



Lloyd's Certificate

This Insurance is effected with certain Underwriters at Lloyd's, London (not incorporated)

This Certificate is issued in accordance with the limited authorization granted to the Correspondent by certain Underwriters at Lloyd's, London whose names and the proportions underwritten by them can be ascertained from the office of said Correspondent (such Underwriters being hereinafter called "Underwriters") and in consideration of the premium specified herein, Underwriters do hereby bind themselves each for his own part, and not one for another, their executors and administrators.

The Assured is requested to read this Certificate, and if it is not correct, return it immediately to the Correspondent for appropriate alteration.

The Correspondent issuing this Certificate is:

Commercial Insurance Partners, Inc

225 Banyan Boulevard, Suite 210,

Naples, Florida 34102

United States of America

This Declaration Page is attached to and forms part of Certificate provisions (Form SLC-4 USA NMA2871A).

Previous Group No:
CIP-PRMS-2018

Authority Ref. No:
B087516F02S5002

Group No: CIP-PRMS-2019

1. Name and address of the Assured:

Eligible Members of Professional Risk Matrix Society.

150 E 22nd Street, Lombard, IL 60148

2. Effective:

from: January 1, 2019

to: January 1, 2020

both Days at 12:01 a.m. standard time

3. Insurance is effective with certain UNDERWRITERS AT LLOYD'S, LONDON.

Percentage: 100%

4. Amount:

As per each Individual Certificate of Insurance

Coverage:

As per each Individual Certificate of Insurance

Premium:

As per each Individual Certificate of Insurance

5. Forms attached hereto and special conditions:

Professional Liability Policy Form: ARK PL 026 0109

NMA 1256 - Nuclear Exclusion Clause;
NMA 1477 - Radioactive Contamination Exclusion Clause;
LMA 3100 - Sanction Limitation and Exclusion Clause;
NMA 2463 – Illinois Cancellation and Non-Renewal Clause
LSW 1001 – Severable Liability Notice
UW 008 - Schedule of Participating Underwriters Lloyd's
Certified Public Accountant and Licensed Accountant Endorsement
Amended Mold Exclusion Endorsement
Automatic 30 Day Extended Discovery Period
Plus as per each Individual Certificate of Insurance

6. Service of Suit may be made upon:

Mendes & Mount, 750 Seventh Avenue, New York, NY 10019

7. In the event of a claim, please notify the following:

Reed Millsaps, DWF Claims, 740 Waukegan Road, Suite 204, Deerfield, IL 60015

Telephone: 847-607-9023

Email: fnolus@dwfclaims.com

Dated January 1, 2019

Kevin M. O'Leary
by 

Correspondent

NOTICE TO POLICYHOLDER: This contract is issued, pursuant to Section 445 of the Illinois Insurance Code, by an insurer not authorised and licensed to transact business in Illinois and as such is not covered by the Illinois Insurance Guaranty Fund.

CERTIFICATE PROVISIONS

1. **Signature Required.** This Certificate shall not be valid unless signed by the Correspondent on the attached Declaration Page.
2. **Correspondent Not Insurer.** The Correspondent is not an Insurer hereunder and neither is nor shall be liable for any loss or claim whatsoever. The Insurers hereunder are those individual Underwriters at Lloyd's, London whose names can be ascertained as hereinbefore set forth.
3. **Cancellation.** If this certificate provides for cancellation and this certificate is cancelled after the inception date, earned premium must be paid for the time the insurance has been in force.
4. **Service of Suit.** It is agreed that in the event of the failure of Underwriters to pay any amount claimed to be due hereunder, the Underwriters hereon, at the request of the Insured, will submit to the jurisdiction of a Court of competent jurisdiction within the United States. Nothing in this Clause constitutes or should be understood to constitute a waiver of Underwriters' rights to commence an action in any Court of competent jurisdiction in the United States, to remove an action to a United States District Court, or to seek a transfer of a case to another Court as permitted by the laws of the United States or of any State in the United States. It is further agreed that service of process in such suit may be made upon the firm or person named in item 6 of the attached Declaration Page, and that in any suit instituted against any one of them upon this contract, Underwriters will abide by the final decision of such Court or of any Appellate Court in the event of an appeal.

Mendes & Mount, 750 Seventh Avenue, New York, NY 10019

The above-named are authorized and directed to accept service of process on behalf of Underwriters in any such suit and/or upon request of the Insured to give a written undertaking to the Insured that they will enter a general appearance upon Underwriters' behalf in the event such a suit shall be instituted.

Further, pursuant to any statute of any state, territory or district of the United States which makes provision therefor, Underwriters hereby designate the Superintendent, Commissioner or Director of Insurance or other officer specified for that purpose in the statute, or his successor or successors in office, as their 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 contract of insurance, and hereby designate the above-mentioned as the person to whom the said officer is authorized to mail such process or a true copy thereof.

5. **Attached Conditions Incorporated.** This Certificate is made and accepted subject to all the provisions, conditions and warranties set forth herein, attached or endorsed, all of which are to be considered as incorporated herein.
6. **Short Rate Cancellation.** If the attached provisions provide for cancellation, the table below will be used to calculate the short rate proportion of the premium when applicable under the terms of cancellation.

Short Rate Cancellation Table For Term of One Year.

Days Insurance in Force	Per cent. of One Year Premium	Days Insurance in Force	Per cent. of One Year Premium
1	5	154 - 156	53
2	6	157 - 160	54
3 -- 4	7	161 - 164	55
5 -- 6	8	165 - 167	56
7 -- 8	9	168 - 171	57
9 - 10	10	172 - 175	58
11 - 12	11	176 - 178	59
13 - 14	12	179 - 182 (6 months)	60
15 - 16	13	183 - 187	61
17 - 18	14	188 - 191	62
19 - 20	15	192 - 196	63
21 - 22	16	197 - 200	64
23 - 25	17	201 - 205	65
26 - 29	18	206 - 209	66

30 - 32	(1 month)	19	210 - 214	(7 months)	67
				
33 - 36	.....	20	215 - 218	.....	68
	..				
37 - 40	.....	21	219 - 223	.....	69
	..				
41 - 43	.....	22	224 - 228	.....	70
	..				
44 - 47	.....	23	229 - 232	.....	71
	..				
48 - 51	.....	24	233 - 237	.....	72
	..				
52 - 54	.....	25	238 - 241	.....	73
	..				
55 - 58	.....	26	242 - 246	(8 months)	74
	..				
59 - 62	(2 months)	27	247 - 250	.....	75
				
63 - 65	.....	28	251 - 255	.....	76
	..				
66 - 69	.....	29	256 - 260	.....	77
	..				
70 - 73	.....	30	261 - 264	.....	78
	..				
74 - 76	.....	31	265 - 269	.....	79
	..				
77 - 80	.....	32	270 - 273	(9 months)	80
	..				
81 - 83	.....	33	274 - 278	.....	81
	..				
84 - 87	.....	34	279 - 282	.....	82
	..				
88 - 91	(3 months)	35	283 - 287	.....	83
				

92 - 94	36	288 - 291	84
..			
95 - 98	37	292 - 296	85
..			
99 - 102	38	297 - 301	86
..			
103 - 105	39	302 - 305 (10 months)	87
..			
106 - 109	40	306 - 310	88
..			
110 - 113	41	311 - 314	89
..			
114 - 116	42	315 - 319	90
..			
117 - 120	43	320 - 323	91
..			
121 - 124 (4 months)	44	324 - 328	92
..			
125 - 127	45	329 - 332	93
..			
128 - 131	46	333 - 337 (11 months)	94
..			
132 - 135	47	338 - 342	95
..			
136 - 138	48	343 - 346	96
..			
139 - 142	49	347 - 351	97
..			
143 - 146	50	352 - 355	98
..			
147 - 149	51	356 - 360	99
..			
150 - 153 (5 months)	52	361 - 365 (12 months)	100

Rules applicable to insurance with terms less than or more than one year:

- A. If insurance has been in force for one year or less, apply the short rate table for annual insurance to the full annual premium determined as for insurance written for a term of one year.
- B. If insurance has been in force for more than one year:
 - 1. Determine full annual premium as for insurance written for a term of one year.
 - 2. Deduct such premium from the full insurance premium, and on the remainder calculate the pro rata earned premium on the basis of the ratio of the length of time beyond one year the insurance has been in force to the length of time beyond one year for which the policy was originally written.
 - 3. Add premium produced in accordance with items 1 and 2 to obtain earned premium during full period insurance has been in force.

12/06/03

NMA2871A

INSURED: Eligible Members of Professional Risk Matrix Society

Group Number: CIP-PRMS-2019

SEVERAL LIABILITY NOTICE

The subscribing insurers' obligations under contracts of insurance to which they subscribe are several and not joint and are limited solely to the extent of their individual subscriptions. The subscribing insurers are not responsible for the subscription of any co-subscribing insurer who for any reason does not satisfy all or part of its obligations.

08/94

LSW1001 (Insurance)

INSURED: Eligible Members of Professional Risk Matrix Society

Group Number: CIP-PRMS-2019

Schedule of Participating Underwriters

Lloyd's Underwriters

Syndicate Number	Pseudonym	Participation
4020	ARK	41.67%
2001	AML	41.67%
1861	ATL	16.66%

INSURED: Eligible Members of Professional Risk Matrix Society

Group Number: CIP-PRMS-2019

RADIOACTIVE CONTAMINATION EXCLUSION CLAUSE-LIABILITY-DIRECT (U.S.A.)

For attachment (in addition to the appropriate Nuclear Incident Exclusion Clause-Liability-Direct) to liability insurances affording worldwide coverage.

In relation to liability arising outside the U.S.A., its Territories or Possessions, Puerto Rico or the Canal Zone, this Policy does not cover any liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel.

13/2/64

NMA1477

INSURED: Eligible Members of Professional Risk Matrix Society

Group Number: CIP-PRMS-2019

NUCLEAR INCIDENT EXCLUSION CLAUSE-LIABILITY-DIRECT (BROAD) (U.S.A.)

For attachment to insurances of the following classifications in the U.S.A., its Territories and Possessions, Puerto Rico and the Canal Zone:

Owners, Landlords and Tenants Liability, Contractual Liability, Elevator Liability, Owners or Contractors (including railroad) Protective Liability, Manufacturers and Contractors Liability, Product Liability, Professional and Malpractice Liability, Storekeepers Liability, Garage Liability, Automobile Liability (including Massachusetts Motor Vehicle or Garage Liability),

not being insurances of the classifications to which the Nuclear Incident Exclusion Clause-Liability-Direct (Limited) applies.

This Policy* does not apply:

- I. Under any Liability Coverage, to injury, sickness, disease, death or destruction:
 - (a) with respect to which an insured under the Policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters or Nuclear Insurance Association of Canada, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
 - (b) resulting from the hazardous properties of nuclear material and with respect to which (1) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (2) the insured is, or had this Policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.
- II. Under any Medical Payments Coverage, or under any Supplementary Payments Provision relating to immediate medical or surgical relief, to expenses incurred with respect to bodily injury, sickness, disease or death resulting from the hazardous properties of nuclear material and arising out of the operation of a nuclear facility by any person or organization.
- III. Under any Liability Coverage, to injury, sickness, disease, death or destruction resulting from the hazardous properties of nuclear material, if:
 - (a) the nuclear material (1) is at any nuclear facility owned by, or operated by or on behalf of, an insured or (2) has been discharged or dispersed therefrom;
 - (b) the nuclear material is contained in spent fuel or waste at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of an insured; or
 - (c) the injury, sickness, disease, death or destruction arises out of the furnishing by an insured of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any nuclear facility, but if such facility is located within the

United States of America, its territories or possessions or Canada, this exclusion (c) applies only to injury to or destruction of property at such nuclear facility.

IV. As used in this endorsement:

"hazardous properties" include radioactive, toxic or explosive properties; "nuclear material" means source material, special nuclear material or by-product material; "source material", "special nuclear material", and "by-product material" have the meanings given them in the Atomic Energy Act 1954 or in any law amendatory thereof; "spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a nuclear reactor; "waste" means any waste material (1) containing by-product material and (2) resulting from the operation by any person or organization of any nuclear facility included within the definition of nuclear facility under paragraph (a) or (b) thereof; "nuclear facility" means:

- (a) any nuclear reactor,
- (b) any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing spent fuel, or (3) handling, processing or packaging waste,
- (c) any equipment or device used for the processing, fabricating or alloying of special nuclear material if at any time the total amount of such material in the custody of the insured at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235,
- (d) any structure, basin, excavation, premises or place prepared or used for the storage or disposal of waste,

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations; "nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material. With respect to injury to or destruction of property, the word "injury" or "destruction" includes all forms of radioactive contamination of property.

It is understood and agreed that, except as specifically provided in the foregoing to the contrary, this clause is subject to the terms, exclusions, conditions and limitations of the Policy to which it is attached.

* NOTE: As respects policies which afford liability coverages and other forms of coverage in addition, the words underlined should be amended to designate the liability coverage to which this clause is to apply.

17/3/60

NMA1256

INSURED: Eligible Members of Professional Risk Matrix Society

Group Number: CIP-PRMS-2019

SANCTION LIMITATION AND EXCLUSION CLAUSE

No (re)insurer shall be deemed to provide cover and no (re)insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that (re)insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

15/09/10

LMA3100

INSURED: Eligible Members of Professional Risk Matrix Society

Group Number: CIP-PRMS-2019

Certified Public Accountant and Licensed Accountant Endorsement.

Effective inception, in consideration of the premium charged, it is hereby understood and agreed that the following Exclusion is added to the policy:

9. or based upon, directly or indirectly resulting from or in consequence of or in any way involving accounting services which usually and customarily require the certification of a Certified Public Accountant or of a Licensed Accountant.

INSURED: Eligible Members of Professional Risk Matrix Society

Group Number: CIP-PRMS-2019

Amended Mold Exclusion Endorsement

Effective inception, in consideration of the premium charged, it is hereby understood and agreed that Exclusion 26. Is deleted and replaced with the following:

- 26.** or based on or arising from:
- a.** The inspection, evaluation or testing of, or the failure to inspect, evaluate or test for, any items listed in d. (i). through (iv). below;
 - b.** The failure to discover or disclose any items listed in d. (i). through (iv). below;
 - c.** The actual, alleged or threatened inhalation of, ingestion or, contact with, exposure to, existence of, or presence of, any of the listed items in d. (i). through (iv). below on or within a building or structure, including its contents; or
 - d.** The clean up, remediation, containment, removal or abatement of any items listed in (i) through (iv) below:
 - (i)** Any **Fungus(i), Mold(s)**, mildew or yeast;
 - (ii)** Any Spore(s) or toxins created or produced by or emanating from such Fungus(i), Mold(s), mildew, or yeast;
 - (iii)** Any substance, vapor, gas or other emission of any organic or inorganic body or substance produced by or arising out of any Fungus(i), Mold(s), mildew, or yeast; and
 - (iv)** Any material, product, building component, building or structure, or any concentration of moisture, water or other liquid within such material, product, building component, building or structure that contains, harbors, nurtures or acts as a medium for any Fungus(i), Mold(s), mildew, yeast, or Spore(s) or toxins emanating therefrom, regardless of any other cause, event, material, product and/or building component that contributed concurrently or in any sequence;

This Exclusion shall not apply to CLAIMS or Claims Expenses resulting from the Insured providing Professional Services for a fee.

INSURED: Eligible Members of Professional Risk Matrix Society

Group Number: CIP-PRMS-2019

Automatic 30 Day Extended Discovery Period

Effective inception, in consideration of the premium charged, it is hereby understood and agreed that 1. **COVERAGE, A. INSURING AGREEMENT**, is deleted and replaced with the following:

The **Underwriters** will pay on behalf of the **Insured** those sums which the **Insured** shall become legally obligated to pay as **Damages** because of a claim that is made against the **Insured** for a **Wrongful Act** to which this insurance applies, and which **Claim** is first made against the **Insured** during the **Policy Period**, and reported to the **Underwriters** during the **Policy Period**, or within thirty (30) days after the expiration of the **Policy Period**, provided always that:

1. such **Wrongful Act** occurs in whole subsequent to the Retroactive Date as show in **Item 8.** of the Declarations, and prior to the Expiration Date as shown in **Item 4.b.** of the Declarations; and
2. the **Insured** had no knowledge of any **Claim**, suit, or of any facts, circumstances or incidents which might reasonably be expected to result in a **Claim**, arising from, connected with, or in any way relating to such **Wrongful Act**, as of the date of signing the **Application** for this insurance.



Professional Risk Matrix Society
PROFESSIONAL LIABILITY INSURANCE
(CLAIMS-MADE AND REPORTED FORM)

Coverage applies only to a **Claim** first made against the **Insured** and reported during the **Policy Period**, or if applicable, during the **Extended Discovery Period**. **Claim Expenses** shall reduce and may exhaust the Limit of Liability and shall be subject to the Deductible.

Read this entire Policy carefully to determine rights, duties and what is and is not covered. Various provisions in this Policy restrict coverage.

The **Named Insured** means the person or organization identified in **Item 2.** of the Declarations. The unqualified word **Insured** includes the **Named Insured** and any other person or organization qualifying as such under **Section VII. DEFINITIONS**. The word **Underwriters** refers to the Underwriters providing this insurance as identified in the Declarations.

The **Underwriters** agrees with the **Named Insured**, in consideration of the payment of the premium and in reliance upon the statements in the **Application**, a signed copy of which is attached hereto and made a part hereof, and subject to the Limit of Liability, Exclusions, Conditions and other terms of this Policy as follows:

I. COVERAGE

A. INSURING AGREEMENT

The **Underwriters** will pay on behalf of the **Insured** those sums which the **Insured** shall become legally obligated to pay as **Damages** because of a **Claim** that is made against the **Insured** for a **Wrongful Act** to which this insurance applies, and which **Claim** is first made against the **Insured** during the **Policy Period**, and reported to the **Underwriters** during the **Policy Period**, provided always that:

1. such **Wrongful Act** occurs in whole subsequent to the Retroactive Date as shown in **Item 8.** of the Declarations, and prior to the Expiration Date as shown in **Item 4.b.** of the Declarations; and
2. the **Insured** had no knowledge of any **Claim**, suit, or of any facts, circumstances or incidents which might reasonably be expected to result in a **Claim**, arising from, connected with, or in any way relating to such **Wrongful Act**, as of the date of signing the **Application** for this insurance.



B. EXTENSIONS

1. Estates and Legal Representatives

This Policy shall afford coverage for a **Claim** for the **Wrongful Acts** of an **Insured**, made against the estates, heirs or legal representatives of such **Insured** who is deceased, or against the legal representatives of such **Insured** who is incompetent or bankrupt, to the extent that in the absence of such death, incompetence, or bankruptcy such **Claim** would have been covered by this Policy.

2. Spousal Liability

If a **Claim** against an **Insured** includes a **Claim** against such **Insured's** lawful spouse solely by reason of such person's legal status as a spouse of such **Insured** including a **Claim** that seeks **Damages** recoverable from marital community property, property jointly held by the **Insured** and the spouse, or property transferred from the **Insured** to the spouse, all **Damages** which such spouse becomes legally obligated to pay by reason of such **Claim** shall be treated for purposes of this Policy as **Damages** which such **Insured** becomes legally obligated to pay.

All terms and conditions of this Policy, including without limitation the Deductible applicable to each **Claim** incurred by such **Insured** in a **Claim** shall also apply to such **Damages** that such spouse becomes legally obligated to pay by reason of such **Claim**. This coverage extension shall not apply to the extent such **Claim** alleges any acts, errors or omissions committed by such **Insured's** spouse.

C. DEFENSE, INVESTIGATION AND SETTLEMENT

As respects such insurance as is afforded by the other terms of this Policy, and subject to the Deductible and the Limit of Liability, the **Underwriters** shall:

1. defend in the **Insured's** name and on its behalf any **Claim** against an **Insured** alleging **Damages** from a **Wrongful Act**, even if such **Claim** is groundless, false or fraudulent, but the **Underwriters** shall have the right to make such investigation, negotiation and settlement of any **Claim** as it may deem expedient, and to appoint such legal counsel to defend the **Insured** against such **Claim** as the **Underwriters** may, in its sole discretion, select;
2. pay all premiums on bonds to release attachments for any amount not in excess of the Limit of Liability of this Policy, all premiums on appeal bonds required in any such defended suit, but without any obligation to



apply for or furnish such bonds, all costs taxed against the **Insured** in any **Claim**, all expenses incurred by the **Underwriters**, all interest accruing after entry of judgment until the **Underwriters** has paid, tendered or deposited in court such part of such judgment as does not exceed the limit of the **Underwriters'** liability thereon;

3. reimburse the **Insured** for all reasonable expenses, other than loss of earnings, incurred at the **Underwriters'** request, except amounts paid in settlement of any legal liability of the **Insured**, which liability shall be governed by the Limit of Liability as shown in **Item 5.** of the Declarations.

No expense shall be incurred or settlement made, contractual obligation assumed or liability admitted by or on behalf of an **Insured** with respect to any **Claim** without the prior written consent of the **Underwriters**, which shall not be unreasonably withheld.

The **Underwriters** shall not be liable for any expense, settlement, assumed obligation or admission to which it has not consented.

The **Underwriters** shall not be obligated to pay any **Claim**, judgment, **Claim Expenses**, or **Damages**, nor to defend or indemnify any **Claim** after the applicable Limit of Liability has been exhausted by payment of judgments, settlements, **Claim Expenses** or any combination thereof.

II. EXTENDED DISCOVERY PERIOD

1. If this Policy is cancelled or nonrenewed by the first **Named Insured** or by the **Underwriters**, for any reason other than for non-payment of premium, the first **Named Insured** shall have the right, upon payment of an additional premium, to purchase an **Extended Discovery Period** of twelve (12) months duration. The quotation of a different premium or deductible amount or Limit of Liability for renewal does not constitute a cancellation or refusal to renew.
2. The **Extended Discovery Period** applies only to a **Claim** first made against the **Insured** and reported to the **Underwriters**, during the **Extended Discovery Period**, but only for a **Wrongful Act** committed or allegedly committed before the end of the **Policy Period** and that would have been covered by the policy if such **Claim** had been first made during the **Policy Period**.
3. As a condition precedent to 1. and 2. above, all of the following apply:
 - a. The total premium due for this Policy must have been paid. The **Extended Discovery Period** is available by endorsement for an additional premium.



Such additional premium will be negotiated at the time of purchase. It will take effect only if the first **Named Insured**:

- (i) Requests it from the **Underwriters**; and
 - (ii) Pays to the **Underwriters** the additional premium due within thirty (30) days following the end of the **Policy Period**.
- b. The right to purchase an **Extended Discovery Period** will lapse unless written notice of such election, together with payment of the additional premium is received by the **Underwriters** within thirty (30) days following the end of the **Policy Period**.
 - c. The **Extended Discovery Period** does not extend the **Policy Period** or change the scope of coverage provided by this Policy.
 - d. The **Extended Discovery Period** is not cancelable, and the premium will be deemed fully earned at the Inception date of such **Extended Discovery Period**. But this clause will not apply to any cancellation for non-payment of premium.
 - e. The **Extended Discovery Period** will be subject to this Policy's remaining Limit of Liability, if any, and will not reinstate or increase any Limit of Liability provided by this Policy.

III. LIMIT OF LIABILITY

Regardless of the number of (a) **Insureds** under this Policy; (b) persons or organizations who sustain loss or damage; (c) **Claims** made; or (d) **Wrongful Acts**, the **Underwriters'** Limit of Liability is limited as follows:

- 1. The total Limit of Liability of the **Underwriters** for **Damages** and **Claim Expenses** as the result of any one **Claim** shall not exceed the amount specified in **Item 5. (a)** of the Declarations.
- 2. The total Aggregate Limit of Liability of the **Underwriters** for **Damages** and **Claim Expenses** for all **Claims** afforded coverage by this Policy shall not exceed the amount specified in **Item 5.b.** of the Declarations.
- 3. Notwithstanding the foregoing, the total Limit of Liability of the **Underwriters** for all **Claim Expenses** for all **Claims** that are made through or in a complaint or grievance against any **Insured** and arising from the **Insured's** rendering or failing to render a **Professional Service**, filed with or by any governmental or regulatory body (hereinafter referred to as a "**Regulatory Claim**"); See Definition of



“**Claim**,” below, subparagraph d.) is a Sublimit of \$25,000.00. This Sublimit is part of, and not in addition to, the Aggregate Limit of Liability specified in **Item 5.b.** of the Declarations. The **Underwriters** shall afford no coverage under this Policy for any **Damages** in a **Claim** that is subject to this Sublimit. The **Insured’s** Deductible shall not apply to a **Claim** that is subject to this Sublimit.

4. **Claim Expenses** are included within the Limits of Liability shown in the Declarations and reduce and may exhaust such Limits as they are paid by the **Underwriters**.
5. Two or more **Claims** arising out of a single **Wrongful Act** or a series of related **Wrongful Acts** shall be treated as a single **Claim**. All such **Claims**, whenever made, shall be considered first made and reported to the **Underwriters** during the **Policy Period** in which the earliest **Claim** shall be reported to the **Underwriters** and all such **Claims** shall be subject to the same Limit of Liability. **Wrongful Acts** are related if they arise out of, or are based upon, or are logically or causally connected to any common fact, matter, cause of action, demand, transaction, event, circumstance, situation, advice or series of **Professional Services**.

IV. DEDUCTIBLE

It is agreed that the **Underwriters’** obligation to pay **Damages** and **Claim Expenses** on behalf of the **Insured** applies only in excess of the Deductible amount stated in the Declarations. The Deductible shall be subtracted from the total amount of **Damages** and **Claim Expenses** resulting from each **Claim**, and the **Underwriters** shall be liable only for the difference between such Deductible and such total amount, up to the Limit of Liability otherwise applicable to that **Claim**.

The **Underwriters** may pay any part or all of the Deductible to effect settlement of any **Claim**, and upon notification of the **Underwriters’** action taken, the **Named Insured** shall promptly reimburse the **Underwriters** for such part of the Deductible as has been paid by the **Underwriters**.

In the event that the **Insured** shall not promptly reimburse the **Underwriters** for the Deductible following such notification by the **Underwriters**, then any cost incurred by the **Underwriters** in collection of the Deductible shall be added to and applied in addition to the applicable Deductible without limitation to such costs. These costs shall include but not be limited to collection agency fees, attorney's fees, court costs and interest.



V. POLICY TERRITORY

This Policy applies to a **Wrongful Act** taking place anywhere in the world, provided the **Claim** is brought in the United States of America, its territories and possessions, Puerto Rico or Canada.

VI. EXCLUSIONS

The **Underwriters** shall not be liable to make any payment for **Damages** or **Claim Expenses** in connection with any **Claim** arising out of:

1. or based upon **Bodily Injury, Property Damage** or **Personal Injury**.
2. or contributed to by the dishonest, fraudulent, criminal or malicious act or omission of any **Insured**, or arising out of willful violation of any penal statute or ordinance committed by or with the knowledge or consent of any **Insured**.
3. or based upon, directly or indirectly resulting from or in consequence of or in any way involving any **Claim** which was pending on or existed prior to the Inception Date of this Policy, or if this Policy is a renewal of an earlier Policy issued by the **Underwriters** prior to the Inception Date of the first Policy issued by the **Underwriters** to the **Named Insured**, or is related in any way to the same or substantially the same facts, circumstances or allegations which are the subject of or the basis for such **Claim**
4. or based upon, directly or indirectly resulting from or in consequence of, or in any way involving actual or alleged violations of any antitrust, price fixing, unfair competition, or restraint of trade laws, statutes, rules or regulations.
5. or based upon, directly or indirectly resulting from or in consequence of, or in any way involving any actual or alleged infringement of trademark, trade name, service mark, patent or copyright.
6. any obligation for which any **Insured** or any carrier as his insurer may be held liable under any workers' compensation, unemployment compensation or disability benefits law, or under any similar law.
7. injury or loss to:
 - a. any employee of any **Insured** arising out of and in the course of employment by any **Insured**; or



- b. the spouse, child, parent, domestic partner, brother or sister of the employee as a consequence of **a.** immediately above;
this exclusion applies:
 - (i) whether the **Insured** may be liable as an employer or in any other capacity; and
 - (ii) to any obligation to share damages with or repay someone else who must pay damages because of the injury or loss.

- 8. or based upon, directly or indirectly resulting from or in consequence of, or in any way involving any actual or alleged activity or transaction covered, or claimed to be covered, in whole or in part by any federal or state securities law, including without limitation The Securities Act of 1933, The Securities Exchange Act of 1934, The Trust Indenture Act of 1939, The Investment Company Act 1940, The Investment Advisors Act of 1940, The Public Utility Holding Company Act of 1935, or in relation to any purchase, sale or offering of any security to or from the public which is covered, or claimed to be covered, in whole or in part by any State Blue Sky or Securities Law, or any rules or regulations issued pursuant to any of the aforementioned, or any amendments or replacements thereof.

- 9. or based upon, directly or indirectly resulting from or in consequence of or in any way involving the Employee Retirement Income Security Act of 1974 (or any amendment thereto or any regulations promulgated thereunder) or similar provision of any federal, state or local statute or regulation or the common law.

- 10. or based upon discrimination, humiliation, harassment by any **Insured** relating to a person's age, color, race, sex, creed, national origin, marital status, disability, sexual orientation, or any other legally protected status, whether federal, state or local.

- 11. or based upon, directly or indirectly resulting from or in consequence of or in any way involving any actual or alleged employment related act or omission by any **Insured**, including but not limited to any such act or omission relating to a person's age, color, race, sex, creed, national origin, marital status, disability, sexual orientation, or any other legally protected status, whether federal, state or local.

- 12. or brought or maintained by or on behalf of any **Insured**.

- 13. or based upon or made by or against any enterprise or organization not named in the Declarations:
 - a. which is wholly or partly owned by any **Insured**;

 - b. which wholly or partly owns any **Insured**;



- c. which is a parent, **Subsidiary**, joint venturer, affiliated or sister company of any **Insured**;
 - d. which controls, operates or manages any **Insured**; or
 - e. in which any **Insured** is a partner, member, officer, director, sole proprietor, stockholder, trustee, employee, or holds a beneficial interest greater than 49 percent; or
 - f. solely because an **Insured** is a partner, officer, director, sole proprietor, stockholder, trustee or employee for any person or legal entity not named in the Declarations;
14. or based upon liability assumed by any **Insured** under any contract or agreement, either oral or in writing, unless such liability would have attached to the **Insured** even in the absence of such contract or agreement.
15. or based upon an express or implied warranty or guarantee, or a **Claim** arising from a dispute as to any **Insured's** fees for **Professional Services**, including without limitation the amount or payment of such fees.
16. or based solely upon the failure to complete the **Professional Services** on time unless such failure is the result of any error or omission.
17. or based upon, directly or indirectly resulting from or in consequence of, or in any way involving:
- a. any error or omission in any estimate of probable cost; or
 - b. any cost estimate being exceeded..
18. or based upon the insolvency or bankruptcy of any person, firm or organization.
19. or based upon, directly or indirectly resulting from or in consequence of or in any way involving any breach or unauthorized use of any electronic data, including but not limited to identifiable personal data, of any entity or individual by any **Insured** or the unauthorized release of electronic data:
- a. whether such breach, unauthorized use or release was intentional or unintentional;
 - b. whether the electronic data or identifiable personal data was owned or maintained by any **Insured**; and



- c. regardless of where the electronic or personal data is released or who was responsible for its release.
20. liability due to war, whether or not declared, civil war, insurrection, nationalization, expropriation, rebellion or revolution, terrorism or to any act or condition incident to any of the foregoing.
21. or based upon liability arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of **Pollutants**:
 - a. at or from any premises, site, or location that is or was at any time owned, rented, loaned to, or occupied by any Insured;
 - b. at or from any premises, site or location that is or was at any time used by or for any **Insured** or others for the handling, storage, disposal, processing or treatment of waste;
 - c. which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by, or for: (i) any **Insured**; or (ii) any person or organization for whom any **Insured** may be legally responsible;
 - d. at or from any premises, site or location on which any **Insured**, or any contractor or subcontractor working directly or indirectly on behalf of any **Insured**, is or were performing operations; if the **Pollutants** are brought on, or to, the premises, site or location in connection with such operations; or
 - e. at or from any premises, site or location on which any **Insured**, or any contractor or subcontractor working directly or indirectly on behalf of any **Insured**, is or were performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of **Pollutants**.
22. loss, cost or expense arising out of any: (a) request, demand, direction, order or statutory or regulatory requirement that any Insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, Pollutants; or (b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, Pollutants.
23. in whole or in part, either directly or indirectly, out of the manufacture, distribution, sale, resale, rebranding, installation, repair, removal, encapsulation, abatement, replacement or handling of, exposure to or testing for, asbestos or products containing asbestos whether or not the asbestos is or was at any time airborne as a fiber or



particle, contained in a product, carried on clothing, inhaled, transmitted in any fashion or found in any form whatsoever.

It is further agreed that this Policy does not apply to any liability including expenses for:

- a. the costs of clean up or removal of asbestos or products and materials containing asbestos;
 - b. the cost of such actions as may be necessary to monitor, assess and evaluate the release or threat of same, of asbestos or products and material containing asbestos; or
 - c. the cost of disposal of asbestos substances or the taking of such other action as may be necessary to temporarily or permanently prevent, minimize or mitigate damage to the public health or welfare or the environment, which may otherwise result.
24. or based upon, directly or indirectly resulting from or in consequence of, or in any way involving the hazardous properties of **Nuclear Material**, if
- a. the **Nuclear Material** (1) is at any nuclear facility owned by, or operated by or on behalf of, an **Insured** or (2) has been discharged or dispersed therefrom;
 - b. the **Nuclear material** is contained in spent fuel or waste at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of an **Insured**; or
 - c. the furnishing by an **Insured** of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any **Nuclear Facility**, but if such facility is located within the United States of America, its territories, or possessions or Canada, this exclusion (c) applies only to injury to or destruction of property at such **Nuclear Facility**.

For purposes of this exclusion the following terms have the following meanings:

Hazardous Properties include radioactive, toxic or explosive properties.

Nuclear Materials means **Source Material**, **Special Nuclear Material**, and **Byproduct Material**.

Source Material, **Special Nuclear Material**, and **Byproduct Material** have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.



Spent Fuel means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a nuclear reactor.

Waste means any waste material (1) containing **Byproduct Material** and (2) resulting from the operation by any person or organization of any **Nuclear Facility** included within the definition of **Nuclear Facility** under paragraph **a.** or **b.** thereof.

Nuclear Facility means:

- a.** any **Nuclear Reactor**;
- b.** any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing spent fuel, or (3) handling, processing or packaging waste;
- c.** any equipment or device used for the processing, fabricating or alloying of special nuclear material if at any time the total amount of such material in the custody of the insured at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;
- d.** any structure, basin, excavation, premises or place prepared or used for the storage or disposal of waste;

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

Nuclear Reactor means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material;

25. or based upon, directly or indirectly resulting from or in consequence of or in any way involving:

- a.** the presence, ingestion, inhalation, or absorption of or exposure to lead, lead compounds, or lead contained in any materials;
- b.** any cost or expense to abate, mitigate, remove, or dispose of lead, lead compounds, or materials containing lead;
- c.** any supervision, instruction, recommendations, warnings or advice given or which should have been given in connection with paragraphs **a.** and **b.** immediately above; or



- d. any obligation to share damages with or repay anyone else who must pay damages in connection with parts **a.** or **c.** immediately above.
26. or based on or arising from:
- a. The inspection, evaluation or testing of, or the failure to inspect, evaluate or test for, any items listed in 4. a. through d. below;
 - b. The failure to discover or disclose any items listed in items 4. a. through d. below;
 - c. The actual, alleged or threatened inhalation of, ingestion or, contact with, exposure to, existence of, or presence of, any of the listed items in 4. a. through d. below on or within a building or structure, including its contents; or
 - d. The clean up, remediation, containment, removal or abatement of any items listed in (i) through (iv) below:
 - (i) Any **Fungus(i), Mold(s)**, mildew or yeast;
 - (ii) Any Spore(s) or toxins created or produced by or emanating from such Fungus(i), Mold(s), mildew, or yeast;
 - (iii) Any substance, vapor, gas or other emission of any organic or inorganic body or substance produced by or arising out of any Fungus(i), Mold(s), mildew, or yeast; and
 - (iv) Any material, product, building component, building or structure, or any concentration of moisture, water or other liquid within such material, product, building component, building or structure that contains, harbors, nurtures or acts as a medium for any Fungus(i), Mold(s), mildew, yeast, or Spore(s) or toxins emanating therefrom, regardless of any other cause, event, material, product and/or building component that contributed concurrently or in any sequence;
27. or based on or arising out of the Insured gaining, in fact, any personal profit or advantage to which any Insured was not legally entitled, including but not limited to, misappropriation, conversion, embezzlement, commingling or defalcation of funds or other property.



VII. DEFINITIONS

Application means the written application attached hereto and forming part of this Policy and the proposal or application for any policy in an uninterrupted series of policies issued by the **Underwriters** of which this Policy is a renewal or replacement, including any materials submitted therewith, and any information obtained by the **Underwriters** in the public domain, including from any **Insured's** website or any other publicly available source which materials shall be deemed a part of and attached hereto, as if physically attached.

Bodily Injury means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time. **Bodily Injury** also means mental illness, mental anguish, or emotional distress, pain or suffering, or shock sustained by that person, whether or not resulting from physical injury, sickness, disease or death of any person.

Claim means:

- a. a written demand for money received by an **Insured**;
- b. a notice received by an **Insured** alleging a breach of duty by an **Insured**;
- c. service of suit, or notice received by any **Insured** of the initiation of arbitration, or of a written request to toll or waive a statute of limitations, or
- d. solely in connection with **Claim Expenses** a complaint or grievance against any **Insured** and arising from the **Insured's** rendering or failing to render a **Professional Service**, filed with any governmental, regulatory, or other similar organization or body responsible for the regulation, certification, oversight, or discipline of **Professional Services**.

Claim Expenses means reasonable fees charged by any lawyer retained by the **Underwriters**, and, if authorized by the **Underwriters**, all other reasonable fees or costs incurred in the defense of a **Claim**, including expenses for investigation, adjustment and appeal. **Claim Expenses** shall not include any remuneration, salaries, regular or overtime wages, or benefits of any **Insured** that are associated with the defense and investigation of a **Claim**.

Damages means a monetary judgment, award or settlement. **Damages** does not include:

- a. punitive or exemplary damages or any damages which are a multiple of compensatory damages;
- b. civil or criminal fines or penalties;



- c. taxes;
- d. disgorgement, restitution, rescission or similar remedies seeking the return of money or property from any **Insured**;
- e. the restitution, reduction, or withdrawal of any professional fee or other compensation or expenses paid to or charged by any **Insured** for services or goods; or
- f. judgments, awards, or settlements arising from acts deemed uninsurable by law.

Extended Discovery Period means the period described in **Section II.** of this Policy.

Fungus(i) means any type or form of **Fungus**, and including **Mold** or mildew and any mycotoxins, **Spores**, scents, byproducts produced or released by fungi, smuts, rust, or mushrooms.

Insured means:

- a. if the **Named Insured** is designated in the Declarations as an individual, the person so designated but only with respect to the conduct of a business of which he is the sole proprietor, and the spouse of the **Named Insured** with respect to the conduct of such a business, and any employee while acting within the scope of his duties as such;
- b. if the **Named Insured** is designated in the Declarations as a partnership or joint venture, the partnership or joint venture so designated and as legally constituted on the Inception Date of this Policy and any partner or member thereof but only with respect to his liability as such, and any employee while acting within the scope of his duties as such; and
- c. if the **Named Insured** is designated in the Declarations as other than an individual, partnership or joint venture, the organization so designated and as legally constituted on the Inception Date of this Policy, including any **Subsidiaries** if so designated on the Declarations and any executive officer, director, member, management committee member, stockholder or employee thereof while acting within the scope of his duties as such.

This insurance does not apply to any liability arising out of the conduct of any partnership or joint venture of which the **Insured** is a partner or member and which is not designated in this Policy as a **Named Insured**.



The insurance afforded applies separately to each **Insured** against whom a **Claim** is made, except with respect to the **Underwriters' Limit of Liability** as shown in **Item 5.** of the Declarations and provisions herein that apply to “any **Insured.**”

Mold(s) means any superficial growth produced on damp or decaying organic matter or on living organisms, and **Fungi** that produce **Mold.**

Named Insured means the person or organization named in the Declarations of this Policy.

Personal Injury means injury arising out of one or more of the following:

- a. false arrest, detention or imprisonment, or malicious prosecution;
- b. wrongful entry or eviction, or other invasion of the right of private occupancy; or
- c. the publication or utterance of libel, slander or other defamatory or disparaging statement or material, or a publication or utterance in violation of a person's right of privacy or right of personal publicity, including without limitation publications or utterances in the course of, which arise out of, result from or relate to advertising, broadcasting or telecasting activities conducted by or on behalf of any **Insured.**

Policy Period means the period of time from the **Inception Date** of this Policy to the **Expiration Date** as shown in **Item 4.b.** of the Declarations, or if applicable, any earlier cancellation date. The **Policy Period** does not include the **Extended Discovery Period**, if any.

Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste; waste includes materials to be recycled, reconditioned or reclaimed.

Professional Services means solely in the rendering or failure to render the Professional Services for others for a fee as shown in **Item 7.** of the Declarations by any **Insured.**

Property Damage means (1) physical injury to or destruction of tangible property or (2) the loss of use of tangible property which has not been physically injured or destroyed.

Spores means any dormant or reproductive body produced by or arising or emanating out of any **Fungus(i), Mold(s),** mildew, plants or organisms or microorganisms.

Subsidiary means any entity in which and so long as more than 50% of the outstanding securities or voting rights representing the present right to vote for the election of



directors of such entity are owned by the **Named Insured** directly or through one or more of its **Subsidiaries**, if such entity was so owned at the Policy Inception Date.

Terrorism means activities against persons, organizations or property of any nature:

1. That involve the following or preparation for the following:
 - a. Use or threat of force or violence by any means; or
 - b. Commission or threat of a dangerous act by any means; or
 - c. Commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system by any means; and
2. When one or both of the following applies:
 - a. The effect is to intimidate or coerce a government or the civilian population or any segment thereof, or to disrupt any segment of the economy; or
 - b. It appears that the intent is to intimidate or coerce a government, or to further political, ideological, religious, social or economic objectives or to express (or express opposition to) a philosophy or ideology.

Wrongful Act means any negligent act or error or omission of any **Insured** or any other person for whose acts, errors or omissions the **Insured** is legally liable, arising out of the conduct of **Professional Services**.

VIII. CONDITIONS

1. **Insured's Duties in the Event of a Claim or Suit**
 - a. In the event of a **Claim**, written notice containing particulars sufficient to identify the **Insured** and also reasonably obtainable information with respect to the time, place and circumstances of the alleged **Wrongful Acts**, the date and manner in which any **Insured** first learned of the **Claim**, and the names and addresses of the injured and of available witnesses, shall be given by or for the **Insured** to the **Underwriters'** authorized representative as soon as practicable.
 - b. If a **Claim** is made or suit is brought against any **Insured**, the **Insured** shall immediately forward to the **Underwriters'** authorized representative every demand, notice, summons or other process received by him or his representative,



and notify the **Underwriters** in writing of the date any Insured first received such **Claim** or suit.

- c. The **Insured** shall cooperate with the **Underwriters** and, upon the **Underwriters'** request, assist in making settlements, in the conduct of suits and in enforcing any right of contribution or indemnity against any person or organization who may be liable to the **Insured** because of injury or damage with respect to which insurance is afforded under this Policy; and the **Insured** shall attend hearings and trials and assist in securing and giving evidence and obtaining the attendance of witnesses. Upon written request of the **Underwriters**, the **Insured** shall submit to an examination under oath by a representative of the **Underwriters**. No **Insured** shall, except at his own cost, voluntarily make any payment, assume any obligation or incur any expense other than for first aid to others at the time of an accident.

2. Reporting of Potential Claims

If during the **Policy Period** the **Insured** first becomes aware of a **Wrongful Act** which might reasonably be expected to give rise to a **Claim** and, during the **Policy Period** gives written notice to the **Underwriters** of such **Wrongful Act** as required below, then any **Claim** subsequently made against the **Insured** by reason of such **Wrongful Act** shall be deemed to have been first made during the **Policy Period** at the time of the original written notice.

Written report of a potential **Claim** shall include:

- a. the specific facts or circumstances which constitute the **Wrongful Act**, including the dates(s) thereof and the **Insured** involved;
- b. the potential claimant(s);
- c. the date and circumstances by which the **Insured** became aware of such **Wrongful Act**; and
- d. the **Damages** which may result.

3. Action Against the Underwriters

No action shall lie against the **Underwriters** unless, as a condition precedent thereto, the **Insured** shall have fully complied with all the terms of this Policy, nor until the amount of 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 **Underwriters**. Such action must be brought against the **Underwriters** within two years of such actual trial or written agreement. Nothing contained in this Policy shall



give any person or organization any right to join the **Underwriters** as a co-defendant in any action against the **Insured** to determine the **Insured's** liability. Bankruptcy or insolvency of the **Insured** shall not relieve the **Underwriters** of any of its obligations hereunder.

4. Governing Law

This Policy shall be interpreted in accordance with the law of Georgia, without regard to any conflict of law provisions thereof.

5. Other Insurance

The insurance afforded by this Policy is primary insurance, except when stated to apply in excess of or contingent upon the absence of other insurance. When this insurance is primary and the **Insured** has other insurance which is stated to be applicable to the loss on an excess or contingent basis, the amount of the **Underwriters'** liability under this certificate shall not be reduced by the existence of such other insurance.

When both this insurance and other insurance apply to the loss on the same basis, whether primary, excess or contingent, the **Underwriters** shall not be liable under this Policy for a greater proportion of the loss than that stated in the applicable contribution provision below:

- a.** Contribution by Equal Shares. If all of such other valid and collectible insurance provides for contribution by equal shares, the **Underwriters** shall not be liable for a greater proportion of such loss than would be payable if each insurer contributes an equal share until the share of each insurer equals the lowest applicable limit of liability under any one Policy or the full amount of the loss is paid, and with respect to any amount of loss not so paid the remaining insurers then continue to contribute equal shares of the remaining amount of the loss until each such insurer has paid its limit in full or the full amount of the loss is paid.
- b.** Contribution by Limits. If any of such other insurance does not provide for contribution by equal shares, the **Underwriters** shall not be liable for a greater proportion of such loss than the applicable Limit of Liability under this Policy for such loss bears to the total applicable limit of liability of all valid and collectible insurance against such loss.

This Policy shall not apply to and shall be null and void as to:

- (v) Professional Services** rendered, or which should have been rendered, prior to the effective date hereof for which other insurance exists to provide the **Insured** any coverage for **Claims** or liabilities resulting therefrom; or



- (vi) **Claims** or suits, arising within twelve (12) months from the date of cancellation by the **Underwriters**, arising from **Professional Services** rendered, or which should have been rendered during the **Policy Period** prior to the date of cancellation, when there is other available insurance for such **Claim** or suit.

If collectible insurance under any other Policy or Policies with the **Underwriters** issued to this **Insured** is available for any one **Claim**, the **Underwriters'** total liability shall in no event exceed the greater Limit of Liability applicable to such **Claim** under this or any other such Policy or Policies.

6. Subrogation

In the event of any payment under this Policy, the **Underwriters** shall be subrogated to all the **Insured's** rights of recovery therefore against any person or organization and the **Insured** shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. The **Insured** shall do nothing after loss to prejudice such rights.

7. Changes

Notice to, or knowledge possessed by, any representative of the **Underwriters** or by any other person shall not effect a waiver or a change in any part of this Policy or estop the **Underwriters** from asserting any right under the terms of this Policy; nor shall the terms of this Policy be waived or changed, except by endorsement issued to form a part of this Policy.

8. Assignment

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

9. Cancellation

This Policy may be cancelled by the **Named Insured** by surrender thereof to the **Underwriters'** authorized representative or by mailing to the **Underwriters** or any of its authorized representatives written notice stating when thereafter the cancellation shall be effective. This Policy may be cancelled by the **Underwriters** by mailing to the **Named Insured**, at the address shown in this Policy, written notice stating when, not less than thirty (30) days thereafter, such cancellation shall be effective. However, in the event of cancellation for non-payment of premium, this Policy may be cancelled by the **Underwriters** after ten (10) days written notice has been sent. The mailing of notice as aforesaid shall be sufficient proof of notice. The time of surrender or the effective date



and hour of cancellation stated in the notice shall become the end of the **Policy Period**. Delivery of such written notice either by the **Named Insured** or by the **Underwriters** shall be equivalent to mailing.

If the **Named Insured** cancels, earned premium shall be computed in accordance with the customary short rate table and procedure. If the **Underwriters** cancels, earned premium shall be computed pro rata.

When this Policy insures more than one **Named Insured** cancellation may be effected by the first named of such **Named Insureds** for the account of all **Named Insureds**. Notice of cancellation by the **Underwriters** to the first **Named Insured** shall be deemed notice to all **Named Insureds** and payment of any unearned premium to such first **Named Insureds** shall be for the account of all **Named Insureds**. 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.

10. Conforming to Statute

Terms of Policy Conformed to Statute: The terms of this Policy which are in conflict with the statutes of the State wherein this contract is issued are hereby amended to conform to such statutes.

11. Application

By acceptance of this Policy, the **Named Insured** agrees that the statements in the application are his representations, that this Policy is issued in reliance upon the truth of such representations and that this Policy embodies all agreements existing between himself and the **Underwriters**, or any of its Agents, relating to this insurance.

12. Changes In Exposure

a. Acquisition or Creation of Another Organization

If, after the Inception Date of the Policy the **Named Insured**:

- (i)** Creates or acquires an entity;
- (ii)** Merges with another entity such that the **Named Insured** is the surviving entity;
- (iii)** Acquires all or substantially all of the assets of another entity; or



- (iv) Assumes voting rights representing the present right to vote for election or to appoint more than fifty (50%) of the directors or trustees of an entity;

then such entity and any of its subsidiaries shall be deemed to be a **Subsidiary** so long as the total assets of the **Named Insured** immediately after such creation, merger, acquisition or assumption are no greater than twenty-five (25) percent more than the total assets of the **Named Insured** immediately before such creation, merger, acquisition or assumption. If the total assets of the **Named Insured** immediately after such creation, merger, acquisition, or assumption are greater than twenty-five (25) percent more than the total assets of the **Named Insured** immediately before such creation, merger, acquisition or assumption, this Policy shall provide insurance for such entities and any subsidiaries and their directors, officers, trustees or employees for a period of ninety (90) days after the effective date of such creation, merger, acquisition or assumption. At the **Underwriters'** sole option and upon submission and acceptance of any and all information as the **Underwriters** may require, and upon payment of any additional premium or modification of the provisions of this Policy the **Underwriters** requires the insurance afforded under this Policy may be extended.

There shall be no coverage for any **Wrongful Act** by such created, acquired, merged or assumed entity or by any persons considered to be an **Insured**, where such **Wrongful Act** occurred in whole or in part before the effective date of such creation, acquisition, merger or assumption.

b. Acquisition of the Named Insured

If, during the **Policy Period**, any of the following events occurs:

- (i) The acquisition of the Named Insured, or of all or substantially all of its assets, by another entity, or the merger or consolidation of the Named Insured into or with another entity such that the Named Insured is not the surviving entity; or
- (ii) The acquisition by any person, entity, or affiliated group of persons or entities of the right to elect, appoint or designate at least fifty (50) percent of the directors of the **Named Insured**;

the coverage under this Policy shall continue until termination of the **Policy Period** and shall not be cancelable by the **Named Insured**, but only with respect to the **Wrongful Acts** occurring prior to such acquisition, merger or consolidation. The **Named Insured** shall give written notice of such acquisition, merger, or consolidation to the **Underwriters** as soon as practicable together with such information as the **Underwriters** requires. However, coverage under this Policy will cease as of the effective date of such event with respect to **Wrongful Acts** occurring after such event. The appointment of any state or federal official, agency or court of any receiver, trustee, examiner, conservator, liquidator, rehabilitator or similar official to take control of, supervise,



manage or liquidate the **Named Insured**, or the **Named Insured** becoming a debtor in possession within the meaning of the United States Bankruptcy Code or similar legal status under foreign laws, shall not be considered an acquisition within the meaning of this subsection.

c. Cessation of a Subsidiary

If before or during the **Policy Period** an organization ceases to become a **Subsidiary**, coverage with respect to such **Subsidiary** and its **Insureds** shall continue until termination of the **Policy Period** but only with respect to **Wrongful Acts** occurring prior to the date such organization ceased to be a **Subsidiary**.

This Policy shall not be binding upon the **Underwriters** unless completed by a signed **Application**, a Declarations Page and countersigned on the aforesaid Declarations Page by a duly authorized representative of the **Underwriters**.