INTELLECTUAL PROPERTY LAWYERS PROFESSIONAL LIABILITY POLICY

THIS IS A CLAIMS MADE AND REPORTED POLICY. IT APPLIES ONLY TO THOSE CLAIMS THAT ARE BOTH FIRST MADE AGAINST AN INSURED AND REPORTED IN WRITING TO THE COMPANY DURING THE POLICY PERIOD. PLEASE REVIEW THIS POLICY CAREFULLY AND DISCUSS THIS COVERAGE WITH YOUR INSURANCE AGENT OR BROKER.

I. INSURING AGREEMENT

A. Coverage

The Company agrees to pay on behalf of the Insured all sums in excess of the deductible that the Insured shall become legally obligated to pay as damages and claim expenses because of a claim that is both first made against the Insured and reported in writing to the Company during the policy period by reason 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, but only while acting on behalf of the Named Insured, provided that:

1. no Insured gave notice to a prior insurer of such claim or a related claim;
2. no Insured gave notice to a prior insurer of any such act or omission or related act or omission; and
3. such act or omission happened on or after the retroactive date set forth on the Declarations.

B. Defense

The Company shall have the right and duty to defend, in the Insured's name and on the Insured's behalf, a claim covered by 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 is deemed necessary by the Company. 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 arbitrators or mediators and in the conduct of an arbitration or mediation proceeding.

C. Settlement

The Company shall not settle a claim without the written consent of the Named Insured.

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 limit of the Company's liability has been exhausted by payment of damages or claim expenses or by any combination thereof or after the Company has deposited the remaining available applicable limits of liability into a court of competent jurisdiction. In such case, the Company shall have the right to withdraw from the further investigation, defense, payment or settlement of such claim by tendering control of said investigation, defense or settlement of the claim to the Insured.

II. LIMITS OF LIABILITY AND DEDUCTIBLE

A. Limit of liability - each claim

Subject to paragraph B. below, the limit of liability of the Company for damages (and claim expenses subject to the paragraph C. below) for each claim first made against the Insured and reported to the Company during the policy period shall not exceed the amount stated in the Declarations for each claim.

B. Limit of liability - in the aggregate

The limit of liability of the Company for damages for all claims (and claim expenses subject to the paragraph C. below) first made against the Insured and reported to the Company during the policy period shall not exceed the amount stated in the Declarations as the aggregate.
C. Limit of liability – claim expenses (in the aggregate)

The limit of liability of the Company for claim expenses for all claims first made against the Insured and reported to the Company during the policy period shall not exceed the lesser of $500,000 or an amount equal to fifty percent (50%) of the each claim limit of liability stated on the Declarations. Claim expenses under the Policy shall first be applied to the claim expenses limit of liability. If and when such claim expenses limit of liability is exhausted by payment of claim expenses, then and only then, shall any remaining claim expenses be applied to the applicable damages limits of liability.

D. Deductible

The deductible amount stated in the Declarations is the total amount of the Insured's liability for each and every claim and applies to the payment of damages and claim expenses for each and every claim first made and reported to the Company in writing during the policy period. 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.

If a claim is based on or arises out of the rendering of eleemosynary (pro bono) legal services, no deductible will apply but only where at the time of retention, there was approval by the appropriate committee or lawyer within the Named Insured that the matter would be handled without compensation.

E. Multiple insureds, claims and claimants

The limits of liability shown in the Declarations and subject to the provisions of this Policy is the amount the Company will pay as damages and claim expenses regardless of the number of Insureds, claims made or persons or entities making claims. If related claims are subsequently made against the Insured and reported to the Company, all such related claims, whenever made, shall be considered a single claim first made and reported to the Company within the policy period in which the earliest of the related claims was first made and reported to the Company.

F. Supplementary payments

Payments made under this paragraph will not be subject to the deductible. Such payments are in addition to the limits of liability.

1. Loss of Earnings

The Company will reimburse each Insured up to $500.00 for loss of earnings for each day or part of a day of such Insured's attendance, at the Company's written request, at a trial, hearing, or other alternative dispute resolution proceeding, including arbitration proceeding or mediation, involving a claim against such Insured, but in no event shall the amount payable hereunder exceed $15,000.00 per Insured, despite the number of days an Insured is in attendance or the number of trials, hearings, or arbitration proceedings that an Insured is required to attend. In no event shall the amount payable per policy period exceed $50,000.00, despite the number of Insureds hereunder or the number of such proceedings.

2. Disciplinary Proceedings

The Company will reimburse the Named Insured up to $50,000. for each Insured and all Insureds in the aggregate, for attorney fees and other reasonable costs, expenses or fees (the “Disciplinary Fees”) paid to third parties (other than an Insured) resulting from any one Disciplinary Proceeding incurred as the result of a notice of such Disciplinary Proceeding both first received by the Insured and reported in writing to the Company either during the policy period or within 60 days after termination of the policy period, arising out of an act or omission in the rendering of legal services by such Insured. Except as set forth below, the amount payable hereunder shall not exceed $100,000 despite the number of such proceedings.
In the event of a determination of No Liability of the Insured against whom the Disciplinary Proceeding has been brought, the Company shall reimburse such Insured for Disciplinary Fees, including those in excess of the $50,000 cap set forth above, up to $100,000. In no event shall the amount payable hereunder exceed $100,000 despite the number of Insureds hereunder or the number of such proceedings.

3. Crisis Event Expense

The Company will reimburse the Named Insured up to $20,000 for Crisis Event Expenses that result from a Crisis Event first occurring and reported in writing to the Company during the policy period.

4. Regulatory Inquiry

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 security 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.

5. Supplemental Claim Expense Benefit

In the event the aggregate limit of liability stated in Section II.B. above is exhausted by payment of damages or claim expenses under this policy and there remain any unresolved or outstanding claims, the Company agrees to reimburse the Insured for an amount equal to 10 percent of the limit of liability stated in Section II.A. above, up to a maximum amount of $100,000 for claim expenses incurred by the Insured in handling the defense of such unresolved or outstanding claims.

6. Privacy Event Response

Subject to a $20,000 aggregate limit for all privacy events, the Company will pay the Named Insured for privacy event expenses up to $10,000 per privacy event, provided that such privacy event occurs during the policy period and is reported to the Company within three (3) calendar days of the privacy event.

7. Subpoena Assistance

In the event the Insured receives a subpoena for documents or testimony arising out of legal services rendered by the Insured and the Insured would like the Company’s assistance in responding to the subpoena, the Insured may provide the Company with a copy of the subpoena and the Company will retain an attorney to provide advice regarding the production of documents, to prepare the Insured for sworn testimony, and to represent the Insured at the Insured’s depositions, provided that:

a. the subpoena arises out of a lawsuit to which the Insured is not a party; and
b. 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 will pay such attorney’s legal fees excluding any disbursements. Such fees incurred under this provision are in addition to the limits of liability and are not subject to the deductible. Any
notice the **Insured** gives the **Company** of such subpoena shall be deemed notification of a potential **claim** under Section V.A. of this Policy.

G. Pre-claim Assistance

Until the date a **claim** is made, the **Company** may pay for all costs or expenses it incurs, at its sole discretion, as a result of investigating a potential **claim** that the **Insured** reports in accordance with Section V. CONDITIONS, Paragraph A, Notice, subparagraph 2, Notice of Potential **Claim**. Such payments are in addition to the limits of liability and not subject to the deductible.

H. Risk Management Incentives

1. Early Resolution

   If a **claim** is settled or finally resolved within 364 days of the reporting of such **claim** to the **Company**, for an amount recommended to the **Insured** by the **Company**, then the **Insured**'s deductible, applying to the **claim**, will be reduced by 50%. In no event shall the amount of the deductible waived hereunder exceed $25,000.

   However, the deductible will not be waived if the **claim** is resolved after the commencement of:
   a. a trial in a court of law; or
   b. the first motion for a motion for summary judgment by any party has been filed in a court of law; or
   c. the first evidentiary hearing in binding arbitration of the **Claim**.

   To the extent this provision is applicable and the **Insured** has paid more than 50% of the deductible, the **Company** will reimburse the **Insured** the amount paid in excess of 50% of the deductible within 60 days of the final resolution of the **claim**.

2. If the **Insured** utilized an engagement letter in connection with the **legal services** that are the subject of a **claim**, and such **claim** is otherwise covered under the **Policy**, then the **Insured**'s deductible applying to such **claim** will be reduced by 50%, provided that the engagement letter:
   a. includes, at a minimum, the following information:
      i. a specific description of the scope of **legal services** to be performed by the **Insured**;
      ii. the identity of all clients for whom the **Insured** agreed to perform such **legal services**;
      iii. the fee arrangement for such **legal services**; and
      iv. a description of the **Named Insured''s** file retention and destruction policy; and
   b. was signed by all clients identified in such engagement letter prior to the **Insured''s** commencement of representation of such clients for the **legal services** described in the engagement letter, but in no event more than thirty (30) days after the commencement of such representation.

   In no event shall the **Insured''s** deductible be reduced by greater than 50% or shall the amount of the deductible waived hereunder exceed $25,000.

III. DEFINITIONS

The following defined words shall have the same meaning throughout this **Policy**, whether expressed in the singular or the plural. Wherever appearing in bold print in this Policy:

"**Bodily injury**" means injury to the body, sickness or disease sustained by any person, including death resulting from such injuries; or mental injury, mental anguish, mental tension, emotional distress, pain or suffering or shock sustained by any person whether or not resulting from injury to the body, sickness, disease or death of any person.
"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 arising out of an act or omission, including personal injury, in the rendering of or failure to render legal services. "Claim" also means privacy claims, and client network damage claims.

"Claim expenses" mean:
A. fees charged by attorneys designated by the Company or by the Insured with the Company's written consent; and
B. 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.
C. all costs taxed against an Insured in defense of a claim; and
D. all interest on the entire amount of any judgment which accrues after entry of the judgment and before the Company has paid that part of the judgment which does not exceed the limits of liability stated in Section II.A. above.

Claim expenses with respect to a claim will be paid first and payment will reduce the amount available to pay damages, subject to paragraph II.C., above, Limit of liability – claim expenses (in the aggregate). Claim expenses do not include fees, costs or expenses of employees or officers of the Company, other than fees, costs and expenses charged by our employed attorneys who may be designated to represent the Insured, with the Insured’s prior consent. Nor shall claim expenses include salaries, loss of earnings or other remuneration by or to any Insured.

“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.

“Communication” means an instruction received by an Insured that:
A. establishes or changes the method, destination, or account for payment or delivery of funds; 
B. contains a misrepresentation of material fact; and
C. is relied upon by an Insured, believing such material fact to be true.

"Company" means the insurance company named in the Declarations.

“Computer virus” means unauthorized computer code that is designed and intended to transmit, infect and propagate itself over one or more networks, and cause:
A. a computer code or programs to perform in an unintended manner;
B. the deletion or corruption of electronic data or software; or
C. the disruption or suspension of a network.

“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.

“Crisis event” means:
A. death, departure or debilitating illness of a Principal Insured;
B. dissolution of the Named Insured; or
C. incident of workplace violence;
that the Named Insured reasonably believes will have a material adverse effect upon the Named Insured’s reputation.

“Crisis event expenses” mean reasonable fees, costs and expenses incurred by the Named Insured for consulting services provided by a public relations firm to the Named Insured in response to a Crisis Event.
"Damages" mean:
A. judgments, awards, and settlements (including pre-judgment interest), provided any settlements are negotiated with the assistance and approval of the Company;
B. those amounts the court is permitted to impose on a debt collector as set forth in 15 U.S.C. §1692k(a);
C. punitive or exemplary amounts, but only where the law applicable to the claim permits such coverage; or
D. amounts payable in connection with social engineering claims that are otherwise covered under the terms and conditions of this Policy.

Damages do not include:
1. legal fees, costs, and expenses paid or incurred or charged by any Insured, no matter whether 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. civil or criminal fines, sanctions, penalties, or forfeitures, whether pursuant to law, statute, regulation, or court rule, including, but not limited to, awards under 18 U.S.C. §1961, et. seq., Federal Rule of Civil Procedure 11, or 28 U.S.C. §1927, and state statutes, regulations, rules, or laws so providing, and injuries that are a consequence of any of the foregoing;
3. the multiplied portion of multiplied awards;
4. injunctive or declaratory relief;
5. any amount for which an Insured is absolved from payment by reason of any covenant, agreement, or court order.

“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.

“Disciplinary Proceeding” means any pending matter, including an initial inquiry, before a state or federal licensing board or a peer review committee, including the Office of Enrollment and Discipline (OED), to investigate charges alleging a violation of any rule of professional conduct in the performance of legal services.

“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.

“Electronic information damage” means the destruction, deletion or alteration of any information residing on the network of any third party.

"Insured" means the Named Insured, predecessor firm and the persons or entities described below:
A. any lawyer (including a lawyer that is a government affairs advisor or lobbyist), patent practitioner, partnership, professional corporation, professional association, limited liability company or limited liability partnership who is or becomes a partner, officer, director, stockholder-employee, associate, manager, member or employee of the Named Insured during the policy period shown in the Declarations;
B. any lawyer (including a lawyer that is a government affairs advisor or lobbyist) or patent practitioner 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 rendered on behalf of the Named Insured or a predecessor firm at the time of such affiliation. The term “previously affiliated” as used herein does not include a lawyer who, during the policy period and while affiliated with the Named Insured: a) voluntarily ceases, permanently and totally, the private practice of law; or b) dies or becomes totally and permanently disabled. Such a lawyer will be deemed to be an Insured under paragraph A. above;
C. any lawyer (including a lawyer that is a government affairs advisor or lobbyist), law firm, partnership, professional corporation, professional association, limited liability company or limited liability partnership who acts, or acted, as Of Counsel to the Named Insured or any non-employee independent contractor attorney to the Named Insured, or non-employee independent contractor patent practitioner or technical writer to the Named Insured, but only for legal services rendered on behalf of the Named Insured and only if a fee incurred or, in the event of a contingency fee, would have incurred, to the Named Insured. No fee need inure to the Named Insured where eleemosynary (pro bono) legal services are rendered by such Of Counsel Insured where at the time of retention, there was approval by the appropriate committee or
lawyer within the Named Insured that the matter would be handled without compensation. Any lawyer, law firm, partnership, professional corporation, professional association, limited liability company or limited liability partnership who previously qualified as an Insured under paragraph A. above, but gave up the position of partner, officer, director, stockholder-employee, associate, manager, member or employee to act exclusively as Of Counsel to the Named Insured, will be deemed to be an Insured under paragraph A. above;

D. any person who is a former or current employee, other than an employed lawyer or patent practitioner, of the Named Insured or any predecessor firm, but solely for services performed by such person within the course and scope of their employment by the Named Insured or any predecessor firm and provided that the services in dispute are legal services of the Named Insured or any predecessor firm;

E. 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.

F. the spouse or domestic partner of an Insured, but only to the extent that such Insured is provided coverage under this Policy.

‘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.

"Legal services” mean:
A. those services, including eleemosynary (pro bono) services, performed by an Insured for others as a lawyer, arbitrator, mediator, title agent, patent practitioner or other neutral fact finder or as a notary public. 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;
B. those services performed by an Insured as an administrator, conservator, receiver, executor, guardian, trustee, escrow agent or in any other fiduciary capacity and any investment advice given in connection with such services;
C. those services performed by an Insured in the capacity as a member, director or officer of any professional legal association, including any Bar Association and any similar organization or association, its governing board or any of its committees;
D. those services performed by an Insured as an expert witness, provided that such Insured was retained to offer expert opinion on issues related to the law, legal procedure or practice, or the legal profession; or
E. those services performed by an Insured as an author or publisher of legal research papers or legal materials or the presenter of legal seminars or materials, but only where such services are performed without compensation or compensation attributable per publication, presentation or seminar is less than $25,000.

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

“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 network.

“Network Damage” means:
A. the unscheduled and unplanned inability of an authorized user to gain access to a network;
B. electronic information damage; or
C. the suspension or interruption of any network;

“No Liability” means that with respect to an Insured who is the subject of a Disciplinary Proceeding, there is a:
A. final determination of no liability;
B. a determination of no further action; or
C. the matter is abandoned by the disciplinary authority.

In no event shall the term “No Liability” apply to a Disciplinary Proceeding for which a settlement has occurred.
“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.

“Patent Practitioner” means a professional who is registered with the U.S. Patent and Trademark Office to advise on and assist inventors with patent applications and patent related matters.

“Personal injury” means an injury arising out of false arrest, detention, or imprisonment; wrongful entry, or eviction, or other invasion of the right of private occupancy; libel, slander, or other disparaging or defamatory materials; a writing or saying in violation of an individual’s right to privacy; malicious prosecution or abuse of process.

"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.

"Predecessor firm" means any sole proprietorship, partnership, professional corporation, professional association, limited liability corporation or limited liability partnership engaged in legal services and:
A. to whose financial assets and liabilities the firm listed as the Named Insured in the Declarations is the majority successor in interest;
B. of which the Named Insured retained 50% or more of the lawyers; or
C. was previously deemed to be a predecessor firm under the lawyers professional liability policy issued by the Company immediately preceding this Policy.

“Principal Insured” means an Insured member of the board of managers, director, executive officer, natural person partner, owner of a sole proprietorship, principal, risk manager or in-house general counsel of the Named Insured.

"Prior insurer" means an insurer, including the Company and any subsidiary or affiliate of the Company, who has issued a lawyers professional liability insurance policy that is applicable to a claim, such policy having an inception date prior to the policy period.

“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.

“Privacy event” means any act, error or omission which, in the reasonable opinion of an owner, manager of any limited liability entity, member of the Management Committee, Managing Partner, Operating Partner, Senior Partner (or any equivalent position) or Risk Manager (or any equivalent position) did cause or is reasonably likely to result in the unauthorized disclosure or the unauthorized use of non-public personal information.

“Privacy event expenses” means all reasonable and necessary fees, costs and expenses incurred by the Named Insured and consented to by the Insurer:
A. to directly effect compliance with a security breach notice law including notification to individuals or entities who are required to be notified;
B. to provide voluntary notification to individuals or entities whose non-public personal information may have been subject to a privacy event;
C. to hire a computer forensics firm to investigate the existence and cause of a privacy event and to determine the extent such non-public personal information has been or may have been disclosed;
D. to hire an attorney or to determine the applicability of and the actions necessary to comply with security breach notice law;
E. to minimize harm to the Named Insured’s reputation from a privacy event, including but not limited to the costs to set up a call center or provide a credit monitoring service for those impacted by a privacy event.

However, privacy event expenses do not include the costs, fees and expenses necessary to remediate any deficiencies that gave rise to the privacy event.

“Privacy injury and identity theft” means:
A. any unauthorized disclosure of, inability to access, or inaccuracy with respect to, non-public personal information in violation of:
1. the Named Insured’s privacy policy; or
2. 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.

B. the Insured’s failure to prevent unauthorized access to confidential commercial information;

“Privacy policy” means the Named Insured's policies in written or electronic form that:
A. govern the collection, dissemination, confidentiality, integrity, accuracy or availability of non-public personal information; and
B. the Insured provides to its clients, customers, employees or others who provide the Insured with non-public personal information.

"Related acts or omissions" mean 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.

"Related claims" mean all claims arising out of a single act or omission or arising out of related acts or omissions in the rendering of legal services.

“Security breach” means the failure of the Named Insured’s network hardware, software, firmware, the function or purpose of which is to:
A. identify and authenticate parties prior to accessing the Named Insured’s network;
B. control access to the Named Insured’s network and monitor and audit such access;
C. protect against computer viruses;
D. 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,
E. ensure confidentiality, integrity and authenticity of information on the Insured’s network.

“Security breach notice law” means any statute or regulation that requires an entity that maintains non-public personal information to provide notice to specified individuals of any actual or potential unauthorized disclosure or potential disclosure of such non-public personal information.

“Social engineering claim” means a claim that is based upon or arises out of the loss of client funds resulting from an Insured having transferred those funds in good faith as a result of social engineering fraud committed by a person or entity who is not, but purports to be, a person or entity with appropriate authority to instruct the Insured to make payments or transfer funds; provided, however, that such claim is otherwise covered under the terms and conditions of this Policy.

“Social engineering fraud” means the intentional misleading of an Insured through the use of a communication.

"Totally and permanently disabled" means that an Insured is so disabled as to be wholly prevented from rendering legal services provided that such disability:
A. has existed continuously for not less than six (6) months; and
B. is reasonably expected to be continuous and permanent.

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:
A. 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;
B. 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.
IV. EXCLUSIONS

This Policy does not apply:

A. Intentional Acts

to any claim based on or arising out of any dishonest, fraudulent, criminal, malicious act or omission or intentional wrongdoing by an Insured except that:
1. this exclusion shall not apply to personal injury;
2. the Company shall provide the Insured with a defense of such claim unless or until the dishonest, fraudulent, criminal, malicious act or omission or intentional wrongdoing has been determined by any trial verdict, court ruling, regulatory ruling or legal admission, whether appealed or not. Such defense will not waive any of the Company’s rights under this Policy. Criminal proceedings are not covered under this Policy regardless of the allegations made against any Insured;
3. this exclusion will not apply to any Insured who is not found to have personally committed the dishonest, fraudulent, criminal, malicious act or omission or intentional wrongdoing by any trial verdict, court ruling, or regulatory ruling.

B. Bodily Injury/Property Damage

to any claim for bodily injury, or injury to, or destruction of, any tangible property, including the loss of use resulting therefrom except that this exclusion of bodily injury does not apply to mental injury, mental anguish, mental stress, humiliation or emotional distress caused by personal injury;

C. Status as Beneficiary or Distributee

to any loss sustained by an Insured or claim made against an Insured as beneficiary or distributee of any trust or estate;

D. Contractual Liability

to any claim based on or arising out of an Insured's alleged liability under any oral or written contract or agreement, unless such liability would have attached to any Insured in the absence of such agreement;

E. Insured vs. Insured

to any claim by or on behalf of an Insured under this Policy against any other Insured hereunder unless such claim arises out of legal services by an Insured rendered to such other Insured as a client;

F. Capacity as Director, Officer, Fiduciary

to any claim based on or arising out of an Insured's capacity as:
1. a former, existing or prospective officer, director, shareholder, partner, manager or member (or any equivalent position) of any entity if such entity is not named in the Declarations; or
2. a trustee of a pension, welfare, profit-sharing, mutual or investment fund or investment 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;
except that this exclusion does not apply to a claim based on or arising out of an Insured’s capacity as a member, director or officer of any professional legal association, including any Bar Association and any similar organization or association, its governing board or any of its committees.

G. Capacity as Public Official

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 such 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 it.
H. Owned Entity

to any claim based on or arising out of legal services performed, directly or indirectly, for any entity not named in the Declarations, if at the time of the act or omission giving rise to the claim, the percentage of ownership interest, direct or indirect, in such entity by any insured, or an accumulation of insureds, exceeded 10%.

V. CONDITIONS

A. Notice

1. Notice of Claims

The Insured, as a condition precedent to the obligations of the Company under this Policy, shall as soon as reasonably possible after learning of a claim give written notice to the Company during the policy period of such claim. The Company agrees that the Insured may have up to, but not to exceed, 60 days after the Policy expiration to report a claim made against the Insured during the policy period if the reporting of such claim is as soon as reasonably possible.

2. Notice of Potential Claims

If during the policy period the Insured becomes aware of any act or omission that may reasonably be expected to be the basis of a claim against the Insured and gives written notice to the Company 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 dates and persons 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 arises out of such reported act or omission and that is subsequently made against the Insured and reported to the Company shall be deemed to have been made at the time such written notice was given to the Company.

B. Reimbursement of the Company

Subject always to the Insured's right to consent to settlement, as set forth in Section I. INSURING AGREEMENT, paragraph C, Settlement, if the Company, in the exercise of its discretion and without any obligation to do so, pays any amount within the amount of the deductible, the Named Insured, or upon the Named Insured's failure to pay, the Insureds, jointly and severally, shall be liable to the Company for any and all such amounts and, upon demand, shall pay such amounts to the Company.

C. Territory

This Policy applies to an act or omission taking place anywhere in the world regardless of where the claim or suit is brought.

D. 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. When there is such other insurance, the Company will pay only its share of the amount of any damages and claim expenses, if any, that exceed the sum of:

1. the total amount that all such other insurance would pay for with respect to such Claim in the absence of this insurance; and

2. the total of all deductible and self-insured amounts under all that other insurance.
This paragraph does not apply to any other insurance that was bought specifically to apply in excess of the Limits of Liability shown in the Declarations of this Policy. When this insurance is excess, the Company will have no duty under this Policy to defend the Insured against any claim if any other insurer has a duty to defend the Insured against that claim. If no other insurer defends, the Company will undertake to do so, but it will be entitled to the Insured’s rights against all those other insurers.

E. 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, securing and giving of evidence, obtaining the attendance of witnesses, and the conduct of suits and proceedings in connection with a claim.

2. The Insured shall assist in the enforcement of any right of contribution or indemnity against any person or organization who or which may be liable to any Insured in connection with a claim.

3. The Insured shall not, except at its own cost, voluntarily make any payment, assume or admit any liability or incur any expense without the consent of the Company.

F. Action against the Company

No action shall lie against the Company by any third party, unless, as a condition precedent thereto:

1. there shall have been full compliance with all the terms of this Policy; and

2. the Insured’s obligation to pay shall have been finally determined either by judgment against the Insured after actual trial or by written agreement of the Insured, the claimant and the Company.

Any person or organization or the legal representative thereof who has secured such judgment or written agreement shall thereafter be entitled to recover under this Policy to the extent of the insurance afforded by this Policy. 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 his legal representative.

G. Bankruptcy or Insolvency

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. The Insured shall execute and deliver instruments and papers and do whatever else is necessary to secure and collect upon such rights. The Insured shall do nothing to prejudice such rights.

I. Changes

Notice to any of the Company’s agents or knowledge possessed by any such agent or any other person shall not act as a waiver or change in any part of this Policy. It also will not prevent the Company from asserting any rights under the provisions of this Policy. None of the provisions of this Policy will be waived, changed or modified except by written endorsement, signed by the Company, 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/ Nonrenewal

1. This Policy may be canceled by the Named Insured by returning it to the Company. The Named Insured may also cancel this Policy by written notice to the Company stating at what future date cancellation is to be effective.

2. The Company may cancel or non-renew this Policy by written notice to the Named Insured at the address last known to the Company. The Company will provide written notice at least thirty (30) days before cancellation or non-renewal is to be effective. If the Company cancels this Policy because the Insured has failed to pay a premium when due or has failed to pay amounts in excess of the limit of the Company’s liability or within the amount of the deductible, this Policy may be canceled by the Company by mailing to the Named Insured written notice stating when, not less than ten (10) days thereafter, such cancellation shall be effective. The time of surrender of this Policy or the effective date and hour of cancellation stated in the notice shall become the end of the policy period. Delivery (where permitted by law) of such written notice either by the Named Insured or by the Company shall be equivalent to mailing.

3. If the Company cancels this Policy, the earned premium shall be computed pro rata. If the Named Insured cancels this Policy, the Company shall retain the customary short rate proportion of the premium. Premium adjustment may be made either at the time cancellation is effected or as soon as practicable after cancellation becomes effective, but payment or tender of unearned premium is not a condition of cancellation.

4. The offering of terms and conditions different from the expiring terms and conditions shall not constitute a refusal to renew.

L. Entire contract

By acceptance of this Policy the Insured agrees that:

1. all of 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; and

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 agent will render this Policy null and void and relieve the Company from all liability herein.

M. 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.

N. Liberalization

If the Company adopts any revision that would broaden coverage under this policy form 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.
O. Notices

Any notices required to be given by an Insured shall be submitted in writing to the Company or its authorized representative. 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.

P. Trade and Economic Embargoes

This policy does not provide coverage for Insureds, transactions or that part of damages or claims expenses that is uninsurable under the laws or regulations of the United States concerning trade or economic sanctions.

Q. Service of Suit

In the event of the failure of the Company to pay any amount claimed to be due hereunder, the Company, at the request of the Insured, will submit to the jurisdiction of any court of competent jurisdiction within the United States and will comply with all requirements necessary to give such court jurisdiction and all matters arising hereunder shall be determined in accordance with the law and practice of such court.

Service of process in such suit may be made upon the General Counsel, Columbia Casualty Company, CNA Insurance Companies, 151 N. Franklin Street, Chicago, IL 60606 and that in any suit instituted against such person upon this Policy, the Company will abide by the final decision of such court or of any appellate court in the event of an appeal.

The General Counsel is authorized and directed to accept service of process on behalf of the Company in any such suit and, upon the request of the Insured, to give a written undertaking to the Insured that he will enter a general appearance upon the Company in the event such suit shall be instituted.

Further, pursuant to any statute of any state, territory or district of the United States which makes provision therefore, the Company hereby designates the Superintendent, Commissioner or Director of Insurance, or other officer as designated in such statute, as its true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the Insured or any beneficiary hereunder arising out of this Policy of insurance, and hereby designates the above-named as the person to whom the said officer is authorized and directed to accept service of process on behalf of this Company in any such suit.

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 that are made against the Insured during the applicable 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.

A. Automatic extended reporting period

If this Policy is canceled or non-renewed by either the Company or by the Named Insured, the Company will provide to the Named Insured an automatic, non-cancelable extended reporting period starting at the termination of the policy period if the Named Insured has not obtained another policy of lawyers professional liability insurance within sixty (60) days of the termination of this Policy. This automatic extended reporting period will terminate after sixty (60) days.

B. Optional extended reporting period

1. If this Policy is canceled or non-renewed by either the Company or by the Named Insured, then the Named Insured shall have the right to purchase an optional extended reporting period. Such right must be exercised by the Named Insured within sixty (60) days of the termination of the policy period by providing:
   a. written notice to the Company; and
   b. with the written notice, the amount of additional premium described below.
2. The additional premium for the optional **extended reporting period** shall be based upon the rates for such coverage in effect on the date this Policy was issued or last renewed and shall be for one (1) year at 100% of such premium; two (2) years at 150% of such premium; three (3) years at 175% of such premium; six (6) years at 225% of such premium; or, for an unlimited period at 250% of such premium.

3. The premium for the optional **extended reporting period** is due on its effective date. This optional **extended reporting period** is non-cancelable and the entire premium shall be deemed fully earned at its commencement without any obligation by the **Company** to return any portion thereof.

C. **Death or disability extended reporting period**

1. 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**, such **Insured** shall be provided with a death or disability **extended reporting period** as provided below.
   a. In the event of death, such **Insured's** estate, heirs, executors or administrators must, within sixty (60) days of the expiration of the **policy period**, provide the **Company** with written proof of the date of death. This **extended reporting period** is provided to the estate, heirs, executors and administrators of such **Insured**.
   b. If an **Insured** becomes **totally and permanently disabled**, such **Insured** or **Insured's** legal guardian must, within sixty (60) days of the expiration of the **policy period**, provide the **Company** with written proof that such **Insured** is **totally and permanently disabled**, including the date the disability commenced, 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 the **Insured** agree to submit to medical examinations by any physician designated by the **Company** at the **Company's** expense. This **extended reporting period** is provided until such **Insured** shall no longer be **totally or permanently disabled** or until the death of such **Insured** in which case subparagraph a. hereof shall apply.

2. **No additional premium will be charged for any death or disability extended reporting period.**

D. **Non-practicing extended reporting period**

1. If an **Insured** 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 an **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**.

2. This **extended reporting period** is provided until such **Insured** shall resume the “private practice of law” or until the death of such **Insured** in which case subparagraph C.1.a. hereof shall apply.

3. **No additional premium will be charged for any non-practicing extended reporting period.**

As used herein, the “private practice of law” means the practice of law performed by an **Insured** for a fee, including hourly, contingent or lump sum, as a sole practitioner or as a partner, officer, director, stockholder-employee, associate, manager, member or employee, of a law firm, or any agreement to act as an independent contractor or “Of Counsel” to a law firm. "Private practice of law" does not include the practice of law by an **Insured** on an eleemosynary (a pro bono) basis.

E. **Extended reporting periods limits of liability**

1. Automatic and optional **extended reporting periods limits of liability**

   a. Where the **Company** has the right to nonrenew or cancel this Policy, and it exercises that right, then the **Company's** liability for all **claims** reported during the automatic and optional **extended reporting periods** shall be part of and not in addition to the limits of liability for
b. If this Policy is canceled by the Named Insured or if the Company offers to renew this Policy, and the Named Insured refuses such renewal offer, then the Company's liability for all claims reported during the automatic and optional extended reporting periods shall be reinstated to the limits of liability applicable to this Policy as set forth in Section II.A. and B. hereof.

2. Separate death or disability and non-practicing extended reporting period limits of liability

a. Limit of Liability - Each “Claim”

Subject to paragraph B. below, the Company’s limit of liability for each claim first made against the Insured, and reported to the Company during the death or disability extended reporting period or non-practicing extended reporting period, shall not exceed the amount stated in the declarations as the “Each Claim Death or Disability and Non-Practicing extended reporting period limit of liability”.

b. Limit of Liability - In the Aggregate

The limit of liability of the Company for all claims first made against the Insured, and reported to the Company during the death or disability extended reporting period or non-practicing extended reporting period, shall not exceed the amount stated in the Declarations as the “Aggregate Death or Disability and Non-Practicing extended reporting period limit of liability”.

c. No Deductible

No deductible shall apply to claims first made against the Insured and reported to the Company during the death or disability extended reporting period or non-practicing extended reporting period.

F. Elimination of right to any extended reporting period

There is no right to any extended reporting period:

1. if the Company shall cancel or refuse to renew this Policy due to:
   a. non-payment of premiums; or
   b. non-compliance by an Insured with any of the terms and conditions of this Policy; or
   c. any misrepresentation or omission in the application for this Policy; or,

2. if during the Policy Period such Insured’s right to practice law is revoked, suspended or surrendered at the request of any regulatory authority for reasons other than that the Insured is totally and permanently disabled.

G. Extended reporting period not a new policy

It is understood and agreed that the extended reporting period shall not be construed to be a new policy and any claim submitted during such period shall otherwise be governed by this Policy.

VII. HEADINGS

The descriptions in the headings of this Policy are solely for convenience, and form no part of the terms and conditions of coverage.
IN WITNESS WHEREOF, the **Company** has caused this Policy to be executed by its Chairman and Secretary, but this Policy shall not be binding upon us unless completed by the attachment of the Declarations.

Chairman

Secretary