

CONTRACT ROUTING FORM

****NOTE: CITY ATTORNEY MUST REVIEW CONTRACTS BEFORE SUBMISSION TO CITY COUNCIL**

SUBMITTED BY: Sheryl Samborn DATE: 9/5/17

SERVICE AREA/UNIT: District Court

CONTRACTOR: Reiser & Frushour PLLC

PURPOSE: Execute a Professional Services Agreement for
Legal Representation of Indigent Defendants
(3 originals)

CONTRACT TYPE:

SERVICES

MATERIALS/CONSTRUCTION

CHANGE ORDER/AMENDMENT

CHANGE AMOUNT: \$ _____

OTHER:

CONTRACT AMOUNT: \$ _____

RESOLUTION REQUIRED: YES NUMBER: R-17-312

NO PROJECT MEMO ATTACHED

SIGNATURES: **PLEASE MARK PAGES**
(IN ORDER)

	REQUIRED	SIGNED	DATE SIGNED
CONTRACTOR	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<u>08/30/17</u>
SERVICE AREA	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<u>08/31/17</u>
CITY ATTORNEY	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<u>9-5-17</u>
CITY ADMINISTRATOR	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<u>9-8-17</u>
MAYOR	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
CITY CLERK	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<u>9/15/17</u>

RETURN CONTRACT TO: Sheryl Samborn PHONE: x47657

*Please date when fully executed.
Thanks!*



Legislation Details (With Text)

File #: 17-1103 **Version:** 1 **Name:** 8/21/17 Resolution to Approve Professional Legal Services Agreement with Reiser and Frushour, P.L.L.C. to Provide Legal Representation as Court-appointed Council to Indigent Defendants (\$249,728.64)

Type: Resolution **Status:** Passed

File created: 8/21/2017 **In control:** City Council

On agenda: 8/21/2017 **Final action:** 8/21/2017

Enactment date: 8/21/2017 **Enactment #:** R-17-312

Title: Resolution to Approve Professional Legal Services Agreement with Reiser and Frushour, P.L.L.C. to Provide Legal Representation as Court-appointed Counsel to Indigent Defendants (\$249,728.64)

Sponsors:

Indexes:

Code sections:

Attachments: 1. D15-R&F_PSA_2017-2018.pdf

Date	Ver.	Action By	Action	Result
8/21/2017	1	City Council		

Resolution to Approve Professional Legal Services Agreement with Reiser and Frushour, P.L.L.C. to Provide Legal Representation as Court-appointed Counsel to Indigent Defendants (\$249,728.64)
Attached for your review and approval is a resolution to approve a professional legal services agreement with Reiser and Frushour, P.L.L.C. to provide legal representation to indigent persons charged with misdemeanor offenses in the 15th Judicial District Court.

Budget/Fiscal Impact: Funds for these services are available in the approved FY18 Court budget. No additional funding is requested at this time.

The 15th Judicial District Court is required by law to appoint attorneys to represent indigent defendants when potential sanctions, including sanctions for violations of court orders, upon conviction may include incarceration. Reiser & Frushour, P.L.L.C. has experience providing these services.

The City issued Request for Proposals 17-11 to select a legal firm to provide indigent legal services to indigent defendants in the 15th Judicial District Court. The City only received one response to the RFP, which was from Reiser & Frushour, P.L.L.C.

The proposed agreement is for a one-year term with an option to extend the agreement for two additional one-year periods.

Reiser & Frushour complies with the City of Ann Arbor's Non-Discrimination and Living Wage Ordinances.

Prepared by: Shryl Samborn, Court Administrator, 15th Judicial District Court

Approved by: Howard S. Lazarus, City Administrator

Whereas, Persons charged with misdemeanor violations for which incarceration may be imposed are entitled to legal representation;

Whereas, Persons who are determined by the 15th Judicial District Court to be indigent have the right to have counsel appointed by the Court to represent them at public expense;

Whereas, Funds for Court-appointed counsel for indigent persons have been approved in the 15th Judicial District Court's FY 2018 Budget;

Whereas, The professional legal services agreement with Reiser and Frushour, P.L.L.C. includes the option for two one-year renewals; and

Whereas, Reiser and Frushour, P.L.L.C. complies with the requirements of the City's Non-discrimination and Living Wage ordinances;

RESOLVED, That City Council approve a one-year professional legal services agreement with Reiser and Frushour, P.L.L.C. to provide Court-appointed counsel for indigent defendants appearing in the 15th Judicial District Court in the amount of \$249,728.64, with the option of two one-year renewal agreements on the same terms and conditions at the approval of the City Administrator;

RESOLVED, That the Mayor and City Clerk be authorized and directed to execute the agreement following approval as to form by the City Attorney and as to substance by the City Administrator; and

RESOLVED, That the City Administrator take all necessary administrative actions to implement this resolution.

CERTIFICATE OF INSURANCE

AUTO CLUB GROUP
INSURANCE COMPANY



POLICY NUMBER: 07703-02-001
POLICY TERM: 3/10/17- 3/10/18
VEHICLE/VIN: 02 PONT CP GRANPR GTP
TYPE OF INSURANCE: CERTIFIED: NO-FAULT

PRINCIPAL NAMED INSURED
PATRICIA A REISER

WARNING - When a named excluded person operates a vehicle all liability coverage is void - no one is insured. Owners of the vehicle and others legally responsible for the acts of the named person remain fully personally liable.

In a crash call 800-222-6424 from the scene.

CERTIFICATE OF INSURANCE

AUTO CLUB GROUP
INSURANCE COMPANY



POLICY NUMBER: 3-7907703-02-001
POLICY TERM: 3/10/17- 3/10/18
VEHICLE/VIN: 02 PONT CP GRANPR GTP
TYPE OF INSURANCE: CERTIFIED: NO-FAULT

PRINCIPAL NAMED INSURED
PATRICIA A REISER

WARNING - When a named excluded person operates a vehicle all liability coverage is void - no one is insured. Owners of the vehicle and others legally responsible for the acts of the named excluded person remain fully personally liable.

In a crash call 800-222-6424 from the scene.

Accident Assist

If you're in an accident, call 911 first if there are any injuries. If your vehicle is no longer drivable due to damage and you have Comprehensive and Collision coverage, call

800-222-6424 from the scene and AAA will:

- 1. Immediately initiate your claim and dispatch Roadside Assistance to tow your vehicle.
- 2. Schedule repairs at a local shop of your choice or a AAA Direct Repair shop.
- 3. Make a rental car reservation that fits your rental car coverage.

NOTE: Contact your Agent with questions about the coverages on your policy and benefits of Accident Assist.

**PROFESSIONAL SERVICES AGREEMENT BETWEEN
REISER & FRUSHOUR, P.L.L.C.
AND THE CITY OF ANN ARBOR
FOR PROFESSIONAL LEGAL SERVICES**

The City of Ann Arbor, a Michigan municipal corporation, having its offices at 301 East Huron Street, Ann Arbor, Michigan 48104 ("City"), and Reiser & Frushour, P.L.L.C., with its address at 122 South Main Street, Suite 260, Ann Arbor, Michigan 48104 ("Firm"), agree as follows on this 15th day of September, 2017.

The Firm agrees to provide professional legal services to the City under the following terms and conditions:

I. DEFINITIONS

Administering Service Area/Unit means 15th Judicial District Court ("the District Court").

Contract Administrator means the District Court Administrator acting personally or through any assistants designated from time to time by the District Court Administrator

Project means Court-Appointed Indigent Legal Representation, RFP 17-11.

II. DURATION

This Agreement shall become effective on July 1, 2017, and shall remain in effect until June 30, 2018, unless terminated as provided for in this Agreement.

The City may renew this Agreement twice for an additional one-year term on the same terms and conditions subject to satisfactory performance by the Firm. Should the District Court and the City elect to renew the Agreement the Firm will be provided with notice of the election no less than sixty (60) days before the end of the respective term.

III. SERVICES

- A. The Firm agrees to provide professional legal services ("Services") to represent indigent persons when appointed by a judge or magistrate for this purpose in connection with the Project as described in Exhibit A.
- B. Quality of Services under this Agreement shall be of the level of professional quality performed by attorneys regularly rendering criminal defense representation. Determination of acceptable quality shall be made solely by the Contract Administrator.
- C. The Firm shall perform its Services for the Project in compliance with all statutory, regulatory and contractual requirements now or hereafter in

effect as may be applicable to the rights and obligations set forth in the Agreement.

IV. INDEPENDENT CONTRACTOR

The Parties agree that at all times and for all purposes under the terms of this Agreement each Party's relationship to any other Party shall be that of an independent contractor. Each Party will be solely responsible for the acts of its own employees, agents, and servants. No liability, right, or benefit arising out of any employer/employee relationship, either express or implied, shall arise or accrue to any Party as a result of this Agreement.

V. COMPENSATION OF CONTRACTOR

- A. The Firm shall be paid in the manner set forth in Exhibit B. Payment shall be made monthly, unless another payment term is specified in Exhibit B, following receipt of invoices submitted by the Firm, and approved by the Contract Administrator.
- B. The Firm shall keep complete records of time spent on District Court appointments so that the City or District Court may independently substantiate invoices submitted by the Firm.
 1. The Firm shall provide to the Contract Administrator on a monthly basis a detailed accounting for time spent in the prior month on court appointed cases. The detailed accounting shall list the following minimum information: dates and hours worked, number of matters handled and number of court appointments received for the month. The detailed accounting shall be submitted no later than thirty (30) days after the last day of the prior month.
- C. Any authorized agent of the City, including the CFO or his/her representative, has the right to access and the right to examine any pertinent books, documents, papers and records of the Firm, involving transactions related to the Agreement until the latter of three (3) years after the final payment under this Agreement or expiration of the applicable statute of limitations.

VI. INSURANCE/INDEMNIFICATION

- A. The Firm shall procure and maintain during the life of this contract such insurance policies, including those set forth in Exhibit C, as will protect itself and the City from all claims for bodily injuries, death or property damage which may arise under this contract; whether the act(s) or omission(s) giving rise to the claim were made by the Firm, any subcontractor or anyone employed by them directly or indirectly. In the case of all contracts involving on-site work, the Firm shall provide to the City, before the commencement of any work under this contract, documentation satisfactory to the City demonstrating it has obtained the policies and endorsements required by Exhibit C.

- B. Any insurance provider of the Firm shall be admitted and authorized to do business in the State of Michigan and shall carry and maintain a minimum rating assigned by A.M. Best & Company's Key Rating Guide of "A-" Overall and a minimum Financial Size Category of "V". Insurance policies and certificates issued by non-admitted insurance companies are not acceptable unless approved in writing by the City.
- C. To the fullest extent permitted by law, the Firm shall indemnify, defend and hold the City, its officers, employees and agents harmless from all suits, claims, judgments and expenses, including attorney's fees, resulting or alleged to result, from any acts or omissions by the Firm or its employees and agents occurring in the performance of or breach in this Agreement, except to the extent that any suit, claim, judgment or expense are finally judicially determined to have resulted from the City's negligence or willful misconduct or its failure to comply with any of its material obligations set forth in this Agreement.

VII. COMPLIANCE REQUIREMENTS

- A. Nondiscrimination. The Firm agrees to comply, and to require its subcontractor(s) to comply, with the nondiscrimination provisions of MCL 37.2209. The Firm further agrees to comply with the provisions of Section 9:158 of Chapter 112 of the Ann Arbor City Code and to assure that applicants are employed and that employees are treated during employment in a manner which provides equal employment opportunity.
- B. Living Wage. If the Firm is a "covered employer" as defined in Chapter 23 of the Ann Arbor City Code, the Firm agrees to comply with the living wage provisions of Chapter 23 of the Ann Arbor City Code. The Firm agrees to pay those employees providing Services to the City under this Agreement a "living wage," as defined in Section 1:815 of the Ann Arbor City Code, as adjusted in accordance with Section 1:815(3); to post a notice approved by the City of the applicability of Chapter 23 in every location in which regular or contract employees providing services under this Agreement are working; to maintain records of compliance; if requested by the City, to provide documentation to verify compliance; to take no action that would reduce the compensation, wages, fringe benefits, or leave available to any employee or person contracted for employment in order to pay the living wage required by Section 1:815; and otherwise to comply with the requirements of Chapter 23.

VIII. WARRANTIES BY THE FIRM

- A. The Firm warrants that the quality of its Services under this Agreement shall conform to the level of quality performed by persons regularly rendering this type of service.
- B. The Firm warrants that it has all the skills, experience, and professional licenses necessary to perform the Services specified in this Agreement.

- C. The Firm warrants that it has available, or will engage, at its own expense, sufficient trained employees to provide the Services specified in this Agreement.
- D. The Firm warrants that it is not, and shall not become overdue or in default to the City for any contract, debt, or any other obligation to the City including real and personal property taxes.
- E. The Firm warrants that its proposal for services was made in good faith, it arrived at the costs of its proposal independently, without consultation, communication or agreement, for the purpose of restricting completion as to any matter relating to such fees with any competitor for these Services; and no attempt has been made or shall be made by the Firm to induce any other person or firm to submit or not to submit a proposal for the purpose of restricting competition.

IX. OBLIGATIONS OF THE CITY

- A. The City agrees to give the Firm access to the Project area and other City-owned properties as required to perform the necessary Services under this Agreement.
- B. The City shall notify the Firm of any defects in the Services of which the Contract Administrator has actual notice.

X. ASSIGNMENT

- A. The Firm shall not subcontract or assign any portion of any right or obligation under this Agreement without prior written consent from the City. Notwithstanding any consent by the City to any assignment, Firm shall at all times remain bound to all warranties, certifications, indemnifications, promises and performances, however described, as are required of it under the Agreement unless specifically released from the requirement, in writing, by the City.
- B. The Firm shall retain the right to pledge payment(s) due and payable under this Agreement to third parties.

XI. TERMINATION OF AGREEMENT

- A. If either party is in breach of this Agreement for a period of fifteen (15) days following receipt of notice from the non-breaching party with respect to a breach, the non-breaching party may pursue any remedies available to it against the breaching party under applicable law, including but not limited to, the right to terminate this Agreement without further notice. The waiver of any breach by any party to this Agreement shall not waive any subsequent breach by any party.
- B. The City may terminate this Agreement, on at least thirty (30) days advance notice, for any reason, including convenience, without incurring any penalty, expense or liability to Firm, except the obligation to pay for Services actually performed under the Agreement before the termination date.

- C. Notwithstanding the preceding paragraph, the City may terminate the Agreement if Firm or any of its officers or employees are convicted, plead nolo contendere, enter into a formal agreement in which they admit guilt, enter a plea of guilty or otherwise admit culpability to any criminal offense. Termination for the reason stated in this paragraph is effective upon receipt of notice.
- D. Firm acknowledges that, if this Agreement extends for several fiscal years, continuation of this Agreement is subject to appropriation of funds for this Project. If funds to enable the City to effect continued payment under this Agreement are not appropriated or otherwise made available, the City shall have the right to terminate this Agreement without penalty at the end of the last period for which funds have been appropriated or otherwise made available by giving written notice of termination to Firm. The Contract Administrator shall give Firm written notice of such non-appropriation within thirty (30) days after it receives notice of such non-appropriation.
- E. The provisions of Articles VI and VIII shall survive the expiration or earlier termination of this Agreement for any reason. The expiration or termination of this Agreement, for any reason, shall not release either party from any obligation or liability to the other party, including any payment obligation that has already accrued and Firm's obligation to deliver all Deliverables due as of the date of termination of the Agreement.

XII. REMEDIES

- A. This Agreement does not, and is not intended to, impair, divest, delegate or contravene any constitutional, statutory and/or other legal right, privilege, power, obligation, duty or immunity of the Parties.
- B. All rights and remedies provided in this Agreement are cumulative and not exclusive, and the exercise by either party of any right or remedy does not preclude the exercise of any other rights or remedies that may now or subsequently be available at law, in equity, by statute, in any agreement between the parties or otherwise.
- C. Absent a written waiver, no act, failure, or delay by a Party to pursue or enforce any rights or remedies under this Agreement shall constitute a waiver of those rights with regard to any existing or subsequent breach of this Agreement. No waiver of any term, condition, or provision of this Agreement, whether by conduct or otherwise, in one or more instances, shall be deemed or construed as a continuing waiver of any term, condition, or provision of this Agreement. No waiver by either Party shall subsequently effect its right to require strict performance of this Agreement.

XIII. NOTICE

All notices and submissions required under this Agreement shall be delivered to the respective party in the manner described herein to the address stated in this Agreement or such other address as either party may designate by prior written notice to the other. Notices given under this Agreement shall be in writing and shall be personally delivered, sent by next day express delivery service, certified mail, or first class U.S. mail postage prepaid, and addressed to the person listed below. Notice will be deemed given on the date when one of the following first occur: (1) the date of actual receipt; (2) the next business day when notice is sent next day express delivery service or personal delivery; or (3) three days after mailing first class or certified U.S. mail.

If Notice is sent to the Firm, it shall be addressed and sent to:

Reiser & Frushour, PLLC
Attn: Patricia Reiser
122 S. Main St., Suite 260
Ann Arbor, MI 48104

If Notice is sent to the CITY, it shall be addressed and sent to:

15th Judicial District Court
Attn: Shryl Samborn, Court Administrator
Ann Arbor Justice Center
301 E. Huron St.
Ann Arbor, Michigan 48104

XIV. CHOICE OF LAW AND FORUM

This Agreement will be governed and controlled in all respects by the laws of the State of Michigan, including interpretation, enforceability, validity and construction, excepting the principles of conflicts of law. The parties submit to the jurisdiction and venue of the Circuit Court for Washtenaw County, State of Michigan, or, if original jurisdiction can be established, the United States District Court for the Eastern District of Michigan, Southern Division, with respect to any action arising, directly or indirectly, out of this Agreement or the performance or breach of this Agreement. The parties stipulate that the venues referenced in this Agreement are convenient and waive any claim of non-convenience.

XV. CONFLICTS OF INTEREST OR REPRESENTATION

The Firm certifies it has no financial interest in the Services to be provided under this Agreement other than the compensation specified herein. The Firm further certifies that it presently has no personal or financial interest, and shall not acquire any such interest, direct or indirect, which would conflict in any manner with its performance of the Services under this Agreement.

The Firm agrees to advise the City if Firm has been or is retained to handle any matter in which its representation is adverse to the City. The City's prospective consent to the Firm's representation of a client in matters adverse to the City, as identified above, will not apply in any

instance where, as the result of the Firm's representation, the Firm has obtained sensitive, proprietary or otherwise confidential information of a non-public nature that, if known to another client of the Firm, could be used in any such other matter by the other client to the material disadvantage of the City. Each matter will be reviewed on a case by case basis.

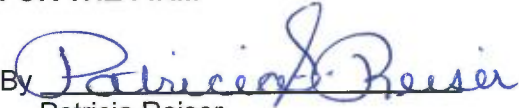
XVI. SEVERABILITY OF PROVISIONS

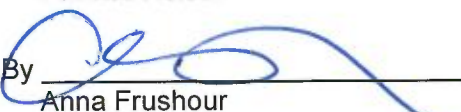
Whenever possible, each provision of this Agreement will be interpreted in a manner as to be effective and valid under applicable law. However, if any provision of this Agreement or the application of any provision to any party or circumstance will be prohibited by or invalid under applicable law, that provision will be ineffective to the extent of the prohibition or invalidity without invalidating the remainder of the provisions of this Agreement or the application of the provision to other parties and circumstances.

XVIII. EXTENT OF AGREEMENT


This Agreement, together with any affixed exhibits, schedules or other documentation, constitutes the entire understanding between the City and the Firm with respect to the subject matter of the Agreement and it supersedes, unless otherwise incorporated by reference herein, all prior representations, negotiations, agreements or understandings whether written or oral. Neither party has relied on any prior representations, of any kind or nature, in entering into this Agreement. No terms or conditions of either party's invoice, purchase order or other administrative document shall modify the terms and conditions of this Agreement, regardless of the other party's failure to object to such form. This Agreement shall be binding on and shall inure to the benefit of the parties to this Agreement and their permitted successors and permitted assigns and nothing in this Agreement, express or implied, is intended to or shall confer on any other person or entity any legal or equitable right, benefit, or remedy of any nature whatsoever under or by reason of this Agreement. This Agreement may only be altered, amended or modified by written amendment signed by the Firm and the City. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement.

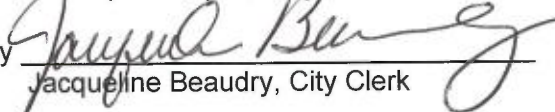
FOR THE FIRM

By 
Patricia Reiser

By 
Anna Frushour

FOR THE CITY OF ANN ARBOR

By 
Christopher Taylor, Mayor

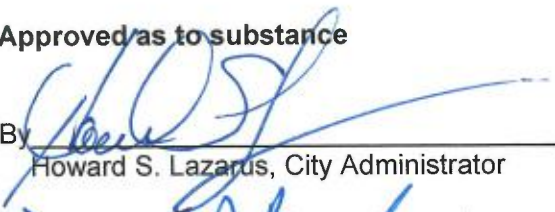
By 
Jacqueline Beaudry, City Clerk

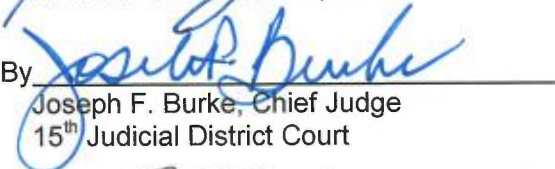
Approved as to form and content

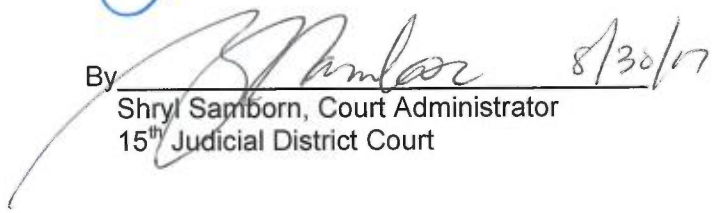
By 
Stephen K. Postema

[signatures continued on next page]

Approved as to substance

By 
Howard S. Lazarus, City Administrator

By 
Joseph F. Burke, Chief Judge
15th Judicial District Court

By  8/30/17
Sheryl Samborn, Court Administrator
15th Judicial District Court

**EXHIBIT A
SCOPE OF SERVICES**

General

Each attorney, employee or consultant employed by the Firm in the performance of this Agreement shall devote such time, attention, skill, knowledge and professional ability as is necessary to perform most effectively and efficiently the services in accordance with the level of professional quality performed by experts regularly performing these legal services in the State of Michigan;

All Services to be provided in conformance with the terms and conditions of RFP 17-11.

Services

Provide full and complete representation, upon receipt of an appointment from a judge or magistrate, of indigent defendants charged with misdemeanors in the 15th Judicial District Court with potential sanctions upon conviction which may include incarceration. The Firm agrees to appear at all hearings with the client and, throughout the case, zealously represent the client in a manner consistent with the standards established by the Michigan Rules of Professional Conduct.

Provide full and complete representation, upon receipt of an appointment and assignment from a judge or magistrate, of indigent defendants in connection with all specialty courts administered by the 15th Judicial District Court.

The Firm shall fully coordinate all Services with the District Court Administrator and Chief Judge.

**EXHIBIT B
COMPENSATION**

This is a flat fee contract for services. The Firm will be paid Two Hundred Forty Nine Thousand Seven Hundred Twenty Eight Dollars and Sixty-four Cents (\$249,728.64) for the term of this agreement without regard to the number of cases assigned to the Firm (i.e. open assigned cases regardless of date of assignment) and without regard to the actual amount of time expended by the Firm per case. The Firm acknowledges and agrees to provide full and complete legal representation for all court-appointments under this Agreement for the flat-fee fee stated above and waives any right to request additional funds during the term.

Payment shall be made in twelve (12) equal monthly installments of Twenty Thousand Eight Hundred Ten Dollars and Seventy-two Cents (\$20,810.72) each following the Firm's receipt of detailed invoices in accordance with Article IV and approved by the Contract Administrator.

No invoice submitted by Reiser and Frushour, PLLC for services under this contract will be payable if submitted later than thirty (30) days after the contract termination date.

Reiser and Frushour, PLLC shall keep complete records of time spent on Court appointments so that the City or Court may independently substantiate invoices submitted by Reiser and Frushour, PLLC. Such records shall be made available to the City or Court upon request and, upon request, shall be submitted in summary form on a form approved by the Michigan State Court Administrative Office.

**EXHIBIT C
INSURANCE REQUIREMENTS**

Effective the date of this Agreement, and continuing without interruption during the term of this Agreement, Contractor shall have, at a minimum, the following insurance, including all endorsements necessary for Contractor to have or provide the required coverage.

A. The Contractor shall have insurance that meets the following minimum requirements:

1. Professional Liability Insurance or Errors and Omissions Insurance protecting the Contractor and its employees in an amount not less than \$1,000,000.

2. Worker's Compensation Insurance in accordance with all applicable state and federal statutes. Further, Employers Liability Coverage shall be obtained in the following minimum amounts:

Bodily Injury by Accident - \$500,000 each accident
Bodily Injury by Disease - \$500,000 each employee
Bodily Injury by Disease - \$500,000 each policy limit

3. Commercial General Liability Insurance equivalent to, as a minimum, Insurance Services Office form CG 00 01 07 98 or current equivalent. The City of Ann Arbor shall be an additional insured. There shall be no added exclusions or limiting endorsements which diminish the City's protections as an additional insured under the policy. Further, the following minimum limits of liability are required:

\$1,000,000	Each occurrence as respect Bodily Injury Liability or Property Damage Liability, or both combined
\$2,000,000	Per Job General Aggregate
\$1,000,000	Personal and Advertising Injury

4. Motor Vehicle Liability Insurance, including Michigan No-Fault Coverages, equivalent to, as a minimum, Insurance Services Office form CA 00 01 07 97 or current equivalent. Coverage shall include all owned vehicles, all non-owned vehicles and all hired vehicles. Further, the limits of liability shall be \$1,000,000 for each occurrence as respects Bodily Injury Liability or Property Damage Liability, or both combined.

5. Umbrella/Excess Liability Insurance shall be provided to apply in excess of the Commercial General Liability, Employers Liability and the Motor Vehicle coverage enumerated above, for each occurrence and for aggregate in the amount of \$1,000,000.

B. Insurance required under A.3 above shall be considered primary as respects any other valid or collectible insurance that the City may possess, including any self-insured retentions the City may have; and any other insurance the City does possess shall be considered excess insurance only and shall not be required to

contribute with this insurance. Further, the Contractor agrees to waive any right of recovery by its insurer against the City.

- C. Insurance companies and policy forms are subject to approval of the City Attorney, which approval shall not be unreasonably withheld. Documentation must provide and demonstrate an unconditional 30 day written notice of cancellation in favor of the City of Ann Arbor. Further, the documentation must explicitly state the following: (a) the policy number; name of insurance company; name and address of the agent or authorized representative; name and address of insured; project name; policy expiration date; and specific coverage amounts; (b) any deductibles or self-insured retentions which shall be approved by the City, in its sole discretion; (c) that the policy conforms to the requirements specified. Contractor shall furnish the City with satisfactory certificates of insurance and endorsements prior to commencement of any work. Upon request, the Contractor shall provide within 30 days a copy of the policy(ies) to the City. If any of the above coverages expire by their terms during the term of this contract, the Contractor shall deliver proof of renewal and/or new policies and endorsements to the Administering Service Area/Unit at least ten days prior to the expiration date.



**LAWYERS PROFESSIONAL LIABILITY POLICY
DECLARATIONS**

Agency: 738021 Branch: 912 Policy Number: 596780483 Insurance is provided by Continental Casualty Company,
333 S. Wabash Ave. Chicago IL 60604
A Stock Insurance Company.

1. NAMED INSURED AND ADDRESS:
Robert W. West, Attorney at Law
563 Center Drive
Ann Arbor, MI 48103

NOTICE TO POLICYHOLDERS:
This is a Claims Made and Reported policy. It applies only to those claims that are both first made against the insured and reported in writing to the Company during the policy period. Please review the policy carefully and discuss this coverage with your insurance agent or broker.

2. POLICY PERIOD:
Inception: 05/01/2017 Expiration: 05/01/2018
at 12:01 A.M. Standard Time at the address shown above

3. LIMITS OF LIABILITY: Each Claim: \$100,000
Inclusive of Claims Expenses Aggregate: \$300,000

Death or Disability and Non-Practicing Each Claim: \$100,000
Extended Reporting Period Limit of Liability: Aggregate: \$300,000

4. DEDUCTIBLES: Aggregate: \$1,000
Inclusive of Claims Expenses

5. POLICY PREMIUM:

Annual Premium:	\$ 511.00
Total Amount:	\$ 511.00
<i>Includes CNA Risk Control Credit of</i>	\$ 0.00

Includes Lawyers Data Breach and Network Security Premium, see coverage endorsement if applicable

6. FORMS AND ENDORSEMENTS ATTACHED AT INCEPTION:
G-118011-A (Ed. 06/2015), G-118012-AC (Ed. 03/1999), CNA-82437-XX (Ed. 06/2015), G-118024-A (Ed. 04/2008),
G-118029-A (Ed. 04/2008), G-118039-A21 (Ed. 06/2008), G-144292-A (Ed. 03/2003), GSL-3238-MI (Ed. 06/2015)

7. WHO TO CONTACT:

To report a claim:
CNA – Claims Reporting
P.O. Box 8317
Chicago, IL 60680-8317
Fax: 866-773-7504 / Online: www.cna.com/claims
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Lawyers Claim Reporting Questions: 800-540-0762

Authorized Representative

04/06/2017
Date



Continental Casualty Company
333 S. Wabash Ave.
Chicago, IL 60604

LAWYERS PROFESSIONAL LIABILITY POLICY

ATTORNEY SCHEDULE

Policy Number: 596780483

Name of Each Lawyer
Robert W. West

Named Individual Retroactive Date
05/01/2017



LAWYERS PROFESSIONAL LIABILITY POLICY

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

I. INSURING AGREEMENT

A. Coverage

The **Company** agrees to pay on behalf of the **Insured** all sums in excess of the deductible that the **Insured** shall become legally obligated to pay as **damages** and **claim expenses** because of a **claim** that is both first made against the **Insured** and reported in writing to the **Company** during the **policy period** by reason of an act or omission in the performance of **legal services** by the **Insured** or by any person for whom the **Insured** is legally liable, provided that:

1. no **Insured** gave notice to a **prior insurer** of such **claim** or a **related claim**;
2. no **Insured** gave notice to a **prior insurer** of any such act or omission or **related act or omission**;
3. prior to the date an **Insured** first becomes an **Insured** under this Policy or became an **Insured** under the first policy issued by the **Company** (or its subsidiary or affiliated insurers) to the **Named Insured** or any **predecessor firm**, whichever is earlier, of which this Policy is a renewal or replacement, no such **Insured** had a basis to believe that any such act or omission, or **related act or omission**, might reasonably be expected to be the basis of such **claim**;
4. there is no other policy, whether primary, contributory, excess, contingent or otherwise, which provides insurance to any **Insured** for the **claim** based on or arising out of an act or omission in the performance of **legal services** by such **Insured** or by any person for whom such **Insured** is legally liable while "affiliated" with a firm other than the **Named Insured**. As used herein, "affiliated" includes acting as Of Counsel for a firm other than the **Named Insured**.

B. Defense

The **Company** shall have the right and duty to defend in the **Insured's** name and on the **Insured's** behalf a **claim** covered by this Policy even if any of the allegations of the **claim** are groundless, false or fraudulent. The **Company** shall have the right to appoint counsel and to make such investigation and defense of a **claim** as is deemed necessary by the **Company**. If a **claim** shall be subject to arbitration or mediation, the **Company** shall be entitled to exercise all of the **Insured's** rights in the choice of arbitrators or mediators and in the conduct of an arbitration or mediation proceeding.

C. Settlement

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

D. Exhaustion of limits

The **Company** is not obligated to investigate, defend, pay or settle, or continue to investigate, defend, pay or settle a **claim** after the applicable limit of the **Company's** liability has been exhausted by payment of **damages** or **claim expenses** or by any combination thereof or after the **Company** has deposited the remaining available limits of liability into a court of competent jurisdiction. In such case, the **Company** shall have the right to withdraw from the further investigation, defense, payment or settlement of such **claim** by tendering control of said investigation, defense or settlement of the **claim** to the **Insured**.

II. LIMITS OF LIABILITY AND DEDUCTIBLE

A. Limit of liability - each claim

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

B. Limit of liability - in the aggregate

The limit of liability of the **Company** for **damages** and **claim expenses** for all **claims** first made against the **Insured** and reported to the **Company** during the **policy period** shall not exceed the amount stated in the Declarations as the aggregate.

C. Deductible

The deductible amount stated in the Declarations is the total amount of the **Insured's** liability for all **claims** and applies to the payment of **damages** and **claim expenses** for **claims** first made and reported to the **Company** in writing during the **policy period**. The deductible shall be paid by the **Named Insured**, or upon the **Named Insured's** failure to pay, jointly and severally by all **Insureds**. The limits of liability set forth in the Declarations are in addition to and in excess of the deductible.

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

D. Multiple insureds, claims and claimants

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

E. Supplementary payments

Payments made under paragraphs 1., 2. and 3. below will not be subject to the deductible. All supplementary payments are in addition to the limits of liability.

1. Loss of Earnings

The **Company** will reimburse each **Insured** up to \$500 for loss of earnings for each day or part of a day of such **Insured's** attendance, at the **Company's** written request, at a trial, hearing or other alternative dispute resolution proceeding, including arbitration proceeding or mediation, involving a **claim** against such **Insured**, but in no event shall the amount payable hereunder exceed \$15,000 per **Insured** despite the number of days an **Insured** is in attendance, or the number of trials, hearings or arbitration proceedings that an **Insured** is required to attend. In no event shall the amount payable per **policy period** exceed \$50,000 despite the number of **Insureds** hereunder or the number of such proceedings.

2. Disciplinary Proceedings

The **Company** will reimburse the **Named Insured** up to \$50,000 for each **Insured** and all **Insureds** in the aggregate, for attorney fees and other reasonable costs, expenses or fees (the "Disciplinary Fees") paid to third parties (other than an **Insured**) resulting from any one **Disciplinary Proceeding** incurred as the result of a notice of such **Disciplinary Proceeding** both first received by the **Insured** and reported in writing to the **Company** either during the **policy period** or within 60 days after termination of the **policy period**, arising out of an act or omission in the rendering of **legal services** by such **Insured**. Except as set forth below, the amount payable hereunder shall not exceed \$100,000 despite the number of such proceedings.

In the event of a determination of **No Liability** of the **Insured** against whom the **Disciplinary Proceeding** has been brought, the **Company** shall reimburse such **Insured** for Disciplinary Fees, including those in excess of the \$50,000 cap set forth above, up to \$100,000. In no event shall the amount payable hereunder exceed \$100,000 despite the number of **Insureds** hereunder or the number of such proceedings.

3. Subpoena Assistance

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

- a. the subpoena arises out of a civil lawsuit to which the **Insured** is not a party; and
- b. the **Insured** has not been engaged to provide advice or testimony in connection with such lawsuit, nor has the **Insured** provided such advice or testimony in the past.

The **Company** will pay such attorney's legal fees excluding any disbursements. Any notice the **Insured** gives the **Company** of such subpoena shall be deemed notification of a potential **claim** under Section V.A. of this Policy.

4. Crisis Event Expense

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

5. Regulatory Inquiry

If, during the **policy period**, a state licensing board, self regulatory body, public oversight board or a governmental agency with the authority to regulate the **Insured's legal services** or any entity acting on behalf of such entities initiates an investigation of the **Insured** arising from an actual or alleged violation of a **privacy breach notice law** or any law referenced under the definition of **privacy injury and identity theft** that occurred in the rendering of **legal services** and which the **Insured** reports to the **Company** in accordance with Section V.A. of this Policy, the **Company** agrees to pay attorney fees, attorney costs and court costs (excluding such attorney fees and costs incurred as a result of services performed by the **Insured**) incurred in responding to the investigation. The maximum amount the **Company** will pay for such attorney fees and costs is \$20,000, regardless of the number of investigations or the number of **Insureds** who are subject to such investigations.

6. Medicare, Medicaid, and SCHIP Extension Act of 2007

Subject to the definition of **damages** set forth in Section III. DEFINITIONS of the Policy, the **Company** will reimburse the **Named Insured** for attorney fees and other reasonable costs or expenses incurred in responding to a demand pursuant to the recovery rights of the Centers for Medicare and Medicaid Services (CMS) under the Medicare, Medicaid, and SCHIP Extension Act of 2007 (MMSEA). The maximum amount the **Company** will pay for such attorney fees, costs and expenses is \$25,000 per **policy period**, regardless of the number of such demands or the number of **Insureds** who are subject to such demands.

F. Risk Management Incentives

In the event that a **claim** is eligible for more than one Risk Management Incentive, the **Insured** shall receive the benefit of the highest deductible credit. In no way shall this section be construed to afford more than one Risk Management Incentive per **claim**.

1. Mediation

If mediation of a **claim** takes place either without institution of arbitration proceeding or service of suit or within sixty (60) days of the institution of such proceedings or service of suit, and such **claim** is ultimately resolved for an amount acceptable to the **Insured** and the **Company** by the process of mediation, the **Insured's** deductible, applying to the **claim**, will be reduced by 50%. In no event shall the amount of the deductible waived hereunder exceed \$25,000.

2. Engagement Letters

If the **Insured** utilized an engagement letter in connection with the **legal services** that are the subject of a **claim**, and such **claim** is otherwise covered under the Policy, then the **Insured's** deductible applying to such **claim** will be reduced by 50%, provided that the engagement letter:

- a. includes, at a minimum, the following information:
 - i. a specific description of the scope of **legal services** to be performed by the **Insured**;
 - ii. the identity of all clients for whom the **Insured** agreed to perform such **legal services**;
 - iii. the fee arrangement for such **legal services**; and
 - iv. a description of the **Named Insured's** file retention and destruction policy; and
- b. was signed by all clients identified in such engagement letter prior to the **Insured's** commencement of representation of such clients for the **legal services** described in the engagement letter, but in no event more than thirty (30) days after the commencement of such representation.

In no event shall the amount of the deductible waived hereunder exceed \$25,000.

G. Pre-claims Assistance

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

III. DEFINITIONS

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

"Bodily injury" means injury to the body, sickness or disease sustained by any person, including death resulting from such injuries; or mental injury, mental anguish, mental tension, emotional distress, pain or suffering or shock sustained by any person whether or not resulting from injury to the body, sickness, disease or death of any person.

"Claim" means a demand, including the service of suit or the institution of any alternative dispute resolution proceeding, received by the **Insured** for money or services arising out of an act or omission, including **personal injury**, in the rendering of or failure to render **legal services**. **"Claim"** also means **privacy claims** and **client network damage claims**.

"Claim expenses" mean:

- A. fees charged by attorneys designated by the **Company** or by the **Insured** with the **Company's** written consent;
- B. all other reasonable and necessary fees, costs and expenses resulting from the investigation, adjustment, defense and appeal of a **claim** if incurred by the **Company**, or by the **Insured** with the written consent of the **Company**, including, but not limited to, premiums for any appeal bond, attachment bond or similar bond but without any obligation of the **Company** to apply for or furnish any such bond;
- C. all costs taxed against an **Insured** in defense of a **claim**; and
- D. all interest on the entire amount of any judgment which accrues after entry of the judgment and before the **Company** has paid that part of the judgment which does not exceed the limits of liability stated in Section II A. above.

Claim expenses with respect to a **claim** will be paid first and payment will reduce the amount available to pay **damages**. **Claim expenses** do not include fees, costs or expenses of employees or officers of the **Company**, other than fees, costs and expenses charged by the **Company's** employed attorneys who may be designated to represent the **Insured**, with the **Insured's** prior consent. Nor shall **claim expenses** include salaries, loss of earnings or other remuneration by or to any **Insured**.

"Client network damage claim" means a demand, including the service of suit or the institution of any alternative dispute resolution proceeding, received by the **Insured** for money or services alleging that a **security breach** or **electronic infection** caused **network damage** to a client's **network** in the rendering of **legal services**.

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

“Computer virus” means unauthorized computer code that is designed and intended to transmit, infect and propagate itself over one or more **networks**, and cause:

- A. a computer code or programs to perform in an unintended manner;
- B. the deletion or corruption of electronic data or software; or
- C. the disruption or suspension of a **network**.

“Confidential commercial information” means information that has been provided to the **Insured** by another, or created by the **Insured** for another where such information is subject to the terms of a confidentiality agreement or equivalent obligating the **Insured** to protect such information on behalf of another.

“Crisis event” means:

- A. death, departure or debilitating illness of a **Principal Insured**;
- B. dissolution of the **Named Insured**; or
- C. incident of workplace violence;

that the **Named Insured** reasonably believes will have a material adverse effect upon the **Named Insured’s** reputation.

“Crisis event expenses” means reasonable fees, costs and expenses incurred by the **Named Insured** for consulting services provided by a public relations firm to the **Named Insured** in response to a **Crisis Event**.

“Damages” mean judgments, awards and settlements (including pre-judgment interest), provided any settlements are negotiated with the assistance and approval of the **Company**. Notwithstanding anything to the contrary contained herein, **Damages** also include those amounts the court is permitted to impose on a debt collector as set forth in 15USC§1692k(a). **Damages** do not include:

- A. legal fees, costs and expenses paid or incurred or charged by any **Insured**, no matter whether claimed as restitution of specific funds, forfeiture, financial loss, set-off or otherwise, and injuries that are a consequence of any of the foregoing;
- B. civil or criminal fines, sanctions, penalties or forfeitures, whether pursuant to law, statute, regulation or court rule, including but not limited to awards under 18 U.S.C. §1961, et. seq., Federal Rules of Civil Procedure 11 or 28 U.S.C. §1927 and state statutes, regulations, rules or law so providing, and injuries that are a consequence of any of the foregoing;
- C. punitive or exemplary amounts;
- D. the multiplied portion of multiplied awards;
- E. injunctive or declaratory relief;
- F. any amount for which an **Insured** is absolved from payment by reason of any covenant, agreement or court order.

“Denial of service attack” means an attack executed over one or more **networks** or the **Internet** that is specifically designed and intended to disrupt the operation of a **network** and render a **network** inaccessible to authorized users.

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

“Electronic infection” means the transmission of a **computer virus** to a **network**, including without limitation, such transmission to or from the **Named Insured’s network**.

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

“Insured” means the **Named Insured**, **predecessor firm** and the persons or entities described below:

- A. any lawyer (including a government affairs advisor or lobbyist), partnership, professional corporation, professional association, limited liability company or limited liability partnership who is or becomes a partner, officer, director, stockholder-employee, associate, manager, member or **employee** of the **Named Insured** during the **policy period** shown in the Declarations;
- B. any lawyer previously affiliated with the **Named Insured** or a **predecessor firm** as a partner, officer, director, stockholder-employee, associate, manager, member or salaried employee but only for **legal services** performed on behalf of the **Named Insured** or a **predecessor firm** at the time of such affiliation. The term “previously affiliated” as used herein does not include a lawyer who, during the **policy period** and



while affiliated with the **Named Insured**: a) voluntarily ceases, permanently and totally, the private practice of law; or b) dies or becomes **totally and permanently disabled**. Such an lawyer will be deemed to be an **Insured** under paragraph A. above;

- C. any lawyer, law firm, partnership, professional corporation, professional association, limited liability company or limited liability partnership who acts as Of Counsel to the **Named Insured** or any non-employee independent contractor attorney to the **Named Insured**, but only for **legal services** rendered on behalf of the **Named Insured** and only if a fee inured or, in the event of a contingency fee, would have inured, to the **Named Insured**. No fee need inure to the **Named Insured** where eleemosynary (pro bono) **legal services** are rendered by such Of Counsel **Insured** where at the time of retention, there was approval by the appropriate committee or lawyer within the **Named Insured** that the matter would be handled without compensation. Any lawyer, law firm, partnership, professional corporation, professional association, limited liability company or limited liability partnership who previously qualified as an **Insured** under paragraph A. above, but gave up the position of partner, officer, director, stockholder-employee, associate, manager, member or **employee** to act exclusively as Of Counsel to the **Named Insured**, will be deemed to be an **Insured** under paragraph A. above;
- D. any person who is a former or current employee, other than an employed lawyer, of the **Named Insured** or any **predecessor firm**, but solely for services performed by such person within the course and scope of their employment by the **Named Insured** or any **predecessor firm** and provided that the services in dispute are **legal services** of the **Named Insured** or any **predecessor firm**;
- E. the estate, heirs, executors, administrators, assigns and legal representatives of an **Insured** in the event of such **Insured's** death, incapacity, insolvency or bankruptcy, but only to the extent that such **Insured** would have been provided coverage under this Policy; and
- F. the spouse or domestic partner of an **Insured**, but only to the extent that such **Insured** is provided coverage under this Policy.

"Internet" means the worldwide public **network** of computers as it currently exists or may be manifested in the future, but **Internet** does not include the **Named Insured's network**.

"Legal services" mean:

- A. those services, including eleemosynary (pro bono) services, performed by an **Insured** for others as a lawyer, arbitrator, mediator, title agent or other neutral fact finder or as a notary public. Any title agency or company, on whose behalf the **Insured** acts as title agent or designated issuing attorney, is not an **Insured** under this Policy;
- B. those services performed by an **Insured** as an administrator, conservator, receiver, executor, guardian, trustee or in any other fiduciary capacity and any investment advice given in connection with such services;
- C. those services performed by an **Insured** in the capacity as a member, director or officer of any professional legal association, including any Bar Association and any similar organization or association, its governing board or any of its committees;
- D. those services performed by an **Insured** as an expert witness, provided that such **Insured** was retained to offer expert opinion on issues related to the law, legal procedure or practice, or the legal profession; or
- E. those services performed by an **Insured** as an author or publisher of legal research papers or legal materials or the presenter of legal seminars or materials, but only where such services are performed without compensation or compensation attributable per publication, presentation or seminar is less than \$25,000.

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

"Network" means a party's local or wide area network owned or operated by or on behalf of or for the benefit of that party; provided, however, **network** shall not include the **Internet**, telephone company networks, or other public infrastructure network.

"Network Damage" means:

- A. the unscheduled and unplanned inability of an authorized user to gain access to a **network**;
- B. **electronic information damage**; or
- C. the suspension or interruption of any **network**.

"Non-public personal information" means personal information not available to the general public from which an individual may be identified, including without limitation, an individual's name, address, telephone number, social security number, account relationships, account numbers, account balances, and account histories.



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

"Policy period" means the period of time between the inception date and time shown in the Declarations and the date and time of termination, expiration or cancellation of this Policy.

"Predecessor firm" means any sole proprietorship, partnership, professional corporation, professional association, limited liability corporation or limited liability partnership engaged in **legal services** and:

- A. to whose financial assets and liabilities the firm listed as the **Named Insured** in the Declarations is the majority successor in interest;
- B. of which the **Named Insured** retained 50% or more of the lawyers; or
- C. was previously deemed to be a predecessor firm under the lawyers professional liability policy issued by the **Company** immediately preceding this Policy.

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

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

"Privacy breach notice law" means any statute or regulation that requires an entity who is the custodian of **non-public personal information** to provide notice to individuals of any actual or potential privacy breach with respect to such **non-public personal information**. **Privacy breach notice laws** include Sections 1798.29 and 1798.82-1798.84 of the California Civil Code (formerly S.B. 1386) and other similar laws in any jurisdiction.

"Privacy claim" means a demand, including the service of suit or the institution of any alternative dispute resolution proceeding, received by the **Insured** for money or services and alleging **privacy injury and identity theft** that occurred in the rendering of **legal services**.

"Privacy injury and identity theft" means:

- A. any unauthorized disclosure of, inability to access, or inaccuracy with respect to, **non-public personal information** in violation of:
 - 1. the **Named Insured's privacy policy**; or
 - 2. any federal, state, foreign or other law, statute or regulation governing the confidentiality, integrity or accessibility of **non-public personal information**, including but not limited, to the Health Insurance Portability and Accountability Act of 1996, Gramm-Leach-Bliley Act, Children's Online Privacy Protection Act, or the EU Data Protection Act.
- B. the **Insured's** failure to prevent **unauthorized access to confidential commercial information**;

"Privacy policy" means the **Named Insured's** policies in written or electronic form that:

- A. govern the collection, dissemination, confidentiality, integrity, accuracy or availability of **non-public personal information**; and
- B. the **Insured** provides to its clients, customers, employees or others who provide the **Insured** with **non-public personal information**.

"No Liability" means that with respect to an **Insured** who is the subject of a **Disciplinary Proceeding**, there is a:

- A. final determination of no liability;
- B. a determination of no further action; or
- C. the matter is abandoned by the disciplinary authority.

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

"Related acts or omissions" mean all acts or omissions in the rendering of **legal services** that are temporally, logically or causally connected by any common fact, circumstance, situation, transaction, event, advice or decision.

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



“**Security breach**” means the failure of the **Named Insured’s network** hardware, software, firmware, the function or purpose of which is to:

- A. identify and authenticate parties prior to accessing the **Named Insured’s network**;
- B. control access to the **Named Insured’s network** and monitor and audit such access;
- C. protect against **computer viruses**;
- D. defend against **denial of service attacks** upon the **Named Insured** or unauthorized use of the **Named Insured’s network** to perpetrate a **denial of service attack**; or,
- E. ensure confidentiality, integrity and authenticity of information on the **Named Insured’s network**.

“**Totally and permanently disabled**” means that an **Insured** is so disabled as to be wholly prevented from rendering **legal services** provided that such disability:

- A. has existed continuously for not less than six (6) months; and
- B. is reasonably expected to be continuous and permanent.

“**Unauthorized access**” means any accessing of information in the **Insured’s** care, custody or control by unauthorized persons or by authorized persons accessing or using such information in an unauthorized manner.

Unauthorized access also includes:

- A. theft from the **Insured** of any information storage device used by the **Insured** to:
 - 1. store and retrieve information on the **Insured’s network**; or
 - 2. transport information between the **Insured** and authorized recipients;
- B. any unauthorized use by the **Insured** of information in the **Insured’s** clients’ care, custody or control if accessed by the **Insured** in the course of rendering **legal services**.

IV. EXCLUSIONS

This Policy does not apply:

A. Intentional Acts

to any **claim** based on or arising out of any dishonest, fraudulent, criminal, malicious act or omission or intentional wrongdoing by an **Insured** except that:

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

B. Bodily Injury/Property Damage

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

C. Status as Beneficiary or Distributee

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

D. Contractual Liability

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

E. Insured vs. Insured



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

F. Capacity as Director, Officer, Fiduciary

to any **claim** based on or arising out of an **Insured's** capacity as:

1. a former, existing or prospective officer, director, shareholder, partner, manager or member (or any equivalent position) of any entity if such entity is not named in the Declarations; or
2. a trustee of a pension, welfare, profit-sharing, mutual or investment fund or investment trust; or
3. a fiduciary under the Employee Retirement Income Security Act of 1974 and its amendments or any regulation or order issued pursuant thereto or any other similar state or local law;

except that this exclusion does not apply to a **claim** based on or arising out of an **Insured's** capacity as a member, director or officer of any professional legal association, including any Bar Association and any similar organization or association, its governing board or any of its committees.

G. Capacity as Public Official

to any **claim** based on or arising out of an **Insured's** capacity as a public official or an employee or representative of a governmental body, subdivision or agency unless such **Insured** is deemed as a matter of law to be a public official or employee or representative of such entity solely by virtue of rendering **legal services** to it;

H. Owned Entity

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

V. CONDITIONS

A. Notice

1. Notice of Claims

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

2. Notice of Potential Claims

If during the **policy period** the **Insured** becomes aware of any act or omission that may reasonably be expected to be the basis of a **claim** against the **Insured** and gives written notice to the **Company** of such act or omission and the reasons for anticipating a **claim**, with full particulars, including but not limited to:

- a. the specific act or omission;
 - b. the dates and persons involved;
 - c. the identity of anticipated or possible claimants;
 - d. the circumstances by which the **Insured** first became aware of the possible **claim**,
- then any such **claim** that arises out of such reported act or omission and that is subsequently made against the **Insured** and reported to the **Company** shall be deemed to have been made at the time such written notice was given to the **Company**.



B. Reimbursement of the Company

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

C. Territory

This Policy applies to an act or omission taking place anywhere in the world, provided that the **claim** is made and suit is brought against the **Insured** within the United States of America, including its territories, possessions, Puerto Rico or Canada.

D. Other insurance

If there is other insurance that applies to the **claim**, this insurance shall be excess over such other valid and collectible insurance whether such insurance is stated to be primary, contributory, excess, contingent or otherwise. When there is such other insurance, the **Company** will pay only its share of the amount of any **damages** and **claim expenses**, if any, that exceed the sum of:

1. the total amount that all such other insurance would pay for with respect to such **claim** in the absence of this insurance; and
2. the total of all deductible and self-insured amounts under all that other insurance.

This paragraph does not apply to any other insurance that was bought specifically to apply in excess of the Limits of Liability shown in the Declarations of this Policy.

When this insurance is excess, the **Company** will have no duty under this Policy to defend the **Insured** against any **claim** if any other insurer has a duty to defend the **Insured** against that **claim**. If no other insurer defends, the **Company** will undertake to do so, but it will be entitled to the **Insured's** rights against all those other insurers.

E. Assistance and cooperation of the Insured

1. The **Insured** shall cooperate with the **Company** and, upon the **Company's** request, shall attend hearings and trials and shall assist in effecting settlements, securing and giving of evidence, obtaining the attendance of witnesses, and the conduct of suits and proceedings in connection with a **claim**.
2. The **Insured** shall assist in the enforcement of any right of contribution or indemnity against any person or organization who or which may be liable to any **Insured** in connection with a **claim**.
3. The **Insured** shall not, except at its own cost, voluntarily make any payment, assume or admit any liability or incur any expense without the consent of the **Company**.

F. Action against the Company

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

1. there shall have been full compliance with all the terms of this Policy; and
2. the **Insured's** obligation to pay shall have been finally determined either by judgment against the **Insured** after actual trial or by written agreement of the **Insured**, the claimant and the **Company**.

Any person or organization or the legal representative thereof who has secured such judgment or written agreement shall thereafter be entitled to recover under this Policy to the extent of the insurance afforded by this Policy. No person or organization shall have any right under this Policy to join the **Company** as a party to any action against an **Insured**, nor shall the **Company** be impleaded by the **Insured** or his legal representative.



G. Bankruptcy or Insolvency

Bankruptcy or insolvency of the **Insured** or of the **Insured's** estate shall not relieve the **Company** of any of its obligations hereunder.

H. Subrogation

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

I. Changes

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

J. Assignment

No assignment of interest of the **Insured** under this Policy shall be valid, unless the written consent of the **Company** is endorsed hereon.

K. Cancellation/ Nonrenewal

1. This Policy may be canceled by the **Named Insured** by returning it to the **Company**. The **Named Insured** may also cancel this Policy by written notice to the **Company** stating at what future date cancellation is to be effective.
2. The **Company** may cancel or non-renew this Policy by written notice to the **Named Insured** at the address last known to the **Company**. The **Company** will provide written notice at least sixty (60) days before cancellation or non-renewal is to be effective. If the **Company** cancels this Policy because the **Insured** has failed to pay a premium when due or has failed to pay amounts in excess of the limit of the **Company's** liability or within the amount of the deductible, this Policy may be canceled by the **Company** by mailing to the **Named Insured** written notice stating when, not less than ten (10) days thereafter, such cancellation shall be effective. The time of surrender of this Policy or the effective date and hour of cancellation stated in the notice shall become the end of the **policy period**. Delivery (where permitted by law) of such written notice either by the **Named Insured** or by the **Company** shall be equivalent to mailing.
3. If the **Company** cancels this Policy, the earned premium shall be computed pro rata. If the **Named Insured** cancels this Policy, the **Company** shall retain the customary short rate proportion of the premium. Premium adjustment may be made either at the time cancellation is effected or as soon as practicable after cancellation becomes effective, but payment or tender of unearned premium is not a condition of cancellation.
4. The offering of terms and conditions different from the expiring terms and conditions shall not constitute a refusal to renew.

L. Entire contract

By acceptance of this Policy the **Insured** agrees that:

1. all of the information and statements provided to the **Company** by the **Insured** are true, accurate and complete and shall be deemed to constitute material representations made by all of the **Insureds**;
2. this Policy is issued in reliance upon the **Insured's** representations;
3. this Policy, endorsements thereto, together with the completed and signed application and any and all supplementary information and statements provided by the **Insured** to the **Company** (all of which are deemed to be incorporated herein) embody all of the agreements existing between the **Insured** and the **Company** and shall constitute the entire contract between the **Insured** and the **Company**; and



4. the misrepresentation of any material matter by the **Insured** or the **Insured's** agent will render this Policy null and void and relieve the **Company** from all liability herein.

M. **Named Insured sole agent**

The **Named Insured** shall be the sole agent of all **Insureds** hereunder for the purpose of effecting or accepting any notices hereunder, any amendments to or cancellation of this Policy, for the completing of any applications and the making of any statements, representations and warranties, for the payment of any premium and the receipt of any return premium that may become due under this Policy, and the exercising or declining to exercise any right under this Policy.

N. **Liberalization**

If the **Company** adopts any revision that would broaden coverage under this policy form G-118011-A without additional premium at any time during the **policy period**, the broadened coverage will immediately apply to this Policy except that it will not apply to **claims** that were first made against the **Insured** prior to the effective date of such revision.

O. **Notices**

Any notices required to be given by an **Insured** shall be submitted in writing to the **Company** or its authorized representative. If mailed, the date of mailing of such notice shall be deemed to be the date such notice was given and proof of mailing shall be sufficient proof of notice.

P. **Trade and Economic Embargoes**

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

VI. **EXTENDED REPORTING PERIODS**

As used herein, "**extended reporting period**" means the period of time after the end of the **policy period** for reporting **claims** that are made against the **Insured** during the applicable **extended reporting period** by reason of an act or omission that occurred prior to the end of the **policy period** and is otherwise covered by this Policy.

A. **Automatic extended reporting period**

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

B. **Optional extended reporting period**

1. If this Policy is canceled or non-renewed by either the **Company** or by the **Named Insured**, then the **Named Insured** shall have the right to purchase an optional **extended reporting period**. Such right must be exercised by the **Named Insured** within sixty (60) days of the termination of the **policy period** by providing:
 - a. written notice to the **Company**; and
 - b. with the written notice, the amount of additional premium described below.
2. The additional premium for the optional **extended reporting period** shall be based upon the rates for such coverage in effect on the date this Policy was issued or last renewed and shall be for one (1) year at 100% of such premium; two (2) years at 150% of such premium; three (3) years at 175% of such premium; six (6) years at 225% of such premium; or, for an unlimited period at 250% of such premium.
3. The premium for the optional **extended reporting period** is due on its effective date. This optional **extended reporting period** is non-cancelable and the entire premium shall be deemed fully earned at its commencement without any obligation by the **Company** to return any portion thereof.



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

1. If an **Insured** dies or becomes **totally and permanently disabled** during the **policy period**, then upon the latter of the expiration of: the **policy period**; any renewal or successive renewal of this Policy; or any automatic or optional **extended reporting period**, such **Insured** shall be provided with a death or disability **extended reporting period** as provided below.
 - a. In the event of death, such **Insured's** estate, heirs, executors or administrators must, within sixty (60) days of the expiration of the **policy period**, provide the **Company** with written proof of the date of death.
 - b. If an **Insured** becomes **totally and permanently disabled**, such **Insured** or **Insured's** legal guardian must, within sixty (60) days of the expiration of the **policy period**, provide the **Company** with written proof that such **Insured** is **totally and permanently disabled**, including the date the disability commenced, certified by the **Insured's** physician. The **Company** retains the right to contest the certification made by the **Insured's** physician, and it is a condition precedent to this coverage that the **Insured** agree to submit to medical examinations by any physician designated by the **Company** at the **Company's** expense. This **extended reporting period** is provided until such **Insured** shall no longer be **totally or permanently disabled** or until the death of such **Insured** in which case subparagraph a. hereof shall apply.
2. No additional premium will be charged for any death or disability **extended reporting period**.

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

1. If an **Insured** retires or otherwise voluntarily ceases, permanently and totally, the "private practice of law" during the **policy period** and has been continuously insured by the **Company** for at least three (3) consecutive years, then such **Insured** shall be provided with an **extended reporting period** commencing upon the latter of the expiration of: the **policy period**; any renewal or successive renewal of this Policy; or any automatic or optional **extended reporting period**.
2. This **extended reporting period** is provided until such **Insured** shall resume the "private practice of law" or until the death of such **Insured** in which case subparagraph C.1.a. hereof shall apply.
3. No additional premium will be charged for any non-practicing **extended reporting period**.

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

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

1. Automatic and optional **extended reporting periods** limits of liability and deductibles
 - a. Where the **Company** has the right to nonrenew or cancel this Policy, and it exercises that right, then the **Company's** liability for all **claims** reported during the automatic and optional **extended reporting periods** shall be part of and not in addition to the limits of liability for the **policy period** as set forth in the Declarations and Section II.A. and B. of this Policy. The deductible applicable to such **claims** shall be part of and not in addition to the deductible as set forth in the Declarations and Section II.C. of this Policy.
 - b. If this Policy is canceled by the **Named Insured** or if the **Company** offers to renew this Policy, and the **Named Insured** refuses such renewal offer, then the **Company's** liability for all **claims** reported during the automatic and optional **extended reporting periods** shall be reinstated to the limits of liability applicable to this Policy as set forth in the Declarations and Section II.A. and B. of this Policy. The deductible applicable to such **claims** shall be reinstated to an amount equal to the deductible as set forth in the Declarations and Section II.C. of this Policy.
2. Separate death or disability and non-practicing **extended reporting period** limits of liability



a. Limit of Liability - Each "Claim"

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

b. Limit of Liability - In the Aggregate

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

c. No Deductible

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

F. Elimination of right to any **extended reporting period**

There is no right to any **extended reporting period**:

1. if the **Company** shall cancel or refuse to renew this Policy due to:
 - a. non-payment of premiums; or
 - b. non-compliance by an **Insured** with any of the terms and conditions of this Policy; or
 - c. any misrepresentation or omission in the application for this Policy; or,
2. if during the **Policy Period** such **Insured's** right to practice law is revoked, suspended or surrendered at the request of any regulatory authority for reasons other than that the **Insured** is **totally and permanently disabled**.

G. **Extended reporting period** not a new policy

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

VII. HEADINGS

The descriptions in the headings of this Policy are solely for convenience, and form no part of the terms and conditions of coverage.

IN WITNESS WHEREOF, the **Company** has caused this Policy to be executed by its Chairman and Secretary, but this Policy shall not be binding upon us unless completed by the attachment of the Declarations.

Chairman

Secretary



SPECIALIZATION ENHANCEMENT ENDORSEMENT

It is understood and agreed that:

- I. A **claim expenses** limit of liability is added to the Policy, as follows:
- A. The Item on the Declarations entitled **LIMITS OF LIABILITY** is amended to delete the phrase "*Inclusive of claims expenses.*"
- B. The Section of the Policy entitled **DEFINITIONS** is amended by the addition of the following new definition:
- Damages limit of liability** means the limit of liability applicable to **damages**, and, upon exhaustion of the **claim expenses** limit of liability, to **claim expenses**.
- C. The Section of the Policy entitled **INSURING AGREEMENT**, the subsection entitled **Exhaustion of limits**, is deleted in its entirety and replaced by the following:
- Exhaustion of limits**
- The **Company** is not obligated to investigate, defend, pay or settle, or continue to investigate, defend, pay or settle a **claim** or pay any **damages** or **claim expenses**, if the **damages limit of liability** has been exhausted by the payment of **damages**, payment of **claim expenses** as set forth in paragraph I.D.2. of this endorsement, or the payment of both **damages** and **claim expenses**; or after the **Company** has deposited the remaining available **damages limits of liability** into a court of competent jurisdiction, even if any **claim expenses** limit of liability remains. In such case, the **Company** shall have the right to withdraw from the further investigation, defense, payment or settlement of such **claim** by tendering control of such investigation, defense or settlement of the **claim** to the **Insured**.
- D. The Section of the Policy entitled **LIMITS OF LIABILITY AND DEDUCTIBLE** is amended as follows:
1. The paragraphs entitled **Limit of liability – each claim** and **Limit of liability – in the aggregate** are deleted in their entirety and replaced by the following:
- Damages limit of liability - each claim**
- Subject to the aggregate **damages limit of liability** set forth below, the limit of liability of the **Company** for **damages** for each **claim** first made against the **Insured** and reported to the **Company** during the **policy period** shall not exceed the amount stated in the Declarations for each **claim**.
- Damages limit of liability - in the aggregate**
- The limit of liability of the **Company** for **damages** for all **claims** first made against the **Insured** and reported to the **Company** during the **policy period** shall not exceed the amount stated in the Declarations as the aggregate.
2. The following new paragraph is added:
- Claim expenses** limit of liability – in the aggregate
- The limit of liability of the **Company** for the payment of **claim expenses** for all **claims** first made against the **Insured** and reported to the **Company** during the **policy period** shall not exceed the lesser of \$500,000 or an amount equal to fifty percent (50%) of the each **claim** limit of liability stated on the Declarations. **Claim expenses** under the Policy shall first be applied to such **claim expenses** aggregate limit of liability. If and when such aggregate limit of liability for **claim**



expenses is exhausted by payment of **claim expenses**, then and in that event only shall any remaining **claim expenses** be applied to the applicable **damages limits of liability**.

E. Paragraphs I.A. through I.D. of this endorsement shall not apply if another endorsement attached to this Policy provides for the payment of **claim expenses** outside of the limits of liability stated in the Declarations or sets forth a **claim expenses** limit of liability that is separate from the limits of liability stated in the Declarations.

II. The Section of the Policy entitled INSURING AGREEMENT, the subsection entitled Defense, is deleted in its entirety and replaced by the following:

Defense

The **Company** shall have the right and duty to defend in the **Insured's** name and on the **Insured's** behalf a **claim** covered by this Policy even if any of the allegations of the **claim** are groundless, false or fraudulent. The **Company** and the **Named Insured** shall mutually agree on the appointment of counsel selected from the **Company's** list of Lawyers Professional Liability preferred counsel to investigate and to defend a **claim**. If a **claim** shall be subject to arbitration or mediation, the **Company** and the **Named Insured** shall mutually agree on the choice of arbitrators or mediators and in the conduct of any arbitration or mediation proceeding involving a **claim** covered by the Policy. Either party's agreement to defense counsel, mediators or arbitrators shall not be unreasonably withheld.

III. The Section of the Policy entitled LIMITS OF LIABILITY AND DEDUCTIBLE, the subsection entitled Risk Management Incentives, the paragraph entitled Mediation, is deleted in its entirety and replaced by the following:

Early Resolution:

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

However, the deductible will not be waived if the **claim** is resolved after the commencement of:

- a. a trial in a court of law; or
- b. the first motion for a motion for summary judgment by any party has been filed in a court of law; or
- c. the first evidentiary hearing in binding arbitration of the **Claim**.

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

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy, unless another effective date is shown below, and expires concurrently with said Policy.



NAMED INDIVIDUAL RETROACTIVE DATE ENDORSEMENT

It is understood and agreed that no coverage is afforded under this Policy for any **claims** by reason of an act or omission committed by any person listed below that occurred prior to date listed opposite such person .

Person
Robert W. West

Date
05/01/2017

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy and expires concurrently with said Policy unless another effective date is shown below.

By Authorized Representative _____
(No signature is required if issued with the Policy or if it is effective on the Policy Effective Date)



RETROACTIVE EXCLUSION CLAUSE ENDORSEMENT

It is understood and agreed that Section I, Insuring Agreement, Paragraph A., Coverage, is amended to include a new subparagraph as follows:

- The act or omission occurred on or after 05/01/2017.

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy and expires concurrently with said Policy unless another effective date is shown below.

By Authorized Representative _____
(No signature is required if issued with the Policy or if it is effective on the Policy Effective Date)



LAWYERS PROFESSIONAL LIABILITY POLICY

AMENDMENT OF NOTICE OF CLAIM AND TERMINATION PROVISIONS- MICHIGAN

It is understood and agreed that Condition A. 1. Notice of **Claims** and A. 2 Notice of Potential **Claims** and Condition K. Cancellation/Nonrenewal are amended as follows:

Condition A.1 and A.2 are amended as follows:

The words "written notice" are amended to read "notice".

The following is added to subparagraph A.1.:

Notice given by or on behalf of the **Insured** to the **Company's** authorized agent, with particulars sufficient to identify the **Insured**, shall be considered notice to the **Company**. Failure to give any notice required by this Condition within the time period specified shall not invalidate any claim made by the **Insured** if it shall be shown not to have been reasonably possible to give notice within the prescribed time period and that notice was given as soon as was reasonably possible.

Condition K. Cancellation/Nonrenewal is deleted and replaced in its entirety by the following:

K.. Cancellation/Nonrenewal

1. This Policy may be cancelled by the **Named Insured** by returning it to the **Company**. The **Named Insured** may also cancel this Policy by notice to the **Company** stating at what future date cancellation is to be effective.
2. The **Company** may cancel or non-renew this Policy by written notice to the **Named Insured** at the address last known to the **Company** or it's authorized agent. The **Company** will provide written notice at least 30 days before cancellation or non-renewal is to be effective. However, if the **Company** cancels this Policy because the **Insured** has failed to pay a premium when due or has failed to pay amounts in excess of the limit of the **Company's** liability or within the amount of the deductible, this Policy may be cancelled by the **Company** by mailing to the **Named Insured** written notice stating when, not less than 10 days thereafter, such cancellation shall be effective. 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 (where permitted by law) of such written notice either by the **Named Insured** or by the **Company** shall be equivalent to mailing.
3. If this Policy is cancelled, the **Company** will send the **Named Insured** any pro rata refund due. The minimum earned premium shall not be less than the pro rata premium for the expired term or \$25.00, whichever is greater. Premium adjustment may be made either at the time cancellation is effected or as soon as practicable after cancellation becomes effective, but payment or tender of unearned premium is not a condition of cancellation.
4. The offering of terms and conditions different from the expiring terms and conditions does not constitute a refusal to renew.



All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy and expires concurrently with said Policy unless another effective date is shown below.

By Authorized Representative _____
(No signature is required if issued with the Policy or if it is effective on the Policy Effective Date)



MICHIGAN

NOTICE TO EXEMPT COMMERCIAL POLICYHOLDERS
DEREGULATION - FORMS & RATES

This policy is exempt from the filing requirements of Section 2236 of the Insurance Code of 1956, 1956 PA 218, MCL 500.2236.

All other terms and conditions of the policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy and expires concurrently with said Policy unless another effective date is shown above.

By Authorized Representative _____
(No signature is required if this endorsement is issued with the Policy or if it is effective on the Policy Effective Date)



EXTENDED REPORTING PERIODS REINSTATEMENT OF LIMITS OF LIABILITY

It is understood and agreed that the Section entitled **EXTENDED REPORTING PERIODS**, Subsection entitled **Extended reporting periods** limits of liability and deductibles, Paragraph entitled Automatic and optional **extended reporting periods** limits of liability and deductibles, is deleted in its entirety and replaced with the following:

If either the **Company** or the **Named Insured** cancels this Policy or chooses to nonrenew this Policy, then the **Company's** liability for all **claims** reported during the automatic and optional **extended reporting periods** shall be reinstated to the limits of liability applicable to this Policy as set forth in Section II. A. and B. hereof. The deductible applicable to such **claims** shall be reinstated to an amount equal to the deductible as set forth in the Declarations and Section II.C. of this Policy.

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy, unless another effective date is shown below, and expires concurrently with said Policy.



BOP 2768891 04 S

KLEINSCHMIDT AGENCY INC
PO BOX 219595
KANSAS CITY, MO 64121

Acct. Number CB00591684

To: Insured

Your Independent Agent

REISER & FRUSHOUR PLLC
122 S MAIN ST #260
ANN ARBOR, MI 48104

KLEINSCHMIDT AGENCY INC
PO BOX 219595
KANSAS CITY, MO 64121

Thank you for insuring with State Auto Insurance Companies. Attached is information about your new business, renewal or policy change. Please contact your agent with any questions.

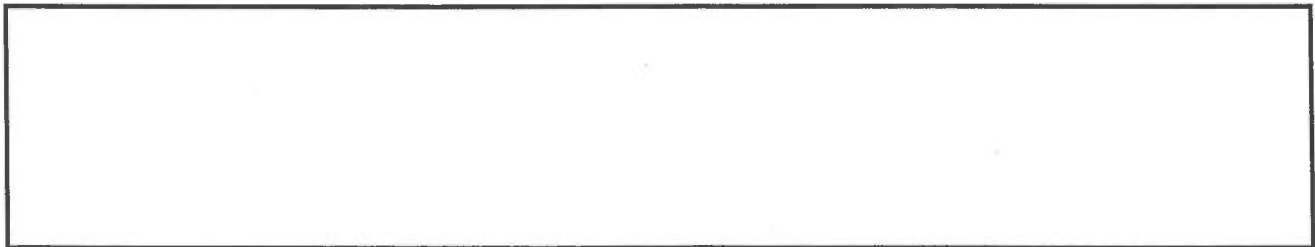
Your coverages are listed on the attached declarations pages. Any new or revised coverage forms are attached.

The State Auto Insurance companies and your independent agent strive to provide overwhelming service to you. Please let us know how we can best serve your needs.

ENCLOSED DOCUMENTS ARE POLICY INFORMATION ONLY.

YOUR BILL WILL BE SENT SEPARATELY, IF NEEDED.

If you have questions concerning policy payment status, please call Payment Services at 1-800-444-9950, Ext. 5118.



**BOP 2768891 04**

NAMED INSURED AND MAILING ADDRESS:

REISER & FRUSHOUR PLLC
 122 S MAIN ST #260
 ANN ARBOR, MI 48104

AGENT NAME AND ADDRESS:

KLEINSCHMIDT AGENCY INC
 PO BOX 219595
 KANSAS CITY, MO 64121

(734) 662-3100*Dear Valued Customer,*

Thank you for allowing us to provide your important insurance protection. Your satisfaction with your insurance coverage is essential to us and we would like to keep you informed about changes to your policy.

Please take a moment and review the notices listed below. These notices are intended to make you aware of important changes such as coverage broadenings, reductions or restrictions. Your careful review is appreciated.

If you have any questions about these changes, please contact your insurance agency at the address and phone number shown above.

Again, thank you for placing your insurance with State Auto Insurance Companies!

POLICYHOLDER INFORMATION

CG 67 6 04 95
 PN 02 39 07 07
 PN 06 90 05 17
 MC 78 03 91
 PS 00 11 07 07
 AU 460 05 92
 PS 00 28 01 12
 PS 00 38 01 14

Retain Original Policy Documents
 If You Have a Claim
 General Liability Version A State Rate Change Notice
 Contractors - Hiring Subcontractors - SAVE Information
 Notice of Premium Audit
 Pay-Rite
 Data Compromise Breach Helpline
 Data Compromise Breach E-Risk Hub Stuffer

POLICYHOLDER DISCLOSURE - NOTICE OF TERRORISM INSURANCE COVERAGE

You are hereby notified that under the Terrorism Risk Insurance Act (Act), as amended, that you have a right to purchase insurance coverage for losses arising out of certified acts of terrorism. The term "certified act of terrorism" means any act that is certified by the Secretary of the Treasury - in accordance with the provisions of the federal Terrorism Risk Insurance Act - to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property; or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

You should know that coverage provided by this policy for losses resulting from certified acts of terrorism, such losses may be partially reimbursed by the United States Government under a formula established by federal law. However, your policy may contain other exclusions which might affect your coverage, such as an exclusion for nuclear events. Under the formula, the United States Government generally reimburses 80% of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage. The premium charged for this coverage is provided on the policy Declarations page and does not include any charges for the portion of loss covered by the federal government under the act.

LIMITATION ON PAYMENT OF TERRORISM LOSSES

You should also know that the Terrorism Risk Insurance Act, as amended, contains a \$100 billion cap that limits U.S. Government reimbursement as well as insurer's liability for losses resulting from certified acts of terrorism when the amount of such losses in any one calendar year exceeds \$100 billion. If the aggregate insured losses for all insurers exceed \$100 billion, your coverage may be reduced.

If you purchase this coverage on an umbrella policy, you must also purchase this coverage for underlying general liability policies.

In the context of a newly issued policy or renewal offer, this form becomes part of the application for this coverage.

You may select terrorism insurance coverage as follows:

The portion of your annual policy premium that is attributable to coverage for certified acts of terrorism is shown on the declarations page. If you wish to reject this coverage, please read and complete the form below.

You may reject terrorism insurance coverage as follows:

You may elect to decline coverage for certified acts of terrorism. However, if your policy covers property located in a state with a fire following statutory requirement, the terrorism exclusion makes an exception for fire losses to such covered property resulting from certified acts of terrorism. If you choose to decline coverage for certified acts of terrorism, that rejection is not applicable to fire losses to property in those states resulting from certified acts of terrorism, unless excepted by statute or other regulatory means. A separate premium is displayed on the declarations page for coverage for fire losses that result from certified acts of terrorism.

To reject coverage, you must 'X' the box below, sign your name, print your name, date this form and return it to the company within 30 days. If you choose not to reject this coverage, you do not need to return this form.

	I hereby elect to exclude losses arising from certified acts of terrorism and understand that I will have no coverage for losses resulting from certified acts of terrorism. I understand that if I exclude certified acts of terrorism coverage, coverage will not be available until my next renewal.
--	---

Policyholder/Applicant's Signature

State Auto Property and Casualty Insurance Co.

Insurance Company

Print Name

BOP 2768891 04

Policy Number

Date

21 - 0002016

KLEINSCHMIDT AGENCY INC
PO BOX 219595
KANSAS CITY, MO 64121

(734) 662-3100



BOP 2768891 04

YOUR BUSINESS POLICY RENEWAL

**PLEASE RETAIN YOUR ORIGINAL POLICY FOR
A COMPLETE DESCRIPTION OF YOUR COVERAGE**

STATE AUTO INSURANCE COMPANIES

**BOP 2768891 04**

Thank you for allowing us to serve your insurance needs

STATE AUTO Claim Handlers:
Fair, Friendly and Fast

State Auto is proud of the service we provide our policyholders when they have a claim. We hope you never have a claim but, if you do, we want to make it as painless and worry-free as possible. We're committed to providing service that's fast - as well as fair and friendly. In fact, we pledge to make an honest effort to contact you within two hours of the time we receive the report of your loss.*

Please notify your agent as soon as feasible if you have a claim. The sooner your agency knows about your loss, the sooner they can report it to us so we can begin working with you to handle the claim.

* Although we always want to accomplish the two-hour contact time mentioned in our pledge - and we usually do call within that time period - we're sure you understand that may be impossible at certain unusual times such as when we're faced with a large weather-related catastrophe affecting many people in the same area.

To report a claim:

- * Call your agent or
- * Call State Auto directly at 1-800-444-9950 or
- * Report your claim on StateAuto.com

PN 02 39 07 07 Page 1 of 1

/**PN 02 39 07 07



BOP 2768891 04

IMPORTANT NOTICE TO POLICYHOLDER

Your commercial liability coverage includes several changes. Some of the changes are superficial and do not affect your coverage, such as the print type and the layout of the information. Other changes may include broadening, reduction or clarification of some policy coverages. This notice describes changes to specific forms and endorsements that may be attached to your policy. Please review your policy to determine whether or not one or more of these forms are attached. Please contact your agent if you need to maintain any protection that is described as either reduced or deleted. Please note that your policy number and prefix may be different.

This notice does not alter or amend the policy. You should read your policy and review your declaration page for complete information on the coverage you are provided. If there are any inconsistencies between the policy and this document, the policy language takes precedence. The policy is the sole source of the terms and conditions applicable to this coverage.

RESTRICTIVE

CG 21 44 04 17 Limitation Of Coverage To Designated Premises, Project Or Operation

This was formerly titled as Limitation of Coverage to Designated Premises or Project. The revision amends the title of the form. In response to the Brewer and Western Heritage court decisions, the revision addresses certain aspects of the courts' findings with respect to coverage for a scheduled premise. If this form is attached to your policy, in circumstances in which individual insurer claims settlement practices or state law are reflective of the Brewer and Western Heritage decisions, certain revisions, in the context of a scheduled premises, may be a reduction in coverage.

No coverage is provided by this summary nor can it be construed to replace any provision of your policy. This notice is not a contract. It provides only a general overview of coverage or exclusionary language. If there is any conflict between the policy and this summary, the provisions of the policy shall prevail.

Please refer to your policy for the actual terms, coverage amounts, conditions and exclusions. If you have any questions, or wish to increase or reduce your limits, please contact your independent State Auto agent.

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*//PN0690-201705

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ATTENTION CONTRACTORS - IT'S TIME TO SAVE!

Protect yourself from needless costs and liabilities. Follow these important steps when working with subcontractors.

Safety programs are essential for your subcontractors as well as your own employees.

For the safety of all workers on your job sites, it's essential that subcontractors observe the loss control regulations you've established for your business.

Make sure that the contracts you sign require your subcontractors to comply with all state safety requirements, as well as your own safety standards. The documents should also specify that if subcontractors in turn hire subcontractors, the latter must also comply.

Clearly state your own safety regulations within the contract. Be sure to describe the steps you will take if any subcontractor fails to correct an unsafe condition on the job. This way, everyone knows what's expected -- and what will happen if standards are not met.

Agreements with your subcontractors on their responsibilities should be entered into before work begins.

Hold-Harmless Agreements are an important form of protection for your business. When written in your favor, these legal documents confirm that your subcontractors will assume liability for Bodily Injury or Property Damage losses arising from their actions -- whether suffered by the public or by another contractor's employees on the job site.

Hold-Harmless Agreements are a vital supplement to Certificates of Insurance. These documents confirm that subcontractors are responsible for their own work -- as well as their own insurance protection. Make sure that both are received before your subcontractors begin their activities. Remember that these documents should certify protection for the full duration of the subcontractor's job.

Verify insurance protection is secured by all subcontractors before work begins.

The subcontractors you hire should carry their own General Liability, Automobile Liability and Workers Compensation insurance. Their failure to do so can cost you in two ways:

- ' In many states, subcontractors who do not carry their own coverage are treated as your employees for insurance purposes. (Their employees would also be treated as part of your work force.) This may increase the cost of your General Liability and Workers Compensation insurance.

- ' As general contractor, you may be held responsible for the work of your subcontractors. If they have no insurance, you may have to pay for Bodily Injury or Property Damage losses arising from their actions. State law may also require you to pay for injuries suffered by uninsured subcontractors or their employees, if these injuries occur on your job site.

Help prevent these problems by requiring that all subcontractors supply Certificates of Insurance for General Liability, Auto Liability and Workers Compensation coverages before they start work. File these documents in a secure place -- and check with subcontractors regularly to make certain coverage has not lapsed or been cancelled. Coverage must remain in force for the entire period your subcontractors will be on the job.

While we cannot suggest what limits will be adequate, the following may be used as a guideline. These are the minimum limits required to save you the cost of providing for your Subcontractors' protection under your coverage.

Minimum General Liability Coverage

- ' \$300,000 Products/Completed Operations Aggregate
- ' \$300,000 General Aggregate
- ' \$300,000 Any One Occurrence (Coverage A)
- ' \$300,000 Any One Person or Organization (Coverage B)

NOTE: Your subcontractors' General Liability coverage must be written on an occurrence basis.

IF THE WORK BEING PERFORMED BY SUBCONTRACTORS IS UNUSUALLY HAZARDOUS, YOU SHOULD REQUIRE HIGHER GENERAL LIABILITY LIMITS. Your agent can help you establish the proper limits for greater-than-average exposures.

Minimum Automobile Liability Coverage

\$300,000 Each Accident

NOTE: Your subcontractors' Auto Liability coverage should be written to cover all owned and non-owned autos.

Minimum Employers Liability Coverage

(Coverage "B" on the Workers Compensation Policy)

\$100,000 Each Accident
 \$100,000 Each Employee for Injury by Disease
 \$500,000 Aggregate for Injury by Disease

Enter each job with the security of knowing you've protected yourself and your subcontractors.

Your agent will be glad to answer any questions you have about protection for you and your subcontractors. We encourage you to take these steps today to protect yourself and those who work for you.



ATTENTION POLICYHOLDER

Notice of Premium Audit

When we issue a General Liability or Workers Compensation insurance coverage, we base its premiums on estimated values over the upcoming policy period, such as payroll, sales or the cost of work subcontracted to others. Throughout the policy period, the actual values may fluctuate from the amounts used to estimate the policy premium.

To determine the actual values developed over the policy period, we may conduct a premium audit at the end of the term by way of an accounting records review. This review may be by telephone, mail, or a physical examination of the business's accounting records by a State Auto representative.

Final premiums are then adjusted up or down, based on how the actual values compared to the originally estimated values.

Here are some suggestions that can help make the premium audit process take as little of your time as possible, yet result in the most accurate calculation of your actual premium:

1. Before your scheduled appointment with the auditor, have your payroll and sales records ready for review for the policy period being audited.
2. Payroll should include an itemized list of all employees and all labor used, and their payroll including overtime, commissions and bonuses for each job duty performed.
3. Sales include the total gross income from the sale and/or installation of goods you sold.
4. If you hire any subcontractors, be prepared to provide the names and the total cost of labor and materials used or delivered for use in the execution of work done by each contractor.
5. The auditor will also ask to review the liability certificates of insurance for the subcontractors doing work on your behalf.

We recommend you require certificates of insurance from all of your subcontractors and keep them on file. Not only can this practice help protect you from the financial consequences of losses caused by your subcontractors, it can also help you avoid potentially higher premium charges than if this important risk management control were not in place.

By maintaining proper accounting records and providing information as requested during the premium audit, you help to manage your overall insurance costs.

Please contact your State Auto agent should you have any questions relating to your policy.

ATTENTION POLICYHOLDER

We want to help you "pay-rite" for your insurance coverage.

- P**

remiums for many types of businesses are based on the actual amount of business you conduct. Your actual premium will fluctuate to reflect your actual exposure to loss.
- A**

dvance premiums are charged at policy inception. This premium is based on an estimate of what your exposure will be during the policy term.
- Y**

our final premium may be more or less than the advance premium shown. The actual amount of premium will be determined by a review of your accounting records. This review may be by telephone, mail or a physical examination of your accounting records by our representative.
- R**

ecords must be kept accurately to ensure that your actual premium reflects your true exposure. Because rates vary by classification, it is in your best interest to maintain accounting records that correspond to the exposure classification(s) shown on your policy.
- I**

ncorrect or inaccurate records can lead to insurance charges greater than your true exposure. Failure to maintain correct records may result in all exposures being assigned to the highest rated classification.
- T**

ell your agent about any changes in your operation to be sure your policy continues to reflect your true exposure. This includes changes that affect both the classification and the amount of your exposure.
- E**

xposure base definitions will help you maintain correct and accurate accounting records:

SALES -- The gross amount charged by you, your concessionaires or by others trading under your name for:

- { All goods or products, sold or distributed;
- { Operations performed during the policy period; and
- { Rentals.

The following items can be deducted from gross sales:

- { Sales or excise taxes that are collected and submitted to a governmental division;
- { Credits for repossessed merchandise and returned products. Allowances for damaged and spoiled goods;
- { Finance charges for items sold on installments.

PAYROLL -- Money or substitutes for money including:

- { Commissions;
- { Bonuses;
- { Extra pay for overtime (at regular rate) [Note: this is not applicable in Pennsylvania];
- { Pay for holidays, vacations or periods of sickness;
- { Payment to employees on any basis other than time worked, such as piece work, profit sharing or incentive plans;
- { Rental value of an apartment or a house provided to an employee based on comparable accommodations.

The following items can be deducted from payroll:

- { Tips and other gratuities received by employees;
- { The value of special rewards for individual invention or discovery.

TOTAL COST -- The cost of all labor, materials and equipment, furnished, used or delivered for use in the execution of the work, all fees, bonuses or commissions made, paid or due for all sublet work.

Help us keep your insurance costs as low as possible by maintaining proper accounting records and providing information as requested during the audit.

Please contact your State Auto agent should you have any questions relating to your policy.



IMPORTANT INFORMATION

This notice describes an additional benefit being provided to you as a State Auto policyholder with Data Compromise Plus coverage. Please review this document carefully and contact your agent if you have any questions.

STATE AUTO INSURANCE IDENTITY RECOVERY HELP LINE

1-800-414-9783

This policy provides you access to the State Auto Insurance Identity Recovery Help Line. The identity recovery help line can provide individuals who qualify as an "identity recovery insured" with:

- 1) Information and advice for how to respond to a possible "identity theft"; and
- 2) Instructions for how to submit a service request for Case Management Service and/or a claim form for Expense Reimbursement Coverage.

An "identity recovery insured" means:

- a. An individual or sole proprietor when the policyholder is described as an Individual or Sole proprietor.
- b. The current partners when the policyholder is described as a partnership.
- c. All the individuals having 20% or more ownership interest for policyholders described as a corporation or other organization. However, if no one has an ownership position of 20% or more, then the "identity recovery insured" will be the chief executive officer or with respect to a religious institution, the senior ministerial employee.

No coverage is provided by this notice nor can it be construed to replace any provision of your policy. This notice is only intended to bring more attention to this valuable service which is part of the Data Compromise Plus coverage you have elected to purchase. If there is any conflict between the policy and this summary, the provisions of the policy shall prevail.

Please refer to your policy for the actual terms, coverage amounts, conditions and exclusions. If you have any questions, or wish to increase or reduce your limits, please contact your independent State Auto Insurance agent.



Be Prepared for a Data Breach!

Check Out The eRisk Hub Risk Management Portal!

You've taken a great first step toward protecting your business from a data breach by purchasing a State Auto business insurance policy with our exclusive Data Compromise Plus coverage.

However, if your organization suffers a data breach, would you be prepared? As we all know from the news, even very large companies aren't always ready to respond. Yet, when a breach occurs, time is of the essence.

Now you can develop an effective data breach response plan in advance of a crisis that can help you be prepared, protect your customer relationships, and protect your business reputation.

As part of your Data Compromise Plus coverage, State Auto provides you an online data breach portal that equips you with a risk management tool to help you be prepared should a breach occur. There is no cost to you! This is a complimentary service to you as a State Auto Data Compromise Plus policyholder.

The portal is called **eRisk Hub**, and it's designed to help you better understand your risks and establish a response plan so you can minimize the financial effects of a data breach should one occur.

Key Features of the eRisk Hub Portal

- * Incident Response Plan Roadmap - suggested steps to take following a data breach
- * Online Training Modules - ready-to-use training on privacy Best Practices and Red Flag Rules
- * Risk Management Tools - assist you in managing our cyber risk, including state notification laws
- * News Center - cyber risk and security news stories, helpful industry links, security blogs
- * Learning Center - Best Practices stories and webinars from leading cyber security experts
- * eRisk Resources - a directory to quickly find external resources on pre- and post-breach disciplines

Register for eRisk Hub Now

To access the eRisk Hub portal, all you need to do is register and set up your unique User ID and Password. Just follow these steps:

- * Go to www.stateauto.com and click on Insurance at the top of the page. Next, select Business in the left menu box. Use the link on the right of the page titled **Data Compromise Plus**. From this page, click on the link **eRisk Hub** in the center of the page.
- * Complete the information in the center of the page, including your name and company. Please note that your User ID and Password are case-sensitive.
- * Enter your assigned **access code: 12116-4**.
- * Enter the challenge word on the screen and click "Submit".
- * You will get a "Registration Complete" message on the next screen. You can now login to the portal.



BOP 2768891 04

BUSINESSOWNERS POLICY COMMON DECLARATIONS

NAMED INSURED AND MAILING ADDRESS: First Named Insured Is Specified To Be: REISER & FRUSHOUR PLLC 122 S MAIN ST #260 ANN ARBOR, MI 48104		AGENT NAME AND ADDRESS: KLEINSCHMIDT AGENCY INC PO BOX 219595 KANSAS CITY, MO 64121	
POLICY PERIOD: From: 08/30/2017 To: 08/30/2018		AGENT TELEPHONE NUMBER: (734) 662-3100	AGT. NO. 0002016
COVERAGE PROVIDED BY: State Auto Property and Casualty Insurance Co.		A STATE AUTO INSURED SINCE: 2013	
AUDITABLE POLICY: No	POLICY STATUS: Renewal - Standard	AFTER-HOURS CLAIMS SERVICE: 800-766-1853 or www.stateauto.com	

The coverage and these declarations are effective 12:01 AM Standard Time on **08/30/2017** at the above mailing address.

BUSINESS ENTITY TYPE: Partners	BILLING ACCOUNT NUMBER: CB00591684 Direct Bill Insured Full Pay	BILLING QUESTIONS? Call 800-444-9950 X5118
BUSINESS DESCRIPTION: Attorney		

Upon valid payment of premium when due, these renewal declarations continue your policy for the period indicated. In return for the payment of the premium and subject to all the terms of this policy, we agree with you to provide the insurance as stated in this policy.

Notice to Michigan Insured:

This renewal policy does not include a copy of all the endorsements issued from prior policy terms. Please retain original forms. Policy forms that replace language in previously issued policy forms will be substituted at each renewal date. This policy is exempt from the filing requirements of MCL 500.2236. This policy is being renewed at rates in effect on the date of renewal.

PREMIUM SUMMARY BY COVERAGE PARTS AND POLICIES

This policy consists of the following coverage parts or policies for which a premium is indicated. This premium may be subject to adjustment.

COVERAGE PARTS	PREMIUMS
Businessowners Special Property Coverages	\$34.00
Commercial General Liability Coverage Part	\$611.00
Businessowners Extra Coverage	\$550.00
Terrorism (included in total below)	\$4.00
POLICY TOTAL AT INCEPTION	\$1,195.00

These declarations together with the Common Policy Conditions and coverage form(s) and any endorsement(s) identified on these declarations and attached to your policy complete the above numbered policy.

Countersigned _____ (Date) By _____ (Authorized Representative)



FORMS AND ENDORSEMENTS
 APPLICABLE TO ALL COVERAGE PARTS

NEW	FORM OR ENDORSEMENT AND EDITION DATE	ENDORSEMENT TITLE (Only the endorsement titles are shown below, please review the form for a complete description of coverage.)
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	BP 00 09C 01 08	Common Policy Conditions
	SI 11 00 01 04	Installment Payments
	BP 05 01C 01 08	Calculation of Premium
	BP 05 15 01 15	Disclosure Pursuant to Terrorism Risk Insurance Act
	SI 10 08 01 16	Common Policy Jacket
*	BP 01 36C 04 17	Michigan Changes
*	PN 00 83 01 15	Notice of Terrorism Insurance Coverage

*indicates a new form has been added or a replacement form has been substituted for one of an earlier edition. Please retain all forms.



BOP 2768891 04

BUSINESSOWNERS SPECIAL PROPERTY COVERAGE DECLARATIONS

DESCRIPTION OF PREMISES	Premises 0001	Building 001
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Building Address

122 S Main St. #260
Ann Arbor, MI 48104

Construction/Protection Class

Construction: Joisted Masonry
Protection Class 04

CLASS CODE	OCCUPANCY
65821	Office - Attorneys

COVERAGE DESCRIPTIONS

COVERED PROPERTY	LIMIT	THEFT COVERAGE	LOSS PAYMENT BASIS	AUTOMATIC INCREASE %	PREMIUM
Business Personal Property	\$11,697	Yes	Replacement Cost	4	\$34

Property losses are subject to a \$2,500 deductible except as otherwise noted.

PREMISES 0001 BUILDING 001		EXTRA COVERAGE PREMIUM
COVERAGES	LIMIT	
Ord/Law: Demolition Cost	\$10,000	Included
Ord/Law: Increased Cost of Constr	\$10,000	Included
Terrorism-Business Pers. Property	\$11,697	\$1

See Policy-Wide Coverages for additional valuable coverages.



FORMS AND ENDORSEMENTS
 APPLICABLE TO THE BUSINESSOWNERS SPECIAL PROPERTY COVERAGE

NEW	FORM OR ENDORSEMENT AND EDITION DATE	ENDORSEMENT TITLE (Only the endorsement titles are shown below, please review the form for a complete description of coverage.)
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	BP 00 02 12 99	Businessowners Special Property Coverage Form
	BP 04 34C 01 97	Computer Coverage
	BP 04 46C 01 96	Ordinance or Law Coverage
	BP 21 02 07 00	Appurtenant Structures
	BP 21 03 07 00	Arson and Theft Reward
	BP 21 06 07 00	Business Income Changes-Beginning of the Period of Restoration (Adjustment of Waiting Period)
	BP 21 18 07 00	Exhibitions/Fairs/Sales Samples
	BP 21 21 07 00	Fire Extinguisher Recharge Expense
	BP 21 25 07 00	Inventory and Appraisals
	BP 21 28 07 00	Lock and Key Replacement
	BP 21 31 07 00	Newly Acquired or Constructed Buildings
	BP 21 32 07 00	Premises Boundary
	BP 21 48 09 10	Business Personal Property - Automatic Increase
	BP 21 71 11 02	Limited Coverage for Fungi,Wet Rot,Dry Rot and Bacteria
	BP 21 72 11 02	Exclusion - Fungi,Wet Rot, Dry Rot and Bacteria
	BP 05 23C 01 15	Cap On Losses From Certified Acts of Terrorism

*Indicates a new form has been added or a replacement form has been substituted for one of an earlier edition. Please retain all forms.



BOP 2768891 04

BUSINESSOWNERS SPECIAL PROPERTY COVERAGE DECLARATIONS

Coverages provided by your Businessowners Policy are described in the coverage forms and endorsements attached to your policy and identified in these declarations. The most we will pay for any one occurrence is the greatest of the applicable limit of insurance shown below. Higher limits shown below supersede limits for the same coverage described in the coverage forms and endorsements.

See coverages per building for additional valuable coverages.

POLICY-WIDE COVERAGES	LIMIT	PREMIUM
Accounts Receivable	\$50,000 In/\$2,500 Out	\$95
Appurtenant Structures	10%/\$10,000	Included
Arson and Theft Reward	\$5,000	Included
Building Limit Automatic Increase	4%	Included
Business Inc-Wait Period 72 hours	Actual Loss - 12 mos.	Included
Business Income-Extended	30 Days	Included
Business Inc-Ord Payroll Ext	60 Days	Included
Bus. Pers. Prop. Seasonal Increase	25%	Included
Computer Coverage	\$15,000	\$9
Debris Removal	25%/\$10,000	Included
Employee Dishonesty*	\$25,000	\$181
Exhibitions/Fairs/Sales Samples	\$5,000	Included
Fire Department Service Charge	\$1,000	Included
Fire Extinguisher Recharge	\$2,500	Included
Forgery and Alteration	\$2,500	Included
Inventory and Appraisals	\$1,000	Included
Lock Replacement	\$500	Included
Money Orders/Counterfeit Currency	\$1,000	Included
Money and Securities*	\$15,000 In/\$5,000 Out	\$33
Newly Acquired or Constructed Bldgs	\$500,000/120 Days	Included
Outdoor Property	\$2,500/\$500	Included
Outdoor Signs*	\$5,000	Included
Personal Effects	\$2,500	Included
Pers. Prop-Newly Acquired Premises	\$250,000/120 Days	Included
Personal Property-Off Premises	\$5,000	Included
Premises Boundary	1,000 Feet	Included
Preservation of Property	30 Days	Included
Valuable Papers	\$100,000 In/\$2,500 Out	\$231

Note: Policy-wide coverages followed by an * and the additional coverage-exterior building glass are subject to a \$500 Optional Coverage/exterior building glass deductible.



BOP 2768891 04

COMMERCIAL GENERAL LIABILITY COVERAGE PART DECLARATIONS

COMMERCIAL GENERAL LIABILITY COVERAGE LIMITS OF INSURANCE:

Each Occurrence Limit	\$2,000,000	
Damage To Premises Rented To You Limit	\$300,000	Any One Premises
Medical Expense Limit	\$10,000	Any One Person
Personal And Advertising Injury Limit	\$2,000,000	Any One Person or Organization
General Aggregate Limit	\$4,000,000	
Products - Completed Operations Aggregate Limit	\$4,000,000	



BOP 2768891 04

COMMERCIAL GENERAL LIABILITY COVERAGE PART DECLARATIONS

SCHEDULE OF PREMISES - All Premises You Own, Rent or Occupy	PREMISES 0001
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Location Address

122 S Main St. #260
Ann Arbor, MI 48104

Territory

316

CLASS CODE	CLASSIFICATION DESCRIPTION
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65821 Office - Attorneys

PREMIUM BASIS	11,697 Persnl Prop Lmt
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	Per	Premises/Operations	Products/Completed Operations
RATE	1000	\$3.847	
ADVANCE PREMIUMS		\$45	

SCHEDULE OF PREMISES	PREMISES 9999
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CLASS CODE	CLASSIFICATION DESCRIPTION
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49950 Additional Insured - Owners, Lessees Or Contractors - Scheduled Person Or Organization

PREMIUM BASIS	1 Addl Interest
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	Per	Premises/Operations	Products/Completed Operations
RATE	1	\$50.000	
ADVANCE PREMIUMS		\$50	



BOP 2768891 04

COMMERCIAL GENERAL LIABILITY COVERAGE PART DECLARATIONS

SCHEDULE OF PREMISES	PREMISES 9999	Continued
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CLASS CODE	CLASSIFICATION DESCRIPTION
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49950 Primary And Noncontributory - Other Insurance Condition (See SL 1187 Attached)

PREMIUM BASIS	1 Addl Interest
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	Per	Premises/Operations	Products/Completed Operations
RATE	1	\$200.000	
ADVANCE PREMIUMS		\$200	

CLASS CODE	CLASSIFICATION DESCRIPTION
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49950 Waiver Of Transfers Of Rights Of Recovery Against Others To Us - Automatic (See SL 1173 Attached)

PREMIUM BASIS	1 Addl Interest
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	Per	Premises/Operations	Products/Completed Operations
RATE	1	\$50.000	
ADVANCE PREMIUMS		\$50	

CLASS CODE	CLASSIFICATION DESCRIPTION
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49950 Notice Of Cancellation - Scheduled Party SI 10 20

PREMIUM BASIS	1 Addl Interest
----------------------	-----------------

	Per	Premises/Operations	Products/Completed Operations
RATE	1	\$50.000	
ADVANCE PREMIUMS		\$50	



BOP 2768891 04

COMMERCIAL GENERAL LIABILITY COVERAGE PART DECLARATIONS

SCHEDULE OF PREMISES	PREMISES 9999 Continued
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CLASS CODE	CLASSIFICATION DESCRIPTION
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25121 Data Compromise Plus Coverage \$50,000

PREMIUM BASIS	PER	RATE	ADVANCE PREMIUM
1 Units	1	\$213.000	\$213

PREMIUM

Total Advance Premium (Subject To Audit): \$611



BOP 2768891 04

FORMS AND ENDORSEMENTS
APPLICABLE TO THE COMMERCIAL GENERAL LIABILITY COVERAGE PART

NEW	FORM OR ENDORSEMENT AND EDITION DATE	ENDORSEMENT TITLE (Only the endorsement titles are shown below, please review the form for a complete description of coverage.)
	SL 00 62 01 08	Broad Form Notice of Occurrence
	SL 00 63 01 08	Liability Extension Endorsement
	SL 00 64 01 08	Incidental Medical Services Liability
	SL 20 02 01 06	Asbestos Exclusion
	SL 20 04 01 06	Exclusion - Lead Liability
	SL 21 16 01 08	Professional Liability Exclusion
	SL 11 73 12 11	Waiver of Transfer of Rights of Recovery Against Others to Us - Automatic
	IL 00 21 09 08	Nuclear Energy Exclusion
	SL 20 51 12 11	Amendment of Contractual Liability Exclusion
	CG 01 68 10 09	Michigan Changes
	SL 11 87 01 13	Primary and Noncontributory - Other Insurance
	SI 10 20 06 10	Notice of Cancellation Scheduled Party
	CG 21 70 01 15	Cap on Losses From Certified Acts of Terrorism
	CG 21 76 01 15	Exclusion of Punitive Damages Related to a Certified Act of Terrorism
	CG 22 96 04 13	Limited Exclusion - Personal and Advertising Injury - Lawyers
	CG 21 06 05 14	Exclusion - Access or Disclosure of Confidential or Personal Information And Data-related Liability - With Limited Bodily Injury Exception Endorsement
	CG 00 01 04 13	Commercial General Liability Coverage Form
	CG 24 26 04 13	Amendment of Insured Contract Definition
	CG 21 47 12 07	Employment - Related Practices Exclusion
	CG 20 10 04 13	Additional Insured - Owners, Lessees Or Contractors - Scheduled Person Or Organization
*	SL 00 65 06 09	Amendment of Occurrence
*	SL 31 00 05 16	Data Compromise Plus

*Indicates a new form has been added or a replacement form has been substituted for one of an earlier edition. Please retain all forms.



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**ADDITIONAL INTERESTS/INSUREDS
COMMERCIAL GENERAL LIABILITY**

OTHER INTERESTS	TYPE	LOC/BLDG
CITY OF ANN ARBOR 15TH DISTRICT CT ADMN 301 E HURON ST ANN ARBOR, MI 48104	Notice of Cancellation - Scheduled Party	
CITY OF ANN ARBOR 301 E. HURON ST ANN ARBOR, MI 48104	Owners, Lessees, or Contractors	



COMMERCIAL GENERAL LIABILITY COVERAGE PART DECLARATIONS

Coverages provided by your Businessowners Policy are described in the coverage forms and endorsements attached to your policy and identified in these declarations. The most we will pay for any one occurrence is the greatest of the applicable limit of insurance shown below. Higher limits shown below supersede limits for the same coverage described in the coverage forms and endorsements.

COVERAGES INCLUDED	LIMITS	PREMIUM
Advertising Injury	Included	Included
Bodily Injury	Included	Included
Broad Form Notice of Loss	Included	Included
Broad Form Property Damage	Included	Included
Business Liability Extension	Included	Included
Conditional Indemnitee Defense	Included	Included
Contractual Liability	Included	Included
Cost of Bonds	\$250 per day	Included
Cost Incurred From Claim Assistance	Included	Included
Cross Liability Coverage	Included	Included
Damage to Property of Others	Included	Included
Explosion,Collapse,Underground Cov	Included	Included
Employees as Insureds	Included	Included
Extended Bodily Injury	Included	Included
Host Liquor Liability	Included	Included
Incidental Medical Services	Included	Included
Independent Contractors Protective	Included	Included
Legal Defense and Court Costs	Included	Included
Limited World Wide Liability	Included	Included
Loss of Earnings	\$250 per day	Included
Newly Acquired Organizations	Included	Included
Non-Owned Auto Parking	Included	Included
Non-Owned Watercraft-under 26'	Included	Included
Operation of Mobile Equipment	Included	Included
Pre & Post Judgment Interest	Included	Included
Real Estate Manager as Insured	Included	Included
Reasonable Force	Included	Included
Volunteers as Insureds	Included	Included
Terrorism-Liability	Included	\$3

This is a brief representation of coverage provided. Consult policy coverage forms for complete and detailed coverage descriptions, restrictions and conditions.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MICHIGAN CHANGES

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS SPECIAL PROPERTY COVERAGE FORM
 COMMERCIAL GENERAL LIABILITY COVERAGE FORM
 LIQUOR LIABILITY COVERAGE FORM
 BUSINESSOWNERS COMMON POLICY CONDITIONS

A. Businessowners Special Property Coverage Form BP 00 02 is amended as follows:

- 1. Paragraph E.2. **Appraisal Property Loss Condition** is replaced by the following:
- 2. **Appraisal**

If we and you disagree on the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and independent appraiser. The two appraisers will select a competent and impartial umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and
 - b. Bear the other expenses of the appraisal and umpire equally.
- If there is an appraisal, we will still retain our right to deny the claim.

- 2. The following is added to Paragraph E.4. **Legal Action against Us Property Loss Condition:**

The time for commencing an action against us is tolled from the time you notify us of the loss or damage until we formally deny liability for the claim.

- 3. The following is added to Paragraph E.6. **Loss Payment Property Loss Condition** and Paragraph F.2. **Mortgageholders Property General Condition:**

If a municipality has elected to apply the provisions of 1998 Michigan Public Act 217, a part of our payment for fire, explosion, vandalism, windstorm or hail, or riot or civil commotion loss or damage to your covered real property in that municipality will be withheld if the loss or damage is subject to the provisions of the Act. The withheld amount will be paid either to:

- (a) The municipality;
 - (b) You and the mortgageholder, if any; or
 - (c) With your consent, the licensed contractor hired by you to perform repair, replacement, or removal services on the lost or damaged real property;
- according to the provisions of Public Act 217. We will notify you, any mortgageholder and the municipality of any loss subject to the provisions of Public Act 217.

B. Commercial General Liability Coverage Form CG 00 01 is amended as follows:

- 1. Section I. **SUPPLEMENTARY PAYMENTS-COVERAGES A AND B** paragraph 1.f. is replaced by the following:

f. Prejudgment interest awarded against the insured on the part of the judgment we pay.

- 2. Section IV.2.b. is replaced as follows:

a. Paragraph b. is replaced by the following:

- b. If a claim is made or "suit" is brought against any insured, you must:
 - (1) Immediately record the specifics of the claim or "suit" and the date received; and
 - (2) Notify us as soon as practicable.

Notice given by or on behalf of the insured to our authorized agent, with particulars sufficient to identify the insured, shall be considered notice to us.

- 3. Section IV.2.d. is amended to read Paragraph e.

- 4. Section IV.2.d. is added:

d. Failure to:

- (1) Give us notice of an "occurrence", offense, claim or "suit" as soon as practicable; or



(2) Immediately send us copies of demands, notices, summonses or legal papers received in connection with the claim or "suit";

shall not invalidate the claim made by you if it shall be shown that it was not reasonably possible to give us notice as soon as practicable or to immediately send us copies, and that you gave us notice and sent us copies as soon as was reasonably possible.

C. Businessowners Common Policy Conditions BP 00 09C, paragraphs A.1., A.2., and A.5. Cancellation are replaced by the following:

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us or our authorized agent advance notice of cancellation.

2. We may cancel this policy by mailing or delivering to the first Named Insured, with postage fully prepaid, written notice of cancellation at least:

a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or

b. 30 days before the effective date of cancellation if we cancel for any other reason.

3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us or our authorized agent.

5. If this policy is cancelled, we will send the first Named Insured any pro rata premium refund due. The minimum earned premium shall not be less than the pro rata premium for the expired time or \$25.00, whichever is greater. The cancellation will be effective even if we have not made or offered a refund.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DATA COMPROMISE PLUS

**RESPONSE EXPENSES
DEFENSE AND LIABILITY
IDENTITY RECOVERY**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

Coverage under this endorsement is subject to the following:

SCHEDULE

SECTION 1 - RESPONSE EXPENSES

Data Compromise Response Expenses Limit:	\$50,000	Annual Aggregate
Sublimits:		
Named Malware (Sec. 1)	\$50,000	Any one "Personal Data Compromise"
Forensic IT Review:	\$ 5,000	Any one "Personal Data Compromise"
Legal Review:	\$ 5,000	Any one "Personal Data Compromise"
PR Services:	\$ 5,000	Any one "Personal Data Compromise"
Regulatory Fines And Penalties	\$10,000	Any one "Personal Data Compromise"
PCI Fines And Penalties	\$10,000	Any one "Personal Data Compromise"
Response Expenses Deductible:	\$1,000	Any one "Personal Data Compromise"

SECTION 2 - DEFENSE AND LIABILITY

Data Compromise Defense and Liability Limit:	\$50,000	Annual Aggregate
Sublimit:		
Named Malware (Sec. 2)	\$50,000	Any one "Personal Data Compromise"
Defense and Liability Deductible:	\$1,000	Each "Data Compromise Suit"

SECTION 3 - IDENTITY RECOVERY

Case Management Service:	Service for any one "identity theft" for up to 12 months
Expense Reimbursement Limit:	\$15,000 Annual Aggregate
Expense Reimbursement Deductible:	\$250 Any one "identity recovery insured"

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. The following is added to **SECTION I - COVERAGES** as an Additional Coverage.

**SECTION 1 - RESPONSE EXPENSES
DATA COMPROMISE COVERED CAUSE OF LOSS**

Coverage under this Data Compromise Plus Coverage endorsement applies only if all of the following conditions are met:

1. There has been a "personal data compromise"; and
2. Such "personal data compromise" is first discovered by you during the policy period for which this Data Compromise Plus Coverage endorsement is applicable; and
3. Such "personal data compromise" is reported to us within 60 days after the date it is first discovered by you.

COVERAGE - SECTION 1

If the three conditions listed above in DATA COMPROMISE - COVERED CAUSE OF LOSS have been met, then we will provide coverage for the following expenses when they arise directly from the covered cause of loss and are necessary and reasonable. Coverages 4 and 5 apply only if there has been a notification of the "personal data compromise" to "affected individuals" as covered under coverage 3.

Please note that service providers must be approved by us as described in Additional Condition 6. - **Service Providers.**



1. Forensic Information Technology Review

Professional information technologies review if needed to determine, within the constraints of what is possible and reasonable, the nature and extent of the "personal data compromise" and the number and identities of the "affected individuals".

This does not include costs to analyze, research or determine any of the following:

- a. Vulnerabilities in systems, procedures or physical security;
- b. Compliance with PCI or other industry security standards; or
- c. The nature or extent of loss or damage to data that is not "personally identifying information" or "personally sensitive information".

If there is reasonable cause to suspect that a covered "personal data compromise" may have occurred, we will pay for costs covered under Forensic Information Technology Review, even if it is eventually determined that there was no covered "personal data compromise". However, once it is determined that there was no covered "personal data compromise", we will not pay for any further costs.

2. Legal Review

Professional legal counsel review of the "personal data compromise" and how you should best respond to it.

If there is reasonable cause to suspect that a covered "personal data compromise" may have occurred, we will pay for costs covered under Legal Review, even if it is eventually determined that there was no covered "personal data compromise". However, once it is determined that there was no covered "personal data compromise", we will not pay for any further costs.

3. Notification to "Affected Individuals"

We will pay your necessary and reasonable costs to provide notification of the "personal data compromise" to "affected individuals".

4. Services to "Affected Individuals"

We will pay your necessary and reasonable costs to provide the following services to "affected individuals".

- a. The following services apply to any "personal data compromise".
 - 1) Informational Materials
A packet of loss prevention and customer support information.
 - 2) Help Line
A toll-free telephone line for "affected individuals" with questions about the "personal data compromise". Where applicable, the line can also be used to request additional services as listed in b.1) and 2)
- b. The following additional services apply to "personal data compromise" events involving "personally identifying information".
 - 1) Credit Report and Monitoring
A credit report and an electronic service automatically monitoring for activities affecting an individual's credit records. This service is subject to the "affected individual" enrolling for this service with the designated service provider.
 - 2) Identity Restoration Case Management
As respects any "affected individual" who is or appears to be a victim of an "identity theft" that may reasonably have arisen from the "personal data compromise", the services of an identity restoration professional who will assist that "affected individual" through the process of correcting credit and other records and, within the constraints of what is possible and reasonable, restoring control over his or her personal identity.

5. PR Services

Professional public relations firm review of and response to the potential impact of the "personal data compromise" on your business relationships.

This includes costs to implement public relations recommendations of such firm. This may include advertising and special promotions designed to retain your relationship with "affected individuals". However, we will not pay for promotions:

- a. Provided to any of your directors or employees; or
- b. Costing more than \$25 per "affected individual".

6. Regulatory Fines and Penalties

Any fine or penalty imposed under state law, to the extent such fine or penalty is legally insurable.



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7. PCI Fines and Penalties

Any Payment Card Industry (PCI) fine or penalty imposed under a contract to which you are a party. PCI Fines and Penalties do not include any increased transaction costs.

For the purpose of the **Section 1** coverage under this endorsement only, the following replaces **SECTION III - LIMITS OF INSURANCE**

LIMITS - SECTION 1

1. The most we will pay under Response Expenses coverage is the Data Compromise Response Expenses Limit indicated for this endorsement.
2. The Data Compromise Response Expenses Limit is an annual aggregate limit. This amount is the most we will pay for the total of all loss covered under **Section 1** arising out of all "personal data compromise" events which are first discovered by you during the present annual policy period. This limit applies regardless of the number of "personal data compromise" events discovered by you during that period.
3. A "personal data compromise" may be first discovered by you in one policy period but cause covered costs in one or more subsequent policy periods. If so, all covered costs arising from such "personal data compromise" will be subject to the Data Compromise Response Expenses Limit applicable to the policy period when the "personal data compromise" was first discovered by you.
4. The most we will pay under Response Expenses coverage for loss arising from any "malware-related compromise" is the Named Malware (Sec. 1) sublimit indicated for this endorsement. For the purpose of the Named Malware (Sec. 1) sublimit, all "malware-related compromises" that are caused, enabled or abetted by the same virus or other malicious code are considered to be a single "personal data compromise".
5. The most we will pay under Forensic IT Review, Legal Review, PR Services, Regulatory Fines and Penalties, PCI Fines and Penalties coverages for loss arising from any one "personal data compromise" is the applicable sublimit for each of those coverages indicated for this endorsement. These sublimits are part of, and not in addition to, the Data Compromise Response Expenses Limit. PR Services coverage is also subject to a limit per "affected individual" as described in **5. PR Services**.
6. Coverage for Services to "affected individuals" is limited to costs to provide such services for a period of up to one year from the date of the notification to the "affected individuals". Notwithstanding, coverage for Identity Restoration Case Management services initiated within such one year period may continue for a period of up to one year from the date such Identity Restoration Case Management services are initiated.

DEDUCTIBLE - SECTION 1

Response Expenses coverage is subject to the Response Expenses Deductible indicated for this endorsement. You will be responsible for such deductible amount as respects each "personal data compromise" covered under this endorsement.

- B.** The following is added to **SECTION I - COVERAGES** as an Additional Coverage.

SECTION 2 - DEFENSE AND LIABILITY**DEFENSE AND LIABILITY COVERED CAUSE OF LOSS**

Coverage under **Section 1** and **Section 2** of this Data Compromise Plus Coverage endorsement applies only if all three of the conditions in **DATA COMPROMISE - COVERED CAUSE OF LOSS** are met.

Only with regard to **Section 2 - Defense and Liability** coverage, the following conditions must also be met:

1. You have provided notifications and services to "affected individuals" in consultation with us pursuant to Response Expenses coverage; and
2. You receive notice of a "data compromise suit" brought by one or more "affected individuals" or by a governmental entity on behalf of one or more "affected individuals"; and
3. Notice of such "data compromise suit" is received by you within two years of the date that the "affected individuals" are notified of the "personal data compromise"; and
4. Such "data compromise suit" is reported to us as soon as practicable, but in no event more than 60 days after the date it is first received by you.

COVERAGE - SECTION 2

If all four of the conditions listed above in **DEFENSE AND LIABILITY - COVERED CAUSE OF LOSS** have been met, then we will provide coverage for "data compromise defense" and "data compromise liability" directly arising from the covered cause of loss.

For the purpose of the **Section 2** coverage under this endorsement only, the following replaces **SECTION III - LIMITS OF INSURANCE**



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LIMITS - SECTION 2

1. The most we will pay under **Section 2 - Defense and Liability coverage** (other than post-judgment interest) is the Data Compromise Defense and Liability Limit indicated for this endorsement.
2. The Data Compromise Defense and Liability Limit is an annual aggregate limit. This amount is the most we will pay for all loss covered under **Section 2** (other than post-judgment interest) arising out of all "personal data compromise" events which are first discovered by you during the present annual policy period. This limit applies regardless of the number of "personal data compromise" events discovered by you during that period.
3. A "personal data compromise" may be first discovered by you in one policy period but cause covered costs in one or more subsequent policy periods. If so, all covered costs arising from such "personal data compromise" (other than post-judgment interest) will be subject to the Data Compromise Defense and Liability Limit applicable to the policy period when the "personal data compromise" was first discovered by you.
4. The most we will pay under Defense and Liability coverage for loss arising from any "malware-related compromise" is the Named Malware (Sec. 2) sublimit indicated for this endorsement. For the purpose of the Named Malware (Sec. 2) sublimit, all "malware-related compromises" that are caused, enabled or abetted by the same virus or other malicious code are considered to be a single "personal data compromise". This sublimit is part of, and not in addition to, the Defense and Liability Limit.

DEDUCTIBLE - SECTION 2

Defense and Liability coverage is subject to the Defense and Liability Deductible indicated for this endorsement. You will be responsible for such deductible amount as respects each "data compromise suit" covered under this endorsement.

For the purpose of the **Section 1** and **Section 2** coverage under this endorsement only, the following additional exclusions apply to Paragraph 2. **Exclusions under SECTION I - COVERAGES:**

EXCLUSIONS - SECTION 1 AND SECTION 2

We will not pay for cost arising from the following:

1. Your intentional or willful complicity in a "personal data compromise";
2. Any criminal, fraudulent or dishonest act, error or omission, or any intentional or knowing violation of the law by you;
3. Any "personal data compromise" occurring prior to the first inception of this Data Compromise Plus Coverage endorsement or any substantially similar to that described in this endorsement;
4. Cost to research or correct any deficiency. This includes, but is not limited to, any deficiency in your systems, procedure or physical security that may have contributed to a "personal data compromise";
5. Any fines or penalties imposed under federal law including, but not limited to, HIPAA fines and penalties;
6. Any criminal investigations or proceedings;
7. Any extortion or blackmail. This includes, but is not limited to, ransom payments and private security assistance;
8. Any "personal data compromise" involving data that is being transmitted electronically, unless such data is encrypted to protect the security of the transmission;
9. Your reckless disregard for the security of "personally identifying information" or "personally sensitive information" in your care, custody, or control;
10. That part of any "data compromise suit" seeking any non-monetary relief; or
11. "Bodily injury", "property damage" or "personal and advertising injury".
12. Any amount not insurable under applicable law.

For the purpose of the **Section 1** and **Section 2** coverage under this endorsement only, **SUPPLEMENTARY PAYMENTS** under **SECTION I - COVERAGES** do not apply.

For the purpose of the **Section 1** and **Section 2** coverage under this endorsement only, subparagraphs 2.b. and 3. of **SECTION II - WHO IS AN INSURED** do not apply.

For the purpose of the **Section 1** and **Section 2** coverage under this endorsement only, the following is added to **SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS:**

ADDITIONAL CONDITIONS - SECTION 1 AND SECTION 2

1. "Data Compromise Liability" Defense
 - a. We will have the right, and the duty to assume the defense of any applicable "data compromise suit" against you. You will give us such information and cooperation as we may reasonably require.
 - b. You will not admit liability for or settle any "data compromise suit" or incur any defense costs without our prior written consent.



- c. If you refuse to consent to any settlement recommended by us and acceptable to the claimant, we may then withdraw from your defense by tendering control of the defense to you. From that point forward, you will, at your own expense, negotiate or defend such "data compromise suit" independently of us. Our liability will not exceed the amount for which the claim or suit could have been settled if such recommendation was consented to, plus defense costs incurred by us, and defense costs incurred by you with our written consent, prior to the date of such refusal.
- d. We will not be obligated to pay any damages or defense costs, or to defend or continue to defend any "data compromise suit" after the Data Compromise Defense and Liability Limit has been exhausted.
- e. We shall pay all interest on that amount of any judgment within the Data Compromise Defense and Liability Limit which accrues:
 - 1) after entry of judgment; and
 - 2) before we pay, offer to pay or deposit in court that part of the judgment within the Data Compromise Defense and Liability Limit or, in any case, before we pay or offer to pay the entire Data Compromise Defense and Liability Limit.

These interest payments shall be in addition to and not part of the Data Compromise Defense and Liability Limit.

2. Duties in the Event of a "Data Compromise Suit"

- a. If a "data compromise suit" is brought against you, you must:
 - (1) Immediately record the specifics of the "data compromise suit" and the date received;
 - (2) Provide us with written notice, as soon as practicable, but in no event more than 60 days after the date the "data compromise suit" is first received by you;
 - (3) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "data compromise suit";
 - (4) Authorize us to obtain records and other information;
 - (5) Cooperate with us in the investigation, settlement or defense of the "data compromise suit";
 - (6) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to you because of loss to which this insurance may also apply; and
 - (7) Take no action, or fail to take any required action, that prejudices your rights or our rights with respect to such "data compromise suit".
- b. You may not, except at your own cost, voluntarily make a payment, assume any obligation, or incur any expense without our prior written consent.
- c. If you become aware of a claim or complaint that may become a "data compromise suit", you will promptly inform us of such claim or complaint.

3. Due Diligence

You agree to use due diligence to prevent and mitigate costs covered under this endorsement. This includes, but is not limited to, complying with, and requiring your vendors to comply with, reasonable and industry-accepted protocols for:

- a. Providing and maintaining appropriate physical security for your premises, computer systems and hard copy files;
- b. Providing and maintaining appropriate computer and Internet security;
- c. Maintaining and updating at appropriate intervals backups of computer data;
- d. Protecting transactions, such as processing credit card, debit card and check payments; and
- e. Appropriate disposal of files containing "personally identifying information" or "personally sensitive information" including shredding hard copy files and destroying physical media used to store electronic data.

4. Legal Advice

We are not your legal advisor. Our determination of what is or is not covered under this Data Compromise Plus Coverage endorsement does not represent advice or counsel from us about what you should or should not do.

5. Pre-Notification Consultation

You agree to consult with us prior to the issuance of notification to "affected individuals". We assume no responsibility under this Data Compromise Plus Coverage for any services promised to "affected individuals" without our prior agreement. If possible, this pre-notification consultation will also include the designated service provider(s) as agreed to under Additional Condition 6. **Service Providers**. You must provide the following at our pre-notification consultation with you:

- a. The exact list of "affected individuals" to be notified, including contact information;
- b. Information about the "personal data compromise" that may appropriately be communicated with "affected individuals"; and



- c. The scope of services that you desire for the "affected individuals". For example, coverage may be structured to provide fewer services in order to make those services available to more "affected individuals" without exceeding the available Response Expenses Limit.
- 6. Service Providers**
- a. We will only pay under this Data Compromise Plus Coverage for services that are provided by service providers approved by us. You must obtain our prior approval for any service provider whose expenses you want covered under this Data Compromise Plus Coverage. We will not unreasonably withhold such approval.
- b. Prior to the Pre-Notification Consultation described in Additional Condition 5. above, you must come to agreement with us regarding the service provider(s) to be used for the notification to "**Affected Individuals**" and services to "**Affected Individuals**". We will suggest a service provider; however, if you prefer to use an alternate service provider, our coverage is subject to the following limitations:
- (1) Such alternate service provider must be approved by us;
 - (2) Such alternate service provider must provide services that are reasonably equivalent or superior in both kind and quality to the services that would have been provided by the service provider we had suggested; and
 - (3) Our payment for services provided by any alternate service provider will not exceed the amount that we would have paid using the service provider we had suggested.

7. Services

The following conditions apply as respects any services provided to you or any "affected individual" by us, our designees or any service firm paid for in whole or in part under this Data Compromise Plus coverage:

- a. The effectiveness of such services depends on your cooperation and assistance;
- b. All services may not be available or applicable to all individuals. For example, "affected individuals" who are minors or foreign nationals may not have credit records that can be provided or monitored. Service in Canada will be different from service in the United States and Puerto Rico in accordance with local conditions;
- c. We do not warrant or guarantee that the services will end or eliminate all problems associated with the covered events; and
- d. You will have a direct relationship with the professional service firms paid for in whole or in part under this coverage. Those firms work for you.

For the purpose of the **Section 1** and **Section 2** coverage under this endorsement only, the following is added to **SECTION V - DEFINITIONS**:

DEFINITIONS - SECTION 1 AND SECTION 2

1. "Affected individual" means any person who is your current, former or prospective customer, client, member, owner, director or employee and whose "personally identifying information" or "personally sensitive information" is lost, stolen, accidentally released or accidentally published by a "personal data compromise" covered under this endorsement. This definition is subject to the following provisions:
 - a. "Affected individual" does not include any business or organization. Only an individual person may be an "affected individual";
 - b. An "affected individual" must have a direct relationship with your interests as insured under this policy. The following are examples of individuals who would not meet this requirement:
 - 1) If you aggregate or sell information about individuals as part of your business, the individuals about whom you keep such information do not qualify as "affected individuals". However, specific individuals may qualify as "affected individuals" for another reason, such as being an employee of yours;
 - 2) If you store, process, transmit or transport records, the individuals whose "personally identifying information" or "personally sensitive information" you are storing, processing, transmitting or transporting for another entity do not qualify as "affected individuals". However, specific individuals may qualify as "affected individuals" for another reason, such as being an employee of yours; or
 - 3) You may have operations, interests or properties that are not insured under this policy. Individuals who have a relationship with you through such other operations, interests or properties do not qualify as "affected individuals". However, specific individuals may qualify as "affected individuals" for another reason, such as being an employee of the operation insured under this policy; and
 - c. An "affected individual" may reside anywhere in the world.



2. "Data Compromise Defense Costs" means expenses resulting solely from the investigation, defense and appeal of any "data compromise suit" against you. Such expenses must be reasonable and necessary. They will be incurred by us. They do not include your salaries or your loss of earnings. They do include premiums for any appeal bond, attachment bond or similar bond, but we have no obligation to apply for or furnish any such bond.
3. "Data Compromise Liability"
 - a. "Data compromise liability" means the following, when they arise from a "data compromise suit":
 - 1) Damages, judgments or settlements to "affected individuals";
 - 2) Defense costs added to that part of any judgment paid by us, when such defense costs are awarded by law or by court order; and
 - 3) Pre-judgment interest on that part of any judgment paid by us.
 - b. "Data compromise liability" does not mean:
 - 1) Damages, judgments or settlements to anyone who is not an "affected individual";
 - 2) Civil or criminal fines or penalties imposed by law;
 - 3) Punitive or exemplary damages;
 - 4) The multiplied portion of multiplied damages;
 - 5) Taxes; or
 - 6) Matters which may be deemed uninsurable under the applicable law.
4. "Data Compromise Suit"
 - a. "Data Compromise Suit" means a civil proceeding in which damages to one or more "affected individuals" arising from a "personal data compromise" or the violation of a governmental statute or regulation are alleged. Such proceeding must be brought in the United States of America, Puerto Rico or Canada. "Data compromise suit" includes:
 - 1) An arbitration proceeding in which such damages are claimed, and to which you must submit or do submit with our consent;
 - 2) Any other alternative dispute resolution proceeding in which such damages are claimed, and to which you submit with our consent; or
 - 3) A written demand for money, when such demand could reasonably result in a civil proceeding as described in this definition.
 - b. "Data compromise suit" does not mean any demand or action brought by or on behalf of someone who is:
 - 1) Your director or officer;
 - 2) Your owner or part-owner; or
 - 3) A holder of your securities;
 in their capacity as such, whether directly, derivatively, or by class action. "Data compromise suit" will include proceedings brought by such individuals in their capacity as "affected individuals", but only to the extent that the damages claimed are the same as would apply to any other "affected individual".
 - c. "Data compromise suit" does not mean any demand or action brought by an organization, business, institution, or any other party that is not an "affected individual" or governmental entity. "Data compromise suit" does not mean any demand or action brought on behalf of an organization, business, institution, governmental entity or any other party that is not an "affected individual".
5. "Identity Theft" means the fraudulent use of "personally identifying information". This includes fraudulently using such information to establish credit accounts, secure loans, enter into contracts or commit crimes. "Identity theft" does not include the fraudulent use of a business name, d/b/a or any other method of identifying a business activity.
6. "Malware-Related Compromise" means a "personal data compromise" that is caused, enabled or abetted by a virus or other malicious code that, at the time of the "personal data compromise", is named and recognized by the CERT^E Coordination Center, McAfee^E, Secunia, Symantec or other comparable third party monitors of malicious code activity.
7. "Personal Data Compromise" means the loss, theft, accidental release or accidental publication of "personally identifying information" or "personally sensitive information" as respects one or more "affected individuals". If the loss, theft, accidental release or accidental publication involves "personally identifying information", such loss theft, accidental release or accidental publication must result in, or have the reasonable possibility of resulting in, the fraudulent use of such information. This definition is subject to the following provisions:



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- a. At the time of the loss, theft, accidental release or accidental publication, the "personally identifying information" or "personally sensitive information" need not be at the insured premises but must be in your direct care, custody or control of:
 - 1) You; or
 - 2) A professional entity with which you have a direct relationship and to which you (or an "affected individual" at your direction) have turned over (directly or via a professional transmission or transportation provider) such information for storage, processing, transmission or transportation of such information.
 - b. "Personal data compromise" includes disposal or abandonment of "personally identifying information" or "personally sensitive information" without appropriate safeguards such as shredding or destruction, subject to the following provisions:
 - 1) The failure to use appropriate safeguards must be accidental and not reckless or deliberate; and
 - 2) Such disposal or abandonment must take place during the time period for which this Data Compromise Plus Coverage endorsement is effective;
 - c. "Personal data compromise" includes situations where there is a reasonable cause to suspect that such "personally identifying information" or "personally sensitive information" has been lost, stolen, accidentally released or accidentally published, even if there is no firm proof; and
 - d. All incidents of "personal data compromise" that are discovered at the same time or arise from the same cause will be considered one "personal data compromise".
8. "Personally identifying information" means information, including health information, which could be used to commit fraud or other illegal activity involving the credit, access to health care, or identity of an "affected individual". This includes but is not limited to Social Security numbers or account numbers. "Personally identifying information" does not mean or include information that is otherwise available to the public, such as names and addresses.
 9. "Personally Sensitive Information" means private information specific to an individual the release of which requires notification of "affected individuals" under any applicable law. "Personally sensitive information" does not mean or include "personally identifying information".
- C. The following is added to **SECTION I - COVERAGES** as an Additional Coverage.

SECTION 3 - IDENTITY RECOVERY COVERAGE
COVERAGE - SECTION 3

We will provide the Case Management Service and Expense Reimbursement Coverage indicated below if all of the following requirements are met:

1. There has been an "identity theft" involving the personal identity of an "identity recovery insured" under this policy; and
2. Such "identity theft" is first discovered by the "identity recovery insured" during the policy period for which this Identity Recovery Coverage is applicable; and
3. Such "identity theft" is reported to us within 60 days after the date it is first discovered by the "identity recovery insured".

If all three of the requirements listed above have been met, then we will provide the following to the "identity recovery insured":

1. **Case Management Service**
Services of an "identity recovery case manager" as needed to respond to the "identity theft"; and
2. **Expense Reimbursement**
Reimbursement of necessary and reasonable "identity recovery expenses" incurred as a direct result of the "identity theft".

For the purpose of the **Section 3** coverage under this endorsement only, the following is added to Paragraph

2. Exclusions under SECTION I - COVERAGES:
EXCLUSIONS - SECTION 3

We do not cover loss or expense arising from any of the following:

1. The theft of a professional or business identity;
2. Any fraudulent, dishonest or criminal act by an "identity recovery insured" or any person aiding or abetting an "identity recovery insured", or by any authorized representative of an "identity recovery insured", whether acting alone or in collusion with others. However, this exclusion will not apply to the interests of an "identity recovery insured" who has no knowledge of or involvement in such fraud, dishonesty or criminal act; or
3. An "identity theft" that is not reported in writing to the police.

For the purpose of the **Section 3** coverage under this endorsement only, **SUPPLEMENTARY PAYMENTS** under **SECTION I - COVERAGES** do not apply:

For the purpose of the **Section 3** coverage under this endorsement only, the following replaces **SECTION III - LIMITS OF INSURANCE**

**LIMITS - SECTION 3**

1. Case Management Service is available as needed for any one "identity theft" for up to 12 consecutive months from the inception of the service. Expenses we incur to provide Case Management Service do not reduce the amount of limit available for Expense Reimbursement Coverage.
2. Expense Reimbursement Coverage is subject to the Expense Reimbursement Limit indicated for this endorsement. The Expense Reimbursement Limit is an annual aggregate limit per "identity recovery insured". Regardless of the number of claims, this limit is the most we will pay for the total of all loss or expense arising out of all "identity thefts" to any one "identity recovery insured" which are first discovered by the "identity recovery insured" during a 12 month period starting with the beginning of the present annual policy period. If an "identity theft" is first discovered in one policy period and continues into other policy periods, all loss and expense arising from such "identity theft" will be subject to the aggregate limit applicable to the policy period when the "identity theft" was first discovered.
3. Legal costs as provided under item d. of the definition of "identity recovery expenses" are part of, and not in addition to, the Expense Reimbursement Coverage limit.
4. Item e. (Lost Wages) and item f. (Child Elder Care Expenses) of the definition of "identity recovery expenses" are jointly subject to a sublimit of \$5,000. This sublimit is part of, and not in addition to, the Expense Reimbursement Coverage limit. Coverage is limited to wages lost and expenses incurred within 12 months after the first discovery of the "identity theft" by the "identity recovery insured".
5. Item g. (Mental Health Counseling) of the definition of "identity recovery expenses" is subject to a sublimit of \$1,000. This sublimit is part of, and not in addition to, the Expense Reimbursement Coverage limit. Coverage is limited to counseling that takes place within 12 months after the first discovery of the "identity theft" by the "identity recovery insured".
6. Item h. (Miscellaneous Unnamed Costs) of the definition of "identity recovery expenses" is subject to a sublimit of \$1,000. This sublimit is part of, and not in addition to, the Expense Reimbursement Coverage limit. Coverage is limited to costs incurred within 12 months after the first discovery of the "identity theft" by the "identity recovery insured".

DEDUCTIBLE - SECTION 3

1. Case Management Service is not subject to a deductible.
2. Expense Reimbursement Coverage is subject to the Expense Reimbursement Deductible indicated for this endorsement. Any one "identity recovery insured" will be responsible for only one deductible under this Identity Recovery Coverage during any one policy period.

For the purpose of the coverage under **Section 3** under this endorsement only, **SECTION II - WHO IS AN INSURED** does not apply.

For the purpose of the **Section 3** coverage under this endorsement only, the following is added to **SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS**

ADDITIONAL CONDITIONS - SECTION 3

1. **Help Line**
 - a. For assistance, the "identity recovery insured" should call the **Identity Recovery Help Line** at **1-800-414-9783**.
 - b. The **Identity Recovery Help Line** can provide the "identity recovery insured" with:
 - 1) Information and advice for how to respond to a possible "identity theft"; and
 - 2) Instructions for how to submit a service request for Case Management Service and/or a claim form for Expense Reimbursement Coverage.

In some cases, we may provide Case Management Services at our expense to an "identity recovery insured" prior to a determination that a covered "identity theft" has occurred. Our provision of such services is not an admission of liability under this policy. We reserve the right to deny further coverage or service if, after investigation, we determine that a covered "identity theft" has not occurred.

- c. As respects Expense Reimbursement Coverage the "identity recovery insured" must send to us, within 60 days after our request, receipts, bills or other records that support his or her claims for "identity recovery expenses".
2. **Services**

The following conditions apply as respects any services provided by us or our designee to any "identity recovery insured" under this endorsement:

 - a. Our ability to provide helpful services in the event of an "identity theft" depends on the cooperation, permission and assistance of the "identity recovery insured";



- b. All services may not be available or applicable to all individuals. For example, "identity recovery insureds" who are minors of foreign nationals may not have credit records that can be provided or monitored. Service in Canada will be different from service in the United States and Puerto Rico in accordance with local conditions; and
- c. We do not warrant or guarantee that our services will end or eliminate all problems associated with an "identity theft" or prevent future "identity thefts".

For the purpose of the **Section 3** coverage under this endorsement only, the following is added to

SECTION V - DEFINITIONS:

DEFINITIONS - SECTION 3

1. "Identity Recovery Case Manager" means one or more individuals assigned by us to assist an "identity recovery insured" with communications we deem necessary for re-establishing the integrity of the personal identity of the "identity recovery insured". This includes, with the permission and cooperation of the "identity recovery insured", written and telephone communications with law enforcement authorities, governmental agencies, credit agencies and individual creditors and businesses.
2. "Identity Recovery Expenses" means the following when they are reasonable and necessary expenses that are incurred as a direct result of an "identity theft":
 - a. Costs for re-filing applications for loans, grants or other credit instruments that are rejected solely as a result of an "identity theft";
 - b. Costs for notarizing affidavits or other similar documents, long distance telephone calls and postage solely as a result of your efforts to report an "identity theft" or amend or rectify records as to your true name or identity as a result of an "identity theft";
 - c. Costs for credit reports from established credit bureaus;
 - d. Fees and expenses for an attorney approved by us for the following:
 - 1) The defense of any civil suit brought against an "identity recovery insured";
 - 2) The removal of any civil judgment wrongfully entered against an "identity recovery insured";
 - 3) Legal assistance for an "identity recovery insured" at an audit or hearing by a governmental agency;
 - 4) Legal assistance in challenging the accuracy of the "identity recovery insured's" consumer credit report; and
 - 5) The defense of any criminal charges brought against an "identity recovery insured" arising from the actions of a third party using the personal identity of the "identity recovery insured";
 - e. Actual lost wages of the "identity recovery insured" for time reasonably and necessarily taken away from work and away from the work premises. Time away from work includes partial or whole work days. Actual lost wages may include payment for vacation days, discretionary days, floating holidays and paid personal days. Actual lost wages does not include sick days or any loss arising from time taken away from self-employment. Necessary time off does not include time off to do tasks that could reasonably have been done during non-working hours;
 - f. Actual costs for supervision of children or elderly or infirm relatives or dependents of the "identity recovery insured" during time reasonably and necessarily taken away from such supervision. Such care must be provided by a professional care provider who is not a relative of the "identity recovery insured";
 - g. Actual costs for counseling from a licensed mental health professional. Such care must be provided by a professional care provider who is not a relative of the "identity recovery insured"; and
 - h. Any other reasonable costs necessarily incurred by an "identity recovery insured" as a direct result of the "identity theft".
 - 1) Such costs include:
 - (a) Costs by the "identity recovery insured" to recover control over his or her personal identity; and
 - (b) Deductibles or service fees from financial institutions.
 - 2) Such costs do not include:
 - (a) Costs to avoid, prevent or detect "identity theft" or other loss;
 - (b) Money lost or stolen; and
 - (c) Costs that are restricted or excluded elsewhere in this endorsement or policy.
3. "Identity Recovery Insured" means the following:
 - a. When the entity insured under this policy is a sole proprietorship, the "identity recovery insured" is the individual person who is the sole proprietor of the insured entity;
 - b. When the entity insured under this policy is a partnership, the "identity recovery insureds" are the current partners; or



c. When the entity insured under this policy is a corporation or other organization, the "identity recovery insureds" are all the individuals having ownership position of 20% or more of the insured entity. However, if and only if there is no one who has such an ownership position, then the "identity recovery insured" will be:

- 1) The chief executive of the insured entity; or
- 2) As respects a religious institution, the senior ministerial employee.

An "identity recovery insured" must always be an individual person. The entity insured under this policy is not an "identity recovery insured".

4. "Identity Theft" means the fraudulent use of the social security number or other method of identifying an "identity recovery insured". This includes fraudulently using the personal identity of an "identity recovery insured" to establish credit accounts, secure loans, enter into contracts, or commit crimes. "Identity theft" does not include the fraudulent use of a business name, d/b/a or any other method of identifying a business activity.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMENDMENT OF OCCURRENCE

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

The provisions of the policy apply except as modified by this endorsement.

Section **V - DEFINITIONS** is amended to delete the definition of "occurrence", and replace it with the following:

"Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions. Faulty workmanship does not constitute an "occurrence", however, "property damage" to property other than "your work" that directly results from faulty workmanship is an "occurrence" under this policy.

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MICHIGAN CERTIFICATE OF INSURANCE
MEMBERSELECT INSURANCE COMPANY



POLICY NUMBER
AUT056910981
EFFECTIVE DATE
08-02-2017

TYPE OF INSURANCE
NO-FAULT
EXPIRATION DATE
02-02-2018

VEHICLEVIN
2013 HYUN SNT F SPRT 4D 2WD - 5XYZU3LBXDG110662
PRINCIPAL NAMED INSURED
CASEY FRUSHOUR
ASSIGNED DRIVER
ANNA FRUSHOUR



In a crash call:
(800) 222-6424
from the
scene.

YOUR TOLL FREE NUMBER TO REPORT A CLAIM IS 1-(800)-222-6424
8600-22323-MI-0411

06 17F

MICHIGAN CERTIFICATE OF INSURANCE
MEMBERSELECT INSURANCE COMPANY



POLICY NUMBER
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