



THIS IS A CLAIMS MADE AND REPORTED POLICY WITH DEFENSE COSTS INCLUDED IN THE LIMIT OF LIABILITY. PLEASE READ THE ENTIRE POLICY CAREFULLY.

DECLARATIONS

LAWYERS EMPLOYMENT PRACTICES LIABILITY INSURANCE

Insurance is provided by:

POLICY NUMBER:

{Response}

Various Insurers as per attached Schedule

Renewal of:

{Response}

NOTICE: THIS IS A CLAIMS MADE POLICY THAT APPLIES, SUBJECT TO ITS TERMS, ONLY TO "CLAIMS" FIRST MADE DURING THE "POLICY PERIOD," OR, IF PURCHASED, ANY EXTENDED REPORTING PERIOD AND REPORTED WITHIN THE SPECIFIED TIME. THE LIMIT OF LIABILITY AVAILABLE TO PAY DAMAGES OR SETTLEMENTS WILL BE REDUCED BY "DEFENSE COSTS" AND "DEFENSE COSTS" WILL BE APPLIED AGAINST THE SELF-INSURED RETENTION. THESE DECLARATIONS, THE COMPLETED, SIGNED APPLICATION, AND THE POLICY WITH ENDORSEMENTS SHALL CONSTITUTE THE CONTRACT BETWEEN UNDERWRITERS AND THE INSURED.

ITEM 1. INSURED FIRM – Name and Principal Address:

{Response}

Predecessor Firm(s):

{Response}

Address(es):

{Response}

ITEM 2. POLICY PERIOD:

From: {Response}

To: {Response}

at 12.01 a.m. both dates at the Principal Address in ITEM 1

ITEM 3. LIMIT OF LIABILITY (inclusive of Defense Costs):

- (a) {Response} Maximum Limit of Liability each Claim
- (b) {Response} Client Discrimination Limit of Liability
- (c) {Response} Punitive, exemplary and multiple damages Limit of Liability
- (d) {Response} Maximum aggregate Limit of Liability for all Claims
- (e) {Response} Defense-Only Limit of Liability

ITEM 4. SELF-INSURED RETENTION:

{Response} Each and Every Claim

ITEM 5. PRIOR AND PENDING DATE:

{Response}

ITEM 6. PREMIUM:

{Response}

ITEM 7. NOTIFICATION OF CLAIMS TO:

Claims Department Beazley
30 Batterson Park Road
Farmington, CT 06032
(E) claims@beazley.com
(P) (860)677-3765
(F) (860)679-0247

ITEM 8. SERVICE OF SUIT:

{Response}

Dated in London: {Response}



IMPORTANT NOTE: THIS IS CLAIMS MADE AND REPORTED COVERAGE. PLEASE READ THIS POLICY CAREFULLY.

THIS POLICY IS WRITTEN ON A CLAIMS MADE BASIS AND COVERS ONLY CLAIMS: 1. FIRST MADE DURING THE POLICY PERIOD OR THE EXTENDED REPORTING PERIOD IF EXERCISED; AND 2. REPORTED WITHIN THE TIME SPECIFIED IN THE NOTICE PROVISIONS. THE LIMIT OF LIABILITY AVAILABLE TO PAY JUDGMENTS OR SETTLEMENTS SHALL BE REDUCED BY DEFENSE COSTS. DEFENSE COSTS AND LOSS PAYMENTS SHALL BE APPLIED AGAINST THE SELF-INSURED RETENTION.

LAWYERS EMPLOYMENT PRACTICES LIABILITY INSURANCE

LAWYERS EMPLOYMENT PRACTICES LIABILITY INSURANCE

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

Throughout this **Policy** the words “you” and “your” refer to the **Insured Firm** shown in the Declarations. The words “we”, “us”, and “our” refer to the Underwriters providing this insurance.

The word **Insured** means any person or organization qualifying as such under the definition of **Insured** in SECTION III.H.

Other words and phrases that appear in **bold** have special meaning as described in SECTION III.

In consideration of payment of the premium and in reliance upon the statements made in the **Application**, which is made a part of and deemed attached to this **Policy** and subject to the Declarations and the limitations, conditions, provisions, and other terms of this **Policy**, the Underwriters and the **Insureds** agree as follows:

I. **INSURING AGREEMENT**

We will pay all **Loss** that the **Insureds** become obligated to pay as a result of **Claims** first made against any **Insured** during the **Policy Period**, or the Extended Reporting Period if applicable, and reported in accordance with the notice provisions in Section V.B.1, for **Wrongful Employment Practices** or **Client Discrimination**.

II. **DEFENSE AGREEMENT**

We will defend the **Insureds** against all **Claims** to which this **Policy** applies in accordance with the defense provisions in Section V.A.

III. **DEFINITIONS**

A. **Application** means all applications, including attachments and submitted materials, for this **Policy**. All such applications, attachments, and materials are deemed attached to and incorporated into this **Policy**.

B. **Civil Rights Violation** means a violation of an individual's right to receive equal treatment regardless of race, gender, religion, national origin, sexual orientation or preference, transgender status, pregnancy, disability (including HIV), marital or family status, mental status, age, obesity, or genetic information or predisposition (including BRCA status).

C. **Claim** means:

1. a written demand for monetary damages or non-monetary relief, including injunctive relief, or for mediation, arbitration or the tolling or waiver of a statute of limitations;
2. a charge, complaint or other notice of commencement of federal, state, or local administrative proceedings by or before any agency with authority over the **Firm's** employment practices;
3. the filing of a civil or criminal judicial proceeding; or
4. a complaint or grievance filed with a federal, state, county or municipal bar association.
5. a labor or union grievance proceeding once it has reached arbitration.

A **Claim** is deemed first made when it is received by an **Insured**.

For purposes of this **Policy**, all **Claims** arising out of the same **Wrongful Employment Practices** or **Client Discrimination** and all **Interrelated Claims** shall be deemed one **Claim** and such **Claim** shall be deemed first made on the date the earliest of such **Claims** is first made, regardless of whether such date is before or during the **Policy Period**.

D. **Client Discrimination** means any actual or alleged unlawful discrimination, including harassment, or **Civil Rights Violation** by an **Insured** against any natural person who is not an **Employee**, including a former, current, or prospective client of the **Firm**. **Client Discrimination** shall not include assault or battery.

E. **Defense Costs** means reasonable and necessary fees, costs, and expenses incurred by counsel, experts or investigators appointed or pre-approved by us in the investigation, defense and appeal of any **Claim** pursuant to DEFENSE AGREEMENT Section II; but **Defense Costs** do not include any wages, salaries, fees, expenses, bonuses, or overhead of any **Insured**, except the expenses of **Insureds** required to attend Court hearings or trial, up to a cap of USD 5,000. **Defense Costs** will also include legal and investigation fees necessary to respond to potential **Claims** identified under Section V.B.2, if incurred at our

request and direction. **Defense Costs** will also include legal costs incurred in responding to notice of a governmental investigation provided, however, that such investigation involves the same **Wrongful Employment Practices** or **Client Discrimination** as a pending **Claim**.

- F. **Employee** means any individual whose labor or service is engaged by and directed by the **Firm**, whether partners, associates, attorneys in “counsel” or “of counsel” positions, and including all staff members, whether part-time, full-time, seasonal, or temporary, and including joint **Employees** and **Leased Employees**. Independent contractors will also be considered **Employees**, as will claimants alleging they are employees under the law.
- G. **Financial Impairment** means the status of the **Firm** resulting from the appointment by 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 **Firm**. Underwriters may, at their sole discretion, consider a **Firm** to be in a state of **Financial Impairment** if the **Firm** can produce documentation demonstrating permanent insolvency.
- H. **Firm** means the organization(s) engaged in the practice of law under the name first listed in Item 1 of the Declarations, whether as a partnership, limited liability partnership, professional corporation, joint venture, association, or otherwise. Predecessor firms listed in Item 1 of the Declarations will be included, but only for **Claims** arising out of conduct by partners, shareholders, or principals of the entity identified in Item 1 as the **Insured Firm**. A debtor in possession, or the foreign equivalent thereof, of any **Firm** will also be considered a **Firm**.
- I. **Insured** means the **Firm** and the following individuals acting in their respective capacities as: a partner, shareholder, officer, or principal of the **Firm**; an **Employee** of the **Firm** who is a lawyer; a lawyer who is “counsel” or “of counsel” to the **Firm**; a non-lawyer **Employee**, if the **Firm** requests coverage for such individual at the time of the **Claim** provided that coverage for such **Employee** shall cease upon the date Underwriters receive written notification from the **Firm** requesting that coverage be withdrawn. For **Firms** domiciled outside of the United States, the functional equivalents of such individuals will be considered **Insureds**.
- J. **Interrelated Claims** means all **Claims** arising from **Wrongful Employment Practices** and **Client Discrimination** that have as a common nexus any fact, circumstance, situation, events or transactions.
- K. **Leased Employee** means any **Employee** who is leased to the **Firm** to perform work for the **Firm** and over whom the **Firm** controls the means and manner of the work performed.

- L. **Loss** means damages, judgments, settlements, verdicts, and awards, including compensatory damages, back pay, front pay, statutory attorneys' fees, pre-judgment and post-judgment interest, statutory liquidated damages and **Defense Costs** in excess of the Self-Insured Retention. Punitive, exemplary, and multiple damages are also **Loss** if such coverage is purchased and indicated by an amount appearing in Item 3(c) of the Declarations, and to the extent insurable under the law of any applicable jurisdiction most favorable to insurability.

Loss does not include: 1. fines, penalties, sanctions, or taxes; 2. any amount for which the **Insured** is absolved from payment; 3. stock options or amounts reflecting the value of stock options; 4. amounts owed, or liquidated damages owed, under employment contracts, partnership or **Firm** ownership agreements, or any other type of contract; 5. severance pay; 6. disability, social security, workers' compensation, medical, insurance, retirement or pension benefits, or the equivalent value thereof; 7. the cost to modify any premises or provide any accommodation to any disabled person; 8. the cost of instituting or conducting any policy, program, procedure, or training; 9. the cost of instating or reinstating employment, or complying with any order for, grant of, or agreement to provide, injunctive or non-monetary relief; 10. any relief, whether pecuniary or injunctive, imposed or agreed to in connection with criminal lawsuits or proceedings and 11. matters uninsurable under the law pursuant to which this **Policy** is constructed.

- M. **Policy** means, collectively, the Declarations, the **Application**, this **Policy** form, and any endorsements hereto.

- N. **Policy Period** means the period of time specified in Item 2 of the Declarations, subject to prior cancellation in accordance with Section V.Q of this **Policy**.

- O. **Privacy Violation** means wrongful disclosure, theft or misuse of an **Employee's** confidential, personal and/or identifying information, including breach of, violation, or non-compliance with, data protection laws relating to employee data.

- P. **Social Media** means the use by an **Insured** of any internet or mobile-based devices for the purpose of sharing, disseminating and discussing information through any media application.

- Q. **Wage and Hour Laws** means any federal, state, local or common law (other than the Equal Pay Act) governing or relating to the payment of overtime, on-call time, rest periods, minimum wages or the classification of workers.

- R. **Wrongful Employment Practice** means any actual or alleged

1. violation of any federal, state, or local law or statute or any common law, prohibiting any kind of employment-related discrimination;
2. harassment, including any type of sexual or gender harassment as well as racial, gender, religious, national origin, sexual orientation or preference,

transgender status, pregnancy, disability (including HIV), marital or family status, mental status, pregnancy, age, obesity, genetic information or predisposition (including BRCA status) - based harassment and including harassment via **Social Media** and workplace harassment by non-employees;

3. abusive or hostile work environment, whether based on gender, race, religion, age, disability, national origin, pregnancy, marital status, or sexual orientation;
4. workplace bullying;
5. wrongful discharge or termination of employment, whether actual or constructive;
6. breach of an implied employment contract, breach of the implied covenant of good faith and fair dealing, or promissory estoppel;
7. breach of an actual or alleged written employment contract as long as another **Wrongful Employment Practice** is also alleged;
8. wrongful failure or refusal to hire or promote, employment-related misrepresentation, or wrongful demotion;
9. wrongful failure or refusal to provide equal treatment or opportunities;
10. employment terminations, disciplinary actions, demotions or other employment decisions that violate public policy or the Family Medical Leave Act or similar state or local law;
11. defamation, libel, slander, disparagement, false imprisonment, malicious prosecution, or invasion of privacy;
12. wrongful failure or refusal to promote, including wrongful failure to advance, grant tenure or offer or grant partnership or shareholder status;
13. wrongful failure or refusal to adopt or enforce adequate workplace or employment practices, policies or procedures;
14. wrongful, excessive or unfair discipline;
15. wrongful infliction of emotional distress, mental anguish, or humiliation;
16. **Privacy Violation;**

17. retaliation, including retaliation for exercising protected rights, supporting in any way another's exercise of protected rights, or threatening or actually reporting wrongful activity of an **Insured** such as violation of any federal, state, or local "whistle blower" law or any disciplinary rule governing lawyers' conduct;
18. wrongful use of background checks in any employment decision to hire, fire, discipline, promote or demote;
19. violation of the Uniformed Services Employment and Reemployment Rights Act or other federal, state or local statute protecting the reemployment of military personnel; or
20. negligent hiring or negligent supervision of others, including wrongful failure to provide adequate training, in connection with 1 through 19 above,

but only if employment-related and claimed by or on behalf of an **Employee**, former **Employee**, or applicant for employment, and only if committed or attempted by any of the **Insureds** in their capacity as such.

IV. EXCLUSIONS

Underwriters shall not be obligated to defend, and will not be liable for **Defense Costs** or **Loss** on account of, any **Claim**:

1. for an actual or alleged violation of **Wage and Hour Laws**, the National Labor Relations Act, the Worker Adjustment and Retraining Notification Act, the Consolidated Omnibus Budget Reconciliation Act of 1985, the Occupational Safety and Health Act, the Employee Retirement Income Security Act of 1974, any workers' compensation, unemployment insurance, social security, or disability benefits law, other similar provisions of any federal, state, or local statutory or common law, *provided, however*, 1. this exclusion will not apply to any **Claim** of any actual or alleged retaliatory treatment on account of the exercise of rights pursuant to any such law; and 2. in the event a Claim or Interrelated Claims excluded from coverage by this exclusion is brought by or on behalf of more than one claimant, and also alleges **Wrongful Employment Practices** otherwise covered by this **Policy**, notwithstanding the provisions of DEFENSE AGREEMENT Section II, Underwriters agree to pay only that portion of **Defense Costs** and/or **Loss** arising solely from such **Wrongful Employment Practices** allegations and subject to all other terms, conditions and exclusions contained in this **Policy**;

2. based upon, arising out of, or attributable to any fact, circumstance, or situation
 - (i) that was the subject of any written notice given under any prior policy of which this **Policy** is a renewal and/or replacement;
 - (ii) that was the subject of any prior or pending written demand for monetary damages, administrative or arbitration proceeding or civil or criminal litigation or bar association grievance against any **Insured** as of the Prior and Pending Date identified in Item 5. of the Declarations, or the same or substantially the same fact, circumstance, or situation underlying or alleged therein; or
 - (iii) that was identified in any summary or statement of claims or potential claims submitted in connection with the **Application**;
3. for **Client Discrimination** otherwise covered by any **Insured's** professional liability policy or general liability policy;
4. arising out of, based upon, or attributable to, the adjudicated criminal act on the part of any **Insured** provided, however, that the criminal act of one **Insured** shall not be imputed to any other **Insured** for purposes of this exclusion;
5. based upon, any wrongful act or omission of any **Insured** serving in any capacity other than as a partner, principal, shareholder, officer, lawyer, or **Employee** of the **Firm**; or
6. by or on behalf of, or in the name or right of, or for the benefit of, any partner, principal, officer, or shareholder of the **Firm** arising out of a partnership agreement or contract, allocation of shares, ownership interests in the **Firm**, distribution of profits or capital, or any other similar financial relationship among **Insureds**; or

V. GENERAL CONDITIONS AND LIMITATIONS

A. Defense and Settlement

We have the right and duty to defend any **Claim** covered by the **Policy** and such obligation is limited to amounts constituting **Defense Costs**.

Our duty to defend any **Claim** will end once the Limit of Liability, as stated in Item 3(a) of the Declarations, is exhausted by the payment of **Loss**, including **Defense Costs**. If our duty to defend ends with respect to any **Claim**, we will notify you so that you can arrange to take control of the defense of the **Insureds**. We will take whatever steps are necessary to avoid a default judgment during a

transfer of control of the defense of any such **Claim**. If we do so, you agree to repay the reasonable expenses incurred by us during the transfer and further agree that, in undertaking the steps necessary to avoid a default judgment during the transfer, we have not waived any rights under the **Policy**.

We may, with your consent, settle any **Claim** for any monetary amount that we consider reasonable. If you do not give your consent to such settlement, then our liability for all **Loss**, including **Defense Costs**, on account of such **Claim**, will not exceed: 1. the amount for which we could have settled the **Claim** plus **Defense Costs** incurred as of the date we proposed such settlement; plus 2. eighty-five percent (85%) of covered **Loss** excess of the proposed settlement as long as fifteen percent (15%) is borne by the **Firm** at its own risk and uninsured. Notwithstanding the foregoing, you may settle any matter without our consent if it can be fully resolved (including all **Defense Costs** incurred in connection with the defense and settlement of the matter) for 100% (or less) of the applicable Self-Insured Retention.

The **Insureds** will not incur any **Defense Costs**, settle or offer to settle any **Claim**, assume any contractual obligation, admit liability, voluntarily make any payment or confess or otherwise consent to any damages or judgments with respect to any **Claim** covered by this **Policy**, if, with regard to settlement, the total **Loss**, including **Defense Costs**, would exceed the Self-Insured Retention, without our prior written consent, which will not be unreasonable withheld. We will not be liable for any **Defense Costs**, settlement, assumed obligation, admitted liability, voluntary payment, or confessed damages or judgments to which we have not consented.

The **Insureds** will provide full cooperation and all information and particulars that we may request to conduct an investigation, defend a **Claim**, or to reach a settlement of the **Claim**. The **Insureds** agree that in the event of a **Claim**, they will do nothing that may prejudice our position or rights of recovery.

B. Allocation

If both **Loss** covered by this Policy and non-covered loss are incurred, either because the **Claim** made against the **Insured** includes both covered and non-covered matters, or because a **Claim** is made against both the **Insured** and others not insured under this Policy, then such covered **Loss** and non-covered loss shall be allocated as follows:

1. one hundred percent (100%) of **Defense Costs** shall be allocated to covered **Loss** except costs associated with the defense of actual or alleged violations of **Wage and Hour Laws**;

2. Settlements, judgments, verdicts and awards shall be allocated between covered **Loss** and non-covered loss based upon the relative legal and financial exposures of, and the relative benefits obtained in connection with the resolution of the **Claim** as between the **Insureds'** or non-Insureds' exposure to non-covered loss, and the **Insureds'** exposure to covered **Loss**. In making such allocation determination, the **Insureds** and Underwriters agree to use their best efforts to determine a fair and proper allocation. In the event that an allocation cannot be agreed to, then the Underwriters shall make an interim payment of the amount of **Loss** that the parties agree is not in dispute until a final amount is agreed upon or determined pursuant to the provisions of applicable law.

Notwithstanding the above, the **Insureds** and the Underwriters agree to use their best efforts to determine a fair and proper allocation of all covered **Defense Costs** and non-covered defense costs associated with the defense of **Claims** alleging a violation of **Wage and Hour Laws**. In the event that an allocation cannot be agreed to, then the Underwriters shall make an interim payment of the amount of **Defense Costs** that the parties agree is not in dispute until a final amount is agreed upon or adjudicated.

C. Notice Provisions

1. Notice of Claim

The **Insureds** shall, as a condition precedent to their rights under this **Policy**, give our Authorized Representatives, as identified in Item 7. of the Declarations, written notice of any **Claim** made against the **Insureds** as soon as practicable after the **Insured's** in-house counsel, human resources department, risk manager or any executive officer becomes aware of such **Claim**, but in no event later than ninety (90) days after the end of the **Policy Period**. Along with the notice of **Claim**, the **Insureds** will provide our Authorized Representatives, as identified in Item 7. of the Declarations, with copies of all documentation comprising the **Claim** as well as all authorization, cooperation, or assistance as we may require throughout the duration of the **Claim**.

Under no circumstances shall Underwriters pay any **Defense Costs** incurred prior to **Claim** notification be applied against the Self-Insured Retention or be payable by us.

2. Notice of Potential Claim

Solely at the **Insured's** option, the **Insured** may within the **Policy Period** or within the Extended Reporting Period, if purchased, provide us with notice of

circumstances that could give rise to a **Claim** for **Wrongful Employment Practices** or **Client Discrimination**. Such notice shall include the identity of the person(s) involved and the reason the **Insured** believes a **Claim** may be made. If such notice is received by us or by our Authorized Representative within the **Policy Period**, or within the Extended Reporting Period, if purchased, then any **Claim** subsequently arising from such circumstances shall be deemed made on the date such notice was received.

D. Limit of Liability

1. Our maximum liability for **Loss** and **Defense Costs** combined on account of each **Claim** first made during the **Policy Period** shall be the Limit of Liability set forth in Item 3(a) of the Declarations. Our maximum liability for **Loss** and **Defense Costs** combined on account of all **Claims** first made during the same **Policy Period** shall be the Limit of Liability for the **Policy Period** set forth in Item 3(d) of the Declarations.
2. Item 3(b) of the Declarations reflects our maximum liability for **Claims** of **Client Discrimination**. Item 3(c) of the Declarations reflects our maximum liability for punitive, exemplary, and multiple damages. The amounts indicated in Item 3(b) and Item 3(c) will not operate to increase the per **Claim** Limit of Liability indicated in Item 3(a) of the Declarations or the aggregate Limit of Liability indicated in Item 3(d) of the Declarations.
3. The Limit of Liability for the Extended Reporting Period, if exercised, shall be part of and not in addition to the Limit of Liability for the **Policy Period**. The purchase of the Extended Reporting Period shall not increase or reinstate the Limit of Liability set forth in Item 3(d) of the Declarations, which shall be our maximum liability for all **Loss**. Including **Defense Costs**, on account of all **Claims** first made during such **Policy Period** and Extended Reporting Period, combined.
4. **Defense Costs** shall be part of, and not in addition to, the Limits of Liability set forth in Items 3(a)-3(d) of the Declarations, and **Defense Costs** shall reduce the Limits of Liability. Notwithstanding the other provisions of this Section V, if purchased and indicated in Item 3(e) of the Declarations, an additional Limit of Liability shall apply for coverage of **Defense Costs** only (referred to as the "Defense-Only Limit"). This Defense-Only Limit shall apply to **Defense Costs** in the first instance, leaving the original Limit of Liability as indicated in Items 3(a)-3(d) of the Declarations to apply second to: 1. **Defense Costs** incurred in excess of, and after exhaustion of, the Defense-Only Limit and/or 2. any other **Loss**, such as damages, judgments, settlements, verdicts, and awards, until the original Limit of Liability is exhausted.

In no event shall the Defense-Only Limit apply to **Loss**, and in no event shall we be obligated to pay more than the original Limit of Liability indicated in Items 3(a)-3(d) of the Declarations toward **Loss**, other than **Defense Costs** within the Defense-Only limit.

In no event shall our obligations under the **Policy** exceed the combination of the original Limit of Liability in Item 3(a) of the Declarations plus the Defense-Only Limit indicated in Item 3(e) of the Declarations. If a Defense-Only Limit is purchased, references in other parts of Section V to "Limit of Liability" shall refer to the combination of the original Limit of Liability and the Defense-Only Limit, subject to all other limitations and conditions of coverage.

Purchase of the Defense-Only Limit shall not alter your Self-Insured Retention obligations.

E. **Self-Insured Retention**

1. Our liability with respect to **Loss**, including **Defense Costs**, arising from each **Claim** shall apply only to that part of **Loss**, including **Defense Costs**, in excess of the Self-Insured Retention amount set forth in Item 4 of the Declarations and that Self-Insured Retention amount will be the **Firm's** uninsured responsibility. We shall have no responsibility to make any payment unless the Self-Insured Retention has been exhausted or unless the **Firm** is unable to meet its uninsured responsibility on account of **Financial Impairment**. In such event, no Self-Insured Retention amount shall apply during the pendency of **Financial Impairment**.
2. The Self-Insured Retention amount applies to each **Claim** or **Interrelated Claims**, regardless of the number of claimants.
3. If, prior to the termination of any **Employee**, the **Firm** obtains and adopts the written advice of legal counsel recommended or approved by us as respects such termination, then the Self-Insured Retention amount stated in Item 4 of the Declarations shall be reduced by fifty percent (50%) for any **Claim** commenced by that **Employee** arising from the events of the termination.
4. If a **Claim** is reported within thirty (30) days of when it was first made, the applicable Self-Insured Retention will be reduced by ten percent (10%).
5. If the **Firm** consents to a settlement of a **Claim** within twenty (20) days of the first request by Underwriters to consent and the settlement is accepted by the claimant, then the applicable Self-Insured Retention shall be retroactively reduced by ten percent (10%). Any consent to the same or another settlement after such time shall not reduce the Self-Insured Retention.

6. In the event of: 1. a determination of No Liability of all **Insureds**; or 2. a dismissal or a stipulation to dismiss a **Claim** without prejudice and without payment by any **Insured**, then the applicable Self-Insured Retention shall be retroactively reduced by an amount up to twenty-five percent (25%); provided, however, that in the case of 2., any amounts to be returned shall be returned ninety (90) days after the date of dismissal or stipulation as long as the **Claim** is not reinstated (or any other **Claim** which is subject to the same single Self-Insured Retention according to Section V.D is not brought) within that time, and further subject to an undertaking by the **Firm** in a form acceptable to Underwriters that such amounts shall be paid back to Underwriters in the event the **Claim** (or any other **Claim** which is subject to the same single Self-Insured Retention according to Section V.D) is brought after such 90-day period and before the expiration of the statute of limitations for such **Claim**.

“No Liability” for purposes of this provision means: 1. a final judgment of no liability obtained prior to trial, in favor of all **Insureds**, by reasons of a motion to dismiss or a motion for summary judgment, after the exhaustion of all appeals; or 2. a final judgment of no liability obtained after trial in favor of all **Insureds**, after the exhaustion of all appeals. In no event shall the term “No Liability” apply to a **Claim** made against an **Insured** for which a settlement has occurred.

7. The aggregate reduction in any one Self-Insured Retention as a result of these subsections 3, 4, 5 and 6 shall not exceed 50% or USD 35,000, whichever is less.

F. Other Insurance

Unless expressly written to be excess over other insurance, this **Policy** is intended to apply as primary insurance for **Wrongful Employment Practice Claims** covered by this **Policy**. As to coverage for **Claims** against **Leased Employees**, this **Policy** applies excess of all indemnification and insurance available to any **Insured** from or through the leasing company. As to coverage for **Claims** of **Client Discrimination**, this **Policy** applies excess of all indemnification and insurance that may otherwise be available to any **Insured**. Nothing in this provision shall prevent Underwriters or the **Insureds** from seeking contribution or coverage from any other insurer or indemnitor.

G. Spousal Extension

If a **Claim** against an **Insured** includes a claim against the lawful spouse or domestic partner of such **Insured** solely by reason of (a) such spousal or domestic partner status, or (b) such spouse’s or domestic partner’s ownership interest in property or assets that are sought as recovery for **Wrongful**

Employment Practices or **Client Discrimination**, any such **Claim** shall be deemed to be a **Claim** against an **Insured**.

All terms and conditions of this Policy, including the Self-Insured Retention, will be applicable to such **Claim**.

The extension of coverage afforded by this Section V.G shall not apply to the extent the **Claim** alleges any wrongful act or omission by such spouse.

H. **Representations and Severability**

In issuing this **Policy**, we relied upon the statements and representations in the **Application**. The **Insureds** represent that all such statements and representations are true and deemed material to the acceptance of the risk or the hazard assumed by us under this **Policy**.

The **Insureds** agree that in the event any such statements or representations are untrue, this **Policy** will not afford any coverage with respect to any of the following **Insureds**:

1. any **Insured** who knew the facts that were not truthfully disclosed in the **Application**, and
2. the **Firm**, if the individual(s) who executed the Application knew the facts that were not truthfully disclosed.

No knowledge possessed by any **Insured** shall be imputed to any other **Insured**.

I. **Authorization Clause**

By acceptance of this **Policy**, the **Firm** agrees to act on behalf of the **Insureds** with respect to the giving and receiving of notice of **Claim** or cancellation, the payment of premiums, and the receiving of any return premiums that may become due under this **Policy**, the agreement to and acceptance of endorsements and the giving or receiving of any notice provided for in this **Policy** and the **Insureds** agree that the **Firm** shall act on their behalf.

J. **Subrogation**

In the event of any payment under this **Policy**, Underwriters shall be subrogated to the extent of such payment to all of the **Firm's** and the **Insured's** rights of recovery. The **Firm** and the **Insureds** shall execute all required papers and do everything necessary to secure and preserve such rights.

K. **Alteration and Assignment**

No change in, modification of, or assignment of interest under this **Policy** shall be effective except when made by a written endorsement to this **Policy** signed by an authorized representative of Underwriters.

L. **Territory**

Coverage under this **Policy** shall extend to **Wrongful Employment Practices** and **Client Discrimination** taking place and **Claims** made anywhere in the world.

M. **Action Against Underwriters**

No action shall lie against us unless, as a condition precedent thereto, there shall have been full compliance with all terms of this **Policy**. No person or organization shall have any right under this **Policy** to join us as a party to any action against **Insureds** to determine the **Insured's** liability nor shall we be impleaded by the **Insureds** or their legal representatives.

It is agreed that any dispute, controversy, or claim arising out of or relating to this **Policy** or its breach, termination, or invalidity, will be submitted either: 1. to final and binding arbitration, or 2. to non-binding mediation, whichever the **Insured** shall select, pursuant to such rules and procedures as the parties may agree or as established by the mediator or arbitrators. In the event of arbitration, the panel shall consist of one arbitrator selected by you, one arbitrator selected by us, and a third independent arbitrator selected by the first two arbitrators. In any arbitration or mediation, each party will bear its own legal fees and expenses.

N. **Service of Suit**

In the event that any non-binding mediation selected by the **Insured** in accordance with Section V.M does not resolve disputes arising out of or related to this **Policy**, we agree, at your request or the request of any **Insured**, to submit to the jurisdiction of a court of competent jurisdiction within the United States and we will comply with all requirements necessary to give such court jurisdiction. Nothing in this Section V.N constitutes or should be understood to constitute a waiver of our rights to commence an action in any court of competent jurisdiction in the United States, to remove an action to 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 shown under Item 8 of the Declarations, and that in such suit instituted against any of the Underwriters of this **Policy**, we will abide by the final decision of such court or of any appellate court in the event of an appeal.

The firm shown under Item 8 of the Declarations is authorized and directed to accept service of process on behalf of the Underwriters in any such suit and/or upon the request of any **Insured** to give a written undertaking to such **Insured** that they will enter a general appearance upon Underwriters' behalf in the event such a suit is instituted.

Further, pursuant to the 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 or her 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 any **Insured** or any beneficiary of this **Policy**, and hereby designate the firm shown under Item 8 of the Declarations as the firm to whom the said officer is authorized to mail such process or a true copy thereof.

O. **Changes in Exposure**

1. If, during the **Policy Period**, the total number of the **Firm's Employees** increases by more than 50%, as a result of the **Firm's** merger(s) with or acquisition(s) of any other law firm, the **Firm** must give us notice of such increase as soon as practicable but in any event within one hundred and twenty (120) days. We will be entitled to impose such amended coverage terms and adjust the premium as we may require.
2. Neither death, bankruptcy nor insolvency of any **Insured**, nor dissolution of the **Firm**, will relieve us of any obligations under the **Policy**.
3. If, during the **Policy Period**, you merge with or are acquired by another firm such that you are no longer the surviving firm, this Policy will continue until its natural Expiration Date as set forth in Item 2. of the Declarations but only with respect to any **Wrongful Employment Practices** and **Client Discrimination** committed before the merger or acquisition.

P. **Extended Reporting Period**

In the event of non-renewal or cancellation of this **Policy**, the **Firm** shall have the right, upon payment of an additional premium of 75% of the annual premium charged for the non-renewed or cancelled **Policy**, to an extension of the coverage available under this **Policy** for a period of twelve (12) months following the effective date of such non-renewal or cancellation, or 120% for a twenty-four (24) month extension, or 140% for a thirty-six (36) month extension, but only with respect to **Claims** otherwise covered by this **Policy** and only for **Wrongful Employment Practices** or **Client Discrimination** taking place prior to the effective date of such non-renewal or cancellation.

A written request for the Extended Reporting Period must be received by us within forty-five (45) days from the effective date of the non-renewal or cancellation. The premium due for the Extended Reporting Period must be received by us within sixty (60) days of such effective date. The entire premium for the Extended Reporting Period shall be deemed fully earned and non-refundable upon payment.

Q. Non-Renewal

If Underwriters decide not to renew this **Policy**, we will mail or deliver to the **Firm** written notice of non-renewal not less than sixty (60) days before the expiration date. If the notice is mailed, proof of mailing will be sufficient notice of non-renewal.

R. Cancellation

You may cancel this **Policy** by mailing written notice to us stating when thereafter such cancellation shall be effective. We may cancel this **Policy** only for non-payment of premium, by mailing written notice to the **Firm** at the address shown in the Declarations, stating when, not less than twenty (20) days thereafter, such cancellation shall be effective. The mailing of such notice shall be sufficient proof of notice. Delivery of such written notice shall be equivalent to mailing. The effective date and hour of cancellation as stated in the notice shall become the end of the **Policy Period**.

If the **Firm** cancels, earned premium shall be computed in accordance with the standard short rate table. If we cancel, earned premium shall be computed pro rata. Premium adjustment may be made at the time cancellation becomes effective, but payment or tender of unearned premium is not a condition of cancellation.

S. Liberalization Clause

In the event the identical unendorsed policy form is amended by Underwriters subsequent to the inception date of this **Policy** such that the coverage under such identical unendorsed policy form is broader as a result of the amendments, this **Policy** shall be construed to include the broadened coverage.