETELY EXHAUSTED, BY THE PAYMENT OF DAMAGES OR DEFENSE COSTS. THE COMPANY'S OBLIGATION TO DEFEND ANY CLAIM ENDS WHEN THE LIMIT OF INSURANCE IS EXHAUSTED.

THE POLICY CONTAINS A DEDUCTIBLE WHICH MUST BE PAID BY THE INSURED WITH RESPECT TO EACH CLAIM. THE COMPANY'S OBLIGATION TO PAY DAMAGES AND/OR DEFENSE COSTS APPLIES IN EXCESS OF THE DEDUCTIBLE.

VARIOUS PROVISIONS IN THE POLICY RESTRICT COVERAGE. PLEASE READ THE ENTIRE POLICY CAREFULLY TO DETERMINE YOUR RIGHTS, DUTIES AND WHAT IS AND IS NOT COVERED.

WORDS AND PHRASES PRINTED IN ALL CAPITAL LETTERS HAVE SPECIAL MEANINGS WHICH ARE SET FORTH IN SECTION 3, DEFINITIONS.

Lawyers Professional Liability Insurance Policy

In consideration of the payment of the premium when due and in reliance upon the statements made and the information furnished by the INSURED to the COMPANY in the application, which is attached to and made part of this POLICY, and subject to all of the provisions of this POLICY, the COMPANY and the INSURED agree as follows:

1. Coverage

The COMPANY shall pay on behalf of the INSURED all sums in excess of the deductible which the INSURED shall become legally obligated to pay as DAMAGES as a result of any CLAIM first made against the INSURED during the POLICY PERIOD and reported in writing to the COMPANY during the POLICY PERIOD or within thirty (30) days after the end of the POLICY PERIOD. The CLAIM must be caused by an act, error or omission of the INSURED committed in the performance of PROFESSIONAL SERVICES for others and committed on or after the RETROACTIVE DATE.

2. Defense and Settlement of Claims

The COMPANY shall have the right and the duty to defend any CLAIM seeking DAMAGES to which this POLICY applies even if any allegations of the CLAIM are groundless, false or fraudulent. This right and duty to defend any CLAIM includes the selection of defense counsel and arbitrators.

The COMPANY may investigate any CLAIM as it deems necessary, but the COMPANY shall not settle any CLAIM without the INSURED'S consent. If, however, the INSURED refuses to consent to a settlement recommended by the COMPANY and acceptable to the claimant, the COMPANY'S liability for the CLAIM and DEFENSE COSTS shall not exceed the amount for which the CLAIM could have been settled and the DEFENSE COSTS incurred up to the time of such refusal, or the applicable limit of insurance, whichever is less.

The COMPANY shall not be obligated to defend or continue to defend any CLAIM after the applicable limit of insurance has been deposited with a court or exhausted by the payment of DAMAGES and/or DEFENSE COSTS.

3. Definitions

- (a) CLAIM means a demand or an assertion of a right and includes the service of suit or institution of arbitration proceedings against the INSURED. A CLAIM shall be deemed first made when written notice of the CLAIM is first received by the INSURED.
- (b) COMPANY means the insurance company named in the Declarations.
- (c) DAMAGES means a monetary judgment, award or settlement. DAMAGES does not include:
- (1) punitive or exemplary damages or any damages which are a multiple of compensatory damages, or sanctions, fines or penalties;
 - (2) the return or forfeiture of fees paid to the INSURED for PROFESSIONAL SERVICES; or
 - (3) judgments or awards which are uninsurable under the law pursuant to which this POLICY shall be construed.
- (d) DEFENSE COSTS means:
- (1) fees charged by an attorney designated by the COMPANY to defend the INSURED; and
 - (2) all other 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 prior written consent of the COMPANY.
- DEFENSE COSTS does not include salary charges of officers and employees of the COMPANY or fees and expenses of supervisory counsel retained by the COMPANY.
- (e) INSURED means:
- (1) the NAMED INSURED and any PREDECESSOR FIRM;
 - (2) any person or professional corporation who is or becomes a partner, officer, director or employee of the NAMED INSURED but solely while performing PROFESSIONAL SERVICES in connection with the NAMED INSURED'S practice of law;
 - (3) any person or professional corporation who was a partner, officer, director or employee of the NAMED INSURED or a PREDECESSOR FIRM but solely while performing PROFESSIONAL SERVICES in connection with the NAMED INSURED'S or PREDECESSOR FIRM'S practice of law;
 - (4) any person or professional corporation designated "of counsel" to the NAMED INSURED but solely while performing PROFESSIONAL SERVICES in connection with the NAMED INSURED'S practice of law;
 - (5) the heirs, executors, administrators and legal representatives of each INSURED in the event of death, incapacity or bankruptcy, but solely with respect to the liability of each INSURED as otherwise covered by this POLICY.
- (f) NAMED INSURED means the person or organization named in Item 1 of the Declarations.
- (g) POLICY means this insurance policy. The POLICY includes the Declarations, the application and any forms or endorsements attached to and made a part of this insurance policy.
- (h) POLICY PERIOD means the period from the effective date of this POLICY to the expiration date as set forth in Item 3 of the Declarations or its earlier termination date, if any.
- (i) PREDECESSOR FIRM means a law firm to whose financial assets and liabilities the NAMED INSURED became the majority successor in interest before the effective date of this POLICY.
- (j) PROFESSIONAL SERVICES means services rendered by the INSURED as:
- (1) a lawyer or notary public; or
 - (2) an administrator, conservator, executor, receiver, guardian or trustee, or in any similar fiduciary capacity, provided such services are rendered in connection with the NAMED INSURED'S or PREDECESSOR FIRM'S practice of law.
- (k) RETROACTIVE DATE means the date specified in Item 7 of the Declarations.

4. Exclusions

This POLICY does not apply to:

- (a) any CLAIM arising out of an act, error or omission of an INSURED committed:
 - (1) before the RETROACTIVE DATE; or
 - (2) after the RETROACTIVE DATE and before the effective date of this POLICY if, before the effective date of this POLICY, any INSURED knew or could reasonably foresee that such act, error or omission might be the basis for a CLAIM;
- (b) any CLAIM arising out of a dishonest, criminal, malicious or deliberately fraudulent act or omission of an INSURED;
- (c) any CLAIM arising out of bodily injury, sickness, disease or death of any person or injury to or destruction of any tangible property including loss of use of such property;
- (d) any CLAIM made by or in the right of an INSURED against another INSURED, unless such CLAIM arises out of PROFESSIONAL SERVICES for that INSURED in a lawyer-client relationship;
- (e) any CLAIM made by, against or arising out of the conduct of any organization (other than the NAMED INSURED or a PREDECESSOR FIRM) which is owned, controlled, managed or operated by an INSURED or in which an INSURED is a partner or employee;
- (f) any CLAIM arising out of an INSURED'S activities and/or capacity as:
 - (1) an officer, director, partner, trustee, member or employee of any organization (other than the NAMED INSURED or a PREDECESSOR FIRM);
 - (2) a public official or employee of a governmental body, subdivision or agency;
 - (3) a fiduciary under the Employee Retirement Income Security Act of 1974 and its amendments or any regulation or order issued pursuant thereto, except if an INSURED is deemed to be a fiduciary solely by reason of legal advice rendered with respect to an employee benefit plan;
- (g) any CLAIM made against an INSURED as a beneficiary or distributee of any trust or estate;
- (h) any CLAIM arising out of the certification or acknowledgement by an INSURED, in the INSURED'S capacity as a notary public, of a signature on a document which the INSURED did not witness being placed on the document;
- (i) any CLAIM made against an INSURED outside of the United States of America, its territories or possessions, or Canada.

5. Limit of Insurance and Deductible

The limit of insurance stated in Item 4 of the Declarations is the maximum amount which the COMPANY shall pay for the sum of DAMAGES and DEFENSE COSTS as a result of all CLAIMS to which this Policy applies, regardless of the number of INSUREDS or claimants.

The COMPANY'S obligation to pay DAMAGES and/or DEFENSE COSTS with respect to any CLAIM applies in excess of the deductible stated in Item 5 of the Declarations. The INSURED shall pay all DAMAGES AND DEFENSE COSTS up to the amount of the deductible. The deductible applies separately to each CLAIM.

If for any reason the COMPANY shall pay any DAMAGES or DEFENSE COSTS within the deductible, the INSURED shall promptly reimburse the COMPANY for such amounts.

6. Multiple Insureds, Claims and Claimants

The inclusion of more than one INSURED in any CLAIM or the making of CLAIMS by more than one person or organization shall not operate to increase the deductible or the limit of insurance.

All CLAIMS arising out of the same act, error or omission or series of related acts, errors or omissions shall be considered one CLAIM and deemed to have been first made at the time the first of those CLAIMS is made against the INSURED.

7. Notice of Acts, Errors or Omissions

If, during the POLICY PERIOD, the INSURED first becomes aware of an act, error or omission that could reasonably be the basis for a CLAIM and gives written notice to the COMPANY during the POLICY PERIOD of:

- (a) the specific act, error or omission;
- (b) the identity of the potential claimants;
- (c) the injury or damage which may result or has resulted from the act, error or omission; and
- (d) the circumstances by which the INSURED first became aware of the act, error or omission,

any subsequent CLAIM made against the INSURED arising out of such act, error or omission shall be deemed to have been first made at the time the written notice was given to the COMPANY no matter when thereafter CLAIM is actually made against the INSURED.

8. Change in Status

If there is a change in status in which the NAMED INSURED is:

- (a) dissolved;
- (b) acquired by another law firm; or
- (c) merged into, or consolidated with, another law firm and the NAMED INSURED is not the surviving entity,

this POLICY shall end on the date the change in status takes place, and the NAMED INSURED shall have the right to purchase an Extended Reporting Period in accordance with section 10 of this POLICY.

The NAMED INSURED must notify the COMPANY in writing when a change in status takes place whether or not the NAMED INSURED elects to purchase the Extended Reporting Period. If a change in status takes place, the NAMED INSURED shall receive a refund from the COMPANY for the pro-rated, unearned premium.

9. Named Insured as Successor

This POLICY does not cover any law firm to whose financial assets and liabilities the NAMED INSURED becomes the majority successor in interest on or after the effective date of this POLICY, unless the COMPANY agrees to cover such law firm and the NAMED INSURED accepts any POLICY changes and/or additional premium as may be required by the COMPANY.

10. Extended Reporting Period

The NAMED INSURED shall have the option to purchase an Extended Reporting Period for certain CLAIMS made against the INSURED after the end of the POLICY PERIOD if:

- (a) a change in the status takes place as described in section 8 of this POLICY; or
- (b) the COMPANY cancels or refuses to renew this POLICY for reasons other than non-payment of the premium and/or deductible or non-compliance with the provisions of this POLICY.

The Extended Reporting Period, if purchased, shall become effective at the end of the POLICY PERIOD and last for twelve (12) calendar months. The Extended Reporting Period shall apply to CLAIMS which are first made against the INSURED during the Extended Reporting Period and reported in writing to the COMPANY during the Extended Reporting Period or within thirty (30) days after the end of the Extended Reporting Period and which arise out of acts, errors or omissions of the INSURED committed between the RETROACTIVE DATE and the end of the POLICY PERIOD.

The additional premium for the Extended Reporting Period shall be equal to 100% of the full annual premium for this POLICY. The additional premium shall be fully earned and non-refundable once the Extended Reporting Period takes effect.

The option to purchase the Extended Reporting Period shall lapse if the NAMED INSURED does not request the Extended Reporting Period from the COMPANY in writing and pay the additional premium to the COMPANY within ten (10) days after the end of the POLICY PERIOD. The COMPANY shall issue a written endorsement to this POLICY to document the Extended Reporting Period.

The Extended Reporting Period shall not reinstate or increase the limit of insurance or extend the POLICY PERIOD nor shall it waive any of the provisions of the POLICY.

11. Application

By accepting this POLICY, the INSURED affirms that the statements made and the information furnished to the COMPANY in the application, which is attached to and made a part of this policy, are the INSURED'S true and accurate representations. These representations have been relied upon by the COMPANY in, and are material to, the issuance of this POLICY.

12. Claim Procedures

All CLAIMS reported to the COMPANY in accordance with the provisions of this POLICY shall include the name and address of the claimant and information concerning the time, place and nature of the alleged act, error or omission.

The INSURED shall immediately send the COMPANY copies of all demands, notices, summonses and legal papers which the INSURED receives in connection with any CLAIM.

The INSURED shall cooperate with the COMPANY in the investigation, defense and settlement of any CLAIM and shall assist the COMPANY in enforcing any right of contribution or indemnity against any person or organization who may be liable to the INSURED.

The INSURED shall not make any payment, admit liability, offer or agree to any settlement, assume any obligation, agree to arbitration or any similar means of resolution, or incur any expense in connection with any CLAIM without the COMPANY'S prior written consent.

13. Other Insurance

This POLICY applies in excess of any other valid and collectible insurance available to the INSURED, unless such other insurance is written only as specific excess insurance over the limit of insurance of this POLICY. This POLICY shall not be construed as being subject to the provisions of any other insurance.

14. Rights of Recovery

If the INSURED has rights against any other person or organization to recover all or part of any payment the COMPANY has made under this POLICY, those rights are transferred to the COMPANY. The INSURED must do nothing to impair those rights. At the COMPANY'S request the INSURED shall bring suit or transfer those rights to the COMPANY and assist the COMPANY in enforcing them.

15. Legal Action Limitation

The INSURED may not bring a legal action against the COMPANY concerning this POLICY until:

- (a) the INSURED has fully complied with all of the provisions of this POLICY; and
- (b) the amount of the INSURED'S obligation to pay has been decided by judgment against the INSURED after actual trial or by written agreement between the INSURED, the COMPANY and the claimant.

Any person, organization or their legal representative is entitled to recover under this POLICY after they have secured a judgment or written agreement. Recovery is limited to the extent of the insurance afforded by this POLICY. No person or organization has any right under this POLICY to include the COMPANY in any action against the INSURED to determine the INSURED'S liability nor will the COMPANY be brought into such an action by the INSURED or the INSURED'S representative.

16. Bankruptcy

Bankruptcy or insolvency of the INSURED or of the INSURED'S estate shall not relieve the COMPANY of any of its obligations under this POLICY.

17. Premium

The NAMED INSURED shall pay when due the premium stated in Item 6 of the Declarations and any additional premiums which may be charged by the COMPANY because of any changes to this POLICY.

18. Changes

This POLICY contains all of the agreements between the INSURED and the COMPANY relating to the insurance afforded. None of the provisions of this POLICY can be waived, changed or modified except by written endorsement issued by the COMPANY to form a part of this POLICY.

19. Transfer of Interest

This POLICY cannot be transferred or assigned without the prior written consent of the COMPANY.

20. Cancellation

The NAMED INSURED may cancel this POLICY by mailing or delivering to the COMPANY advance written notice of cancellation.

The COMPANY may cancel this POLICY by mailing or delivering to the NAMED INSURED at the last mailing address known to the COMPANY written notice of cancellation at least:

- (a) ten (10) days before the effective date of cancellation if the COMPANY cancels for non-payment of the premium or the deductible; or
- (b) thirty (30) days before the effective date of cancellation if the COMPANY cancels for any other reason.

Notice of cancellation will state the effective date of cancellation. The POLICY PERIOD will end on that date. If notice is mailed, proof of mailing will be sufficient proof of notice.

If the NAMED INSURED cancels, the COMPANY shall retain the customary short rate proportion of the premium. If the COMPANY cancels, the return premium shall be computed prorata. The COMPANY will make premium adjustment with the NAMED INSURED at the time the cancellation is effective or as soon as practicable after that time, but premium adjustment is not a condition of cancellation.

21. Authorization

The NAMED INSURED shall act on behalf of all INSUREDS with respect to the giving and receiving of any notices under this POLICY, the payment of any premiums and deductibles and the receiving of any return premiums which may become due under this POLICY.

22. Designated Agent

Chicago Underwriting Group, Inc. is the designated agent of the COMPANY on all matters pertaining to this POLICY. Any notices or documents pertaining to this POLICY shall be deemed to have been mailed or delivered to the COMPANY when mailed or delivered to:

Chicago Underwriting Group, Inc.
191 North Wacker Drive, Suite 1000
Chicago, Illinois 60606

23. Headings

The descriptions in the headings and sub-headings of this POLICY are inserted solely for convenience and do not constitute any part of the provisions of this POLICY.