

GENERAL STAR NATIONAL INSURANCE COMPANY

P.O. BOX 10360

STAMFORD, CONNECTICUT 06904-2354

(A stock insurance Company, herein called the Company)

NOTICE

THIS IS A CLAIMS MADE AND REPORTED FORM

**ARCHITECTS AND ENGINEERS PROFESSIONAL LIABILITY AND ARCHITECTS,
ENGINEERS AND CONTRACTORS POLLUTION LIABILITY POLICY**

THIS ARCHITECTS AND ENGINEERS PROFESSIONAL LIABILITY AND ARCHITECTS, ENGINEERS AND CONTRACTORS POLLUTION LIABILITY POLICY PROVIDES COVERAGE ON A "CLAIMS MADE AND REPORTED BASIS". COVERAGE PROVIDED BY THIS POLICY IS LIMITED TO ONLY THOSE **CLAIMS** FIRST MADE AGAINST THE **INSURED** DURING THE **POLICY PERIOD** AND REPORTED IN WRITING BY AN **INSURED** TO THE COMPANY DURING THE **POLICY PERIOD**, OR ANY APPLICABLE EXTENDED REPORTING PERIOD, FOR **CLAIMS** ARISING FROM **PROFESSIONAL SERVICES** THAT TOOK PLACE ON OR AFTER THE **RETROACTIVE DATE** AND BEFORE THE END OF THE **POLICY PERIOD**.

PLEASE REVIEW THE POLICY CAREFULLY. THIS POLICY CONTAINS IMPORTANT EXCLUSIONS AND CONDITIONS. ALL WORDS OR PHRASES (OTHER THAN CAPTIONS) THAT ARE PRINTED IN BOLD FACE ARE DEFINED IN THE POLICY. PLEASE DISCUSS ANY QUESTIONS CONCERNING THE COVERAGE WITH YOUR INSURANCE AGENT OR BROKER.

WHAT TO DO IN CASE OF A CLAIM

In the event you directly or indirectly become involved in a professional liability **Claim**, you should immediately report the details in writing to:

General Star Management Company
Casualty Claims
P.O. Box 1255
Stamford, CT 06904
Fax: 866-914-3151

E-Mail: GStarClaims@generalstar.com

Note: Failure to report a **Claim** promptly could jeopardize your coverage.

IMPORTANT

This Policy is not effective unless a DECLARATIONS PAGE is issued.

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**ARCHITECTS AND ENGINEERS PROFESSIONAL LIABILITY AND
ARCHITECTS, ENGINEERS AND CONTRACTORS POLLUTION LIABILITY POLICY**

THIS IS A CLAIMS MADE AND REPORTED POLICY. PLEASE REVIEW THE POLICY CAREFULLY.

GENERAL STAR NATIONAL INSURANCE COMPANY, hereinafter called the Company, agrees with the **Insureds**, in consideration of the payment of the premium, and in reliance upon the statements on the application and the DECLARATIONS PAGE and subject to the LIMIT OF LIABILITY, Exclusions, conditions and other terms of this Policy, as follows:

SECTION I - COVERAGE

A. Professional Liability

The Company will pay on behalf of an **Insured** all sums which such **Insured** shall become legally obligated to pay as **Damages** for **Claims** first made against an **Insured** during the **Policy Period** and first reported to the Company in writing during the **Policy Period** or any applicable Extended Reporting Period, arising out of any act, error, omission or **Personal Injury** in the rendering of or failure to render **Professional Services** by an **Insured** or any entity or individual for whom the **Named Insured** is legally liable, including an **Insured's** interest in joint ventures.

B. Architect, Engineers and Contractor's Pollution Liability

The Company will pay on behalf of an **Insured** all sums which such **Insured** shall become legally obligated to pay as **Damages** for **Claims** first made against an **Insured** during the **Policy Period** and first reported to the Company in writing during the **Policy Period** or any applicable Extended Reporting Period, for a **Pollution Condition** arising out of any act, error, omission or **Personal Injury** in the rendering of or failure to render **Professional Services** by an **Insured** or by any person, for whom the **Named Insured** is legally liable.

C. Retroactive Date and Prior Knowledge

Coverage applies under this Policy only if the act, error, omission or **Personal Injury** happens:

1. During the **Policy Period**; or
2. Prior to the **Policy Period** provided that:
 - a. Such act, error, omission or **Personal Injury** happened on or after the **Retroactive Date**; and
 - b. The **Pollution Condition**, if applicable, happened on or after the **Retroactive Date**; and
 - c. At the inception of this Policy each such **Insured** seeking coverage had no reasonable basis to believe that any **Insured** had breached a professional duty and each such **Insured** seeking coverage had no knowledge of an act, error, omission or **Personal Injury** that might reasonably be expected to result in such **Claim**; provided, however, that this paragraph shall not operate to preclude coverage under this Policy for any **Insured** without such reasonable basis to believe and without such knowledge as of the inception of this Policy.

D. Defense

The Company shall have the right and duty to defend any **Suit** against an **Insured** seeking **Damages** to which this insurance applies even if any of the allegations of the **Suit** are groundless, false or fraudulent. However, the Company shall have no duty to defend any **Insured** against any **Suit** seeking solely **Damages** to which this insurance does not apply. For covered **Claims**, defense

counsel may be designated by the Company, or with the Company's written consent and subject to Company' guidelines, designated by the **Insured**. The **Insured** may also engage additional counsel, solely at his, her or its own expense, to associate in the defense of any covered **Claim**. No **Insured** shall assume any liability or obligations; incur any costs, charges, expense or **Claim Expenses**; or enter into any settlement without the Company's consent.

The Company shall also have the right to investigate any **Claim** and negotiate the settlement, as it deems expedient, but the Company shall not commit an **Insured** to any settlement without such **Insured's** consent. If an **Insured** refuses to consent to any settlement recommended by the Company, and elects to contest the **Claim** or continue any legal proceedings in connection with such **Claim**, then the Company shall be relieved of any further duty to defend the **Claim**. Thereafter, the Company shall have the right, but not the obligation, to withdraw from further defense of such **Claim** by tendering control of said defense to the **Insured**. The maximum amount the Company shall pay for **Damages** and **Claims Expenses** shall not exceed the amount for which the **Claim** could have been settled, including the **Claims Expenses** incurred or authorized by the Company up to the date of such refusal.

E. Defense Costs Included Within the Limit

Claims Expenses shall be part of, and not in addition to, the LIMIT OF LIABILITY specified in Item 3. of the DECLARATIONS PAGE.

- F. In no event shall the Company be obligated to pay **Damages** or **Claims Expenses** or to defend, or continue to defend, any **Suit** after the applicable LIMIT OF LIABILITY has been exhausted by payments of **Damages** or **Claims Expenses**.

SECTION II – ENTITIES AND PERSONS INSURED
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Each of the following is an **Insured** under this Policy to the extent set forth below:

- A. The entity or person named in Item 1. of the DECLARATIONS PAGE as the **Named Insured**;
- B. Any **Predecessor in Business**;
- C. Any past or present owners, principles, partners, officers, directors, stockholders, members, managing members or employees of the **Named Insured** or **Predecessor in Business**, but only while acting within the scope of their duties as directed by or on behalf of the **Named Insured** or **Predecessor in Business**;
- D. Any non-affiliated person but solely for **Professional Services** performed within the course and scope of their written contract with, and on behalf of the **Named Insured** or **Predecessor in Business**;
- E. The estate, heirs, executors, administrators and legal representatives of any **Insured** in the event of such **Insured's** death, incapacity, insolvency or bankruptcy, but only to the extent that such **Insured** would otherwise be provided coverage under this Policy;

In all events, coverage as afforded with respect to a **Claim** made against an **Insured**, as described in paragraphs A. through E. of this Section, will only apply to an act, error, omission or **Personal Injury** committed or allegedly committed by such **Insured** after such **Insured** joined the **Named Insured** or **Predecessor in Business**.

SECTION III - LIMIT OF LIABILITY AND DEDUCTIBLE

Regardless of the number of **Insureds** covered under this Policy or the number of claimants or the number of **Claims** made, the Company's liability is limited as follows:

- A. The LIMIT OF LIABILITY stated in Item **3**. on the DECLARATIONS PAGE as applicable to "Each **Claim**" is the limit of the Company's liability for all **Damages** and **Claims Expenses** for each **Claim** covered. All **Claims** based upon or arising from the same or related acts, errors, omissions or **Personal Injuries** shall be considered a single **Claim** for the purpose of this insurance and shall be subject to the same LIMIT OF LIABILITY, and all such **Claims** shall be considered as first made at the earliest of the date the first **Claim** was made or the date the act, error, omission or **Personal Injury** was first reported to the Company.

The LIMIT OF LIABILITY stated in Item **3**. on the DECLARATIONS PAGE as "Aggregate" is, subject to the provision in this paragraph A. respecting "Each **Claim**", the total LIMIT OF LIABILITY under this Policy for all **Damages** and **Claims Expenses** for all **Claims**.

- B. The Company's liability for **Damages** and **Claims Expenses**, as applicable, resulting from "Each **Claim**" is in excess of the DEDUCTIBLE amount stated in Item **5**. on the DECLARATIONS PAGE. The DEDUCTIBLE amount applies to **Claims Expenses** and **Damages**.
- C. The total amount of **Damages** and **Claims Expenses** for which the **Insured** will be responsible as respects all **Claims** first made during any one **Policy Period** shall not exceed the DEDUCTIBLE amount stated in Item **5**. of the DECLARATIONS PAGE.

Once the **Named Insured** has paid the DEDUCTIBLE amount shown in Item **5**. of the DECLARATIONS PAGE, the **Named Insured** does not have to pay any further amount as a DEDUCTIBLE regardless of how many **Claims** are reported under this Policy. The **Named Insured** shall remit the DEDUCTIBLE within thirty (30) days of the Company's written demand.

In the event the **Insured** participates in an **Alternative Dispute Resolution** to settle a **Claim** brought by a client of the firm, the Company will reduce the **Insured's** DEDUCTIBLE obligation by 50% subject to a maximum reduction of \$25,000 per **Claim**. If the **Alternative Dispute Resolution** fails to resolve the **Claim**, and the **Claim** proceeds to litigation, the DEDUCTIBLE will apply without the reduction to any **Damages** and **Claims Expenses** incurred once the litigation has commenced.

- D. The purchase or application of any Extended Reporting Period shall not increase the LIMIT OF LIABILITY stated on the DECLARATIONS PAGE.

SECTION IV - TERRITORY

To be covered under this Policy, a **Claim** must be made and maintained and a **Suit**, if any, must be brought and maintained within the United States of America, its territories, possessions, Puerto Rico or Canada.

SECTION V - DUTIES, ASSISTANCE AND COOPERATION OF INSURED

- A. As a condition precedent to any coverage under this Policy, if any **Insured** becomes aware of a **Claim** against any **Insured** first made during the **Policy Period**, which an act, error, omission or **Personal Injury** took place on or after the **Retroactive Date**, the **Insured** must notify the Company in writing as soon as practicable, but in no event later than the end of the **Policy Period** or any applicable Extended Reporting Period. For any **Claim** that is deemed to have been made during the

Policy Period pursuant to paragraph F. below, the **Insured** must notify the Company in writing no later than sixty (60) days after such **Claim** is actually made.

- B. All **Insureds** shall give the Company such information and cooperation in the investigation, defense or settlement of the **Claim** as reasonably required by the Company, including but not limited to:
1. Immediately record the specifics of the **Claim** and the date received and send the Company copies of any demand letters, pleadings, notices, summonses, or other legal papers received in connection with the **Claim**,
 2. Upon request, submit to examination under oath by a Company representative;
 3. Attend hearings, and depositions as requested by the Company;
 4. Assist in securing and giving evidence and obtaining the attendance of witnesses; and
 5. Provide written statements to a Company representative and attend meetings with such representative for the purpose of investigation, defense and/or settlement, all without charge to the Company.
- C. No **Insured** shall admit liability or confess to any judgment without the prior written consent of the Company.
- D. No **Insured** shall, except at the **Insured's** own cost, voluntarily make a payment, assume any obligation, or incur any expense without the prior written consent of the Company.
- E. All **Insureds** will consent to the submission of special verdict forms or other written inquiries to the trier of fact for the purpose of determining the basis for an **Insured's** liability and any **Damages** awarded if **Suit** or any other proceeding is brought on the **Claim**.
- F. If any **Insured** first becomes aware of any circumstances, which might reasonably be expected to give rise to a **Claim** being made against an **Insured**, and such **Insured** notifies the Company in writing as soon as practicable, but in no event later than sixty (60) days from the date of such first awareness of the circumstances and the reasons for anticipating such a **Claim**, then any **Claim** subsequently made against an **Insured** arising directly out of such circumstances shall be deemed for the purposes of this Policy to have been made during the **Policy Period** in which the notice was given; provided, however, that as a condition precedent for such notice to trigger any coverage:
1. Such notice must be received by the Company prior to the end of the **Policy Period**; and
 2. Such notice must be specific and contain full particulars as to the circumstances potentially giving rise to a **Claim**, including:
 - a. A narrative setting forth when and how the **Insured** first became aware of the circumstances,
 - b. Dates of the underlying acts, errors, omissions or **Personal Injuries** comprising the circumstances,
 - c. Names of the potential plaintiffs and affected **Insureds** and other persons involved in the underlying facts,
 - d. The nature and scope of the anticipated **Claim**,
 - e. Causes of action to be asserted, and
 - f. All reasons why a **Claim** is reasonably anticipated.
- G. If a **Claim** gives rise to both covered and non-covered **Damages** or **Claim Expense** because the **Claim** involves both covered and non-covered matters and/or is brought against both covered and non-covered parties, then the **Insureds** and the Company agree to use best efforts to determine a fair and proper allocation between the covered **Damages** and **Claim Expense** and non-covered amounts. In determining an allocation, the **Insureds** and Company agree to take into consideration

the relative legal and financial exposures, and the relative benefits obtained in connection with the defense and/or settlement of a **Claim**, between the covered and non-covered parties and/or matters involved in the **Claim**. If the **Insureds** and Company cannot agree on a fair and proper allocation, then the Company shall advance the amounts the Company believes to constitute covered **Damages** and **Claim Expense**, until a different allocation is negotiated, arbitrated or judicially determined. Any amounts so advanced shall not apply to or create any presumption of a fair or proper allocation for any other amounts.

SECTION VI - SUPPLEMENTARY PAYMENTS

The Company will pay, in addition to the applicable LIMIT OF LIABILITY:

- A. Up to \$500 for loss of earnings to each individual **Insured** for each day or part of a day of such **Insured's** attendance at the Company's request at a trial, hearing or arbitration proceeding involving a **Suit** against such **Insured** for covered **Damages**; provided further that the maximum aggregate amount payable during the **Policy Period** for all **Insureds** regardless of the number of trials, hearings or arbitration proceedings shall not exceed \$5,000.
- B. Up to \$10,000 for attorney fees, and other costs, expenses or fees resulting from the investigation or defense of a proceeding before a state licensing board, local disciplinary board, self-regulatory agency, ethics commission or governmental regulatory body incurred as the result of a notice of a proceeding, first received by the **Insured** and reported to the Company during the **Policy Period**, that arises out of any act, error, omission or **Personal Injury** in the rendering of or failure to render **Professional Services** by an **Insured**; provided further that \$10,000 is the maximum aggregate amount payable during the **Policy Period** for all **Insureds** regardless of the number of proceedings or **Insureds**.
- C. The DEDUCTIBLE amount shown in Item 5. of the DECLARATIONS PAGE shall not apply to paragraphs A. and B. of this Section.

SECTION VII - EXCLUSIONS

The Company has no obligation under this Policy to pay **Damages** or **Claims Expenses** or to provide a defense, in connection with any **Claim** if based on, arising out of or in any way related to:

- A. An illegal, dishonest, fraudulent, criminal, knowingly wrongful or malicious act, error, omission, **Personal Injury** or an intentional or knowing violation of the law, including but not limited to the Racketeer Influenced and Corrupt Organizations Act (commonly known as RICO), committed by, at the direction of, or with the knowledge of any **Insured**; provided, however, for any **Claim** otherwise covered by this Policy, the Company will provide a defense until such time as an illegal, dishonest, fraudulent, criminal, knowingly wrongful or malicious act, error, omission, **Personal Injury** or intentional or knowing violation of the law, is established by trial, court ruling, jury verdict, regulatory ruling or admission; however, this Exclusion shall not apply to any **Insured** who did not personally commit, or participate or acquiesce in, the act, error, omission, **Personal Injury** or intentional violation of law that triggers this Exclusion with respect to another **Insured**;
- B. The rendering of or failure to render **Professional Services** by any **Insured** in the capacity as an owner, principle, partner, officer, director, stockholder, member, managing member or employee of any sole proprietorship, partnership or corporation or other business enterprise which is not the **Named Insured** or **Predecessor in Business**;

- C. Any obligations for which an **Insured** or any insurer may be liable under any workers' compensation, unemployment compensation, disability, retirement plan, pension or pension benefits law, or any similar laws, including but not limited to, the Employee Retirement Income Security Act of 1974 (commonly known as ERISA), or any of its amendments, or any other similar state or local law, or any non-qualified plan, while any **Insured** is acting as a fiduciary within the meaning of such laws;
- D. The rendering of or the failure to render **Professional Services** for any entity, which is neither the **Named Insured** nor **Predecessor in Business**, which at the time of the act, error, omission or **Personal Injury** giving rise to the **Claim**, was owned, controlled, managed or operated by any **Insured**, provided, however, this Exclusion shall not apply if at the time of the act, error, omission or **Personal Injury** the percentage of ownership in the entity, other than the **Named Insured**, by any **Insured**, his or her spouse, or a cumulation of **Insureds**, did not exceed 10%;
- E. Any disputes involving the restitution, reduction, disgorgement, set off, return, or payment of any form of the **Insured's** fees, commissions, charges, or the failure to pay or collect premium, escrow or tax money, or the conversion, misappropriation, commingling or defalcation of funds or other property;
- F. Any action, including any actual or threatened legal action, made by an **Insured** against any other **Insured**, unless such **Claim** arises solely out of the rendering of or the failure to render **Professional Services** for an **Insured** by another **Insured**;
- G. An **Insured** acting or serving as an elected or appointed public official or employee of any governmental agency, body or subdivision; provided, however, this Exclusion shall not apply to any **Claim** made by the governmental agency, body or subdivision, which is the **Insured's** client, and which arises solely and exclusively from the rendering of or the failure to render **Professional Services** by such **Insured** to the governmental agency, body or subdivision;
- H. Actual or alleged acts, error, omissions or **Personal Injuries** by an **Insured** against any past or present employee, officer or applicant for employment as respects to sexual misconduct, sexual harassment, wrongful termination, or discrimination, including but not limited to discrimination due to or on the basis of age, sex, race, color, religion, disability, marital status, pregnancy, national origin, HIV or AIDS status, sexual origin, sexual orientation, or sexual preference;
- I. Liability assumed by the an **Insured** under any oral or written contract or agreement, including any warranty or guarantee; however, this Exclusion shall not apply to liability the an **Insured** would have in the absence of such contract, agreement, warranty or guarantee;
- J. Any **Insured's** advice or requirement, including the **Insured's** failure to advise or require, to purchase, obtain or maintain any form of insurance, self-insurance, surety bond or other bond;
- K. The goods or products that are sold, distributed or supplied by an **Insured**, or by others under license from an **Insured**;
- L. Faulty work or construction, including construction methods, techniques, sequences, procedures, workmanship or the materials used, in any construction, erection, fabrication, installation, assembly or manufacturing process if performed or provided by an **Insured**, including materials, parts or equipment furnished in connection therewith;
- M. Any **Insured's** advice or procurement, including the **Insured's** failure to advise or procure, as respects to any financing, paying or failure to pay any sum or money for any project, whether in

whole or in part, including but not limited to land, taxes, materials, equipment, labor or cost. This Exclusion shall apply to the insolvency or bankruptcy of any **Insured**; however, this Exclusion does not apply if the **Claim** would apply in the absence of such **Insured's** insolvency or bankruptcy;

- N. Infringement of a copyright, trademark, trade dress or patent;
- O. The **Insureds** ownership, rental, lease, maintenance, operation, use, repair, voluntary or involuntary sale, transfer, exchange, gift, abandonment, condemnation or entrustment to others of any real or personal property including without limitation, automobiles, aircraft, watercraft and other kinds of conveyances. This Exclusion applies even if the **Claims** against any **Insured** allege negligence or other wrong doing in the supervision, hiring, employment, training or monitoring of others by that **Insured**, if the act, error, omission or **Personal Injury**, which caused **Bodily Injury** or **Property Damage**, involved the ownership, maintenance, use or entrustment to others of any automobile, aircraft or watercraft that is owned or operated by or rented or loaned to any **Insured**.
- P. Any waste, including those described in **Pollution Condition**, or any cargo, products or materials transported, shipped or delivered via watercraft, aircraft, motor vehicle, mobile equipment or rolling stock to a location beyond the boundaries of a site at which **Professional Services** are being rendered;
- Q. Any delay by or on behalf of the **Insured** with respect to the performance of any contract or agreement. This Exclusion does not apply if such delay is the result of an act error, omission or **Personal Injury** by or on behalf of the **Insured** in the rendering or failure to render **Professional Services**;
- R. Cost guarantees, or estimates of probable costs or cost estimates being exceeded;
- S. Any project that is insured under a project specific insurance policy;
- T. Asbestos, or any materials containing asbestos in whatever form or quantity; provided, that this Exclusion does not apply to any **Claim** arising out of any act, error, omission or **Personal Injury** in rendering or failure to render **Professional Services** by or on an **Insured's** behalf, on or after 1st January 1990 or the **Retroactive Date**, whichever is later.

SECTION VIII - DEFINITIONS

When used in this Policy (including endorsements forming a part of the Policy):

- A. **Alternative Dispute Resolution** means the use of mediation or non-binding arbitration proceedings in which the **Insured** participates with the consent of the Company.
- B. **Bodily Injury** means bodily injury, sickness, disease, mental anguish, or emotional distress sustained by a person, including death resulting from any of these at any time.
- C. **Claim** means a demand for money, the filing of **Suit** or the institution of arbitration or mediation proceedings naming the **Insured** and alleging an act, error, omission or **Personal Injury** resulting from the rendering of or failure to render **Professional Services**. However, **Claim** does not include a proceeding seeking only injunctive or other non-pecuniary relief, or that portion of a proceeding seeking injunctive or other non-pecuniary relief that also seeks monetary relief.
- D. **Claims Expenses** mean:

1. Fees charged by an attorney(s) designated by the Company and all other fees, costs, and expenses resulting from the investigation, adjustment, defense and appeal of a **Claim**, if incurred by the Company, or by an **Insured** with written consent of the Company, but does not include salary charges or expenses of regular employees or officials of the Company or an **Insured**, or fees and expenses of independent adjusters;
 2. All costs taxed against an **Insured** in a **Suit**, and all interest on the entire amount of any judgment which accrues after entry of the judgment and before the Company has paid, tendered or deposited, whether in court or otherwise, the part of the judgment which does not exceed the applicable LIMIT OF LIABILITY;
 3. Prejudgment interest which, when payable under this Policy, will not exceed the applicable LIMIT OF LIABILITY; or
 4. Premiums on appeal bonds and premiums on bonds to release attachments in a **Suit**, but not premiums for bond amounts in excess of the applicable LIMIT OF LIABILITY; provided, however, notwithstanding the foregoing, the Company shall have no obligation to pay for or furnish any bond.
- E. **Clean up Costs** means reasonable and necessary costs, charges and expenses incurred with the prior written consent of the Company in the investigation, removal or neutralization of a **Pollution Condition**, provided such costs, charges and expenses are caused by a **Pollution Condition** arising out of the rendering of or failure to render **Professional Services** by or on behalf of the **Insured**.
- F. **Construction Manager** means a provider of construction expertise in the form of recommendations to the owner and design professional(s) during the planning and design phases, the scheduling of construction and the overall coordination of the separate prime contractors during the construction phase, but does not include responsibility for:
1. Construction methods, techniques, sequences, procedures or workmanship; and
 2. The materials in any construction, erection, fabrication, installation, assembly or manufacturing process if performed or provided by an **Insured**, including materials, parts or equipment furnished in connection therewith.
- G. **Damages** means compensatory judgments, settlements or awards the **Insured** is legally obligated to pay, but does not include:
1. Punitive or exemplary **Damages**, fines or penalties, sanctions, the return of fees or other consideration paid to the **Insured** or matters uninsurable in the jurisdiction governing this Policy
 2. **Claims Expenses**.
 3. Attorney fees or litigation expenses or other loss, cost or expense in connection with any injunction or other equitable relief;
 4. Consideration owed by or paid to any **Insured** in connection with rendered **Professional Services**, including any restitution or return of any charges or fees; or
 5. Loss, cost or expense to perform any obligation assumed by or on behalf of any **Insured**.

However, if a **Suit** is brought against an **Insured** with respect to a **Claim** for an alleged act, error, omission or **Personal Injury** falling within the scope of coverage afforded by this Policy, and such **Suit** seeks both compensatory and punitive or exemplary **Damages**, then the Company will afford a defense to such **Suit** without liability for payment of such punitive or exemplary **Damages**.

- H. **Insured** means any person or organization qualifying as an **Insured** under **SECTION II – ENTITIES AND PERSONS INSURED**. The insurance afforded applies separately to each **Insured** against

whom a **Claim** is made or **Suit** is brought, except with respect to the LIMIT OF LIABILITY.

- I. **Named Insured** means the person or organization named in Item 1. of the DECLARATIONS PAGE.
- J. **Personal Injury** means:
1. False arrest, detention or imprisonment, wrongful entry or eviction, other invasion of private occupancy, or malicious prosecution; or
 2. The publication or utterance of a libel, slander or other defamatory or disparaging material, or a publication or an utterance in violation of an individual's right of privacy.
- K. **Policy Period** means the time period from the Inception Date to the Expiration Date, as set forth on the DECLARATIONS PAGE, or until an applicable termination date if earlier.
- L. **Pollution Condition** means the actual or alleged discharge, dispersal, release or escape of smoke, vapors, soots, fumes, acids, alkalis, toxic chemicals, liquids or gases, waste materials or other irritants, contaminants or pollutants into or upon land, the atmosphere or any watercourse or body of water, which results in **Bodily Injury**, **Property Damage** or **Clean up Costs**.
- M. **Predecessor in Business** means any entity which has undergone dissolution and:
1. Some or all of such entity's principals, owners, officers or partners have joined the **Named Insured**, provided such persons were responsible for producing in excess of 50% of the prior firm's annual gross revenues and such billings have been assigned or transferred to the **Named Insured**; or
 2. At least 50% of the principals, owners, partners or officers of the prior entity have joined the **Named Insured**; or
 3. The **Named Insured** has assumed 50% or greater of the prior entity's assets and liabilities.
- N. **Professional Services** means those services as endorsed hereon and specifically described in the application which an **Insured** is legally qualified to perform for others including **Professional Services** as an:
1. Architect or engineer;
 2. Landscape architect, land surveyor or planner; or
 3. **Construction Manager**.
- O. **Property Damage** means:
1. Physical injury to or destruction of any tangible property, including the loss of use thereof; or
 2. Loss of use of tangible property that has not been physically injured or destroyed.
- P. **Retroactive Date** means the date as shown in the DECLARATIONS PAGE, or any endorsement attached hereto, on or after which any act, error, omission or **Personal Injury** must have occurred in order for any **Claim** arising therefrom to be covered under this Policy. If none is shown, the **Retroactive Date** will be the Inception Date, as state in the DECLARATION PAGE, of the first Policy issued by the Company to **Named Insured**.
- Q. **Suit** means a civil adjudicatory proceeding in a court of law in the United States of America, its territories, possessions, Puerto Rico or Canada.

- R. **Total Disability** means that as a result of sickness or injury, which manifests itself during the **Policy Period** and is substantiated by medical documentation, the sole proprietor as the **Named Insured** is permanently prevented from doing the substantial and material acts required for his or her usual duties as the **Named Insured** or for any entity that provides the same **Professional Services**.

SECTION IX – AUTOMATIC AND OPTIONAL EXTENDED REPORTING PERIODS

A. Automatic Extended Reporting Period

An automatic sixty (60) day extended reporting period, effective at the termination of the **Policy Period**, will be provided by the Company at no additional cost. This Automatic Extended Reporting Period shall extend the time in which an **Insured** can give written notice to the Company of **Claims** first made against the **Insured** during the **Policy Period** for any act, error, omission or **Personal Injury** in the rendering of or failure to render **Professional Services**, occurring on or after the **Retroactive Date** and prior to the termination of the **Policy Period**, subject to all of the other terms, limitations, Exclusions and conditions of the Policy.

B. Optional Extended Reporting Period Option

In the case of cancellation or nonrenewal of this Policy by the **Named Insured** or the Company for any reason, other than cancellation by the Company for nonpayment of premium or a DEDUCTIBLE or material misrepresentation by any **Insured** in the application for this Policy, the **Named Insured** shall have the right to an extension of coverage for the time periods and subject to the premiums set forth below:

1. 100% of the full ANNUAL PREMIUM for this Policy, for a period of twelve (12) months;
2. 150% of the full ANNUAL PREMIUM for this Policy, for a period of twenty-four (24) months;
3. 200% of the full ANNUAL PREMIUM for this Policy, for a period of thirty–six (36) months;
4. 210% of the full ANNUAL PREMIUM for this Policy, for a period of forty-eight (48) months;
5. 225% of the full ANNUAL PREMIUM for this Policy, for a period of sixty (60) months.

This Optional Extended Reporting Period shall extend the time in which an **Insured** can give written notice to the Company of **Claims** first made against an **Insured** during the **Policy Period**, and reported to the Company during the Optional Extended Reporting Period, for any act, error, omission or **Personal Injury** in the rendering of or failure to render **Professional Services** occurring on or after the **Retroactive Date** and prior to the termination of the **Policy Period**, subject to all of the other terms, limitations, Exclusions and conditions of the Policy. This right to purchase the Optional Extended Reporting Period shall terminate, however, unless written notice of the **Named Insured's** election together with the additional premium is received by the Company or its authorized agent from the **Named Insured** within sixty (60) days after the effective date of cancellation or nonrenewal.

The **Named Insured's** failure to remit any requisite DEDUCTIBLE upon receipt of demand by the Company shall disqualify the **Named Insured** from exercising the option to purchase an Optional Extended Reporting Period.

C. Death, Disability or Retirement of Insured

1. If the **Named Insured** is a sole proprietor and the **Named Insured** dies or becomes permanently and totally disabled during the **Policy Period**, a sixty (60) month Optional Extended Reporting Period will be granted at no additional premium, provided that:

- a. Within sixty (60) days of the death or permanent and **Total Disability** the **Named Insured's** estate requests this Optional Extended Reporting Period; and
 - b. The **Named Insured's** estate furnishes written evidence and proof of the date of the **Named Insured's** death; or
 - c. The **Named Insured** provides evidence and proof of the permanent and **Total Disability**, including the date of the actual disability and written certification by the **Named Insured's** attending physician; and
 - d. The **Named Insured** agrees to submit to any medical examination(s) as requested by the Company, by any physician designated by the Company, for the purpose of verifying such permanent and **Total Disability**.
2. If the **Named Insured** is a sole proprietor and retires during the **Policy Period** after reaching age 65, and having been continuously insured by the Company on a claims-made basis for a minimum of three (3) years, a sixty (60) month Optional Extended Reporting Period will be granted at no additional premium provided that the **Named Insured** within sixty (60) days of the retirement requests this Optional Extended Reporting Period. The Company's liability for such sixty (60) month Optional Extended Reporting Period will be the lesser of: the "Each **Claim**" LIMIT OF LIABILITY stated in Item 5. on the DECLARATIONS PAGE or \$1 million "Each **Claim**" / \$1 million "Aggregate".

D. Termination of Any Optional Extended Reporting Period Option

The Optional Extended Reporting Period may not be canceled. At the commencement of any Optional Extended Reporting Period, the entire premium shall be deemed fully earned and the Company shall not be liable to return to any **Insured** any portion of the premium for any Optional Extended Reporting Period.

E. Miscellaneous

An Extended Reporting Period gives an additional time prescribed for an **Insured** to provide written notice to the Company. An Extended Reporting Period shall not in any way increase the LIMIT OF LIABILITY of this Policy, except as provided to a retiree as described in paragraph C.2. of this Section, and shall be part of, and not in addition to, the remaining amount, if any, of the LIMIT OF LIABILITY stated in Item 3. of the DECLARATIONS PAGE under the last Policy issued to the **Named Insured**. Any Optional Extended Reporting Period shall not extend the **Policy Period**. Furthermore, the Automatic Extended Reporting Period does not extend the time to purchase the Optional Extended Reporting Period. The first sixty (60) days of the Optional Extended Reporting Period shall run concurrently with the Automatic Extended Reporting Period. The DEDUCTIBLE amount shown in Item 5. of the DECLARATIONS PAGE shall apply to paragraphs A. and B. of this Section.

SECTION X - GENERAL CONDITIONS

A. Premium

All premiums for this Policy shall be computed in accordance with the Company's rules, rates, rating plans, premiums and minimum premiums applicable to this insurance. The **Named Insured** shall maintain records of the information necessary for premium computation and shall send copies of such records to the Company at such times as the Company may direct.

B. Assistance and Cooperation of Insured

All **Insureds** shall fully cooperate with the Company in the defense of any **Claim** made under this Policy. Upon the Company's request, all **Insureds** shall assist in making settlements, in the conduct of **Suits** and in enforcing any right of contribution, subrogation or indemnity against any person, organization or other insurer which may be liable to the **Insured** or the Company for **Damages** or **Claim Expenses**. An **Insured** shall attend hearings and trials and assist in securing and giving evidence and obtaining the attendance of witnesses. No **Insured** shall, except at the **Insured's** own cost, voluntarily make any payments, assume any obligation or incur any expense. An **Insured** may provide for **Alternative Dispute Resolution** with a client under an engagement letter or any other written contract, as long as such agreement is executed in writing prior to any **Claim** or such **Insured's** awareness of any act, error, omission or **Personal Injury** that might reasonably be expected to give rise to a **Claim**.

All **Insureds** will consent to the submission of special verdict forms or other written inquiries to the trier of fact for the purpose of determining the basis for the **Insured's** liability and any **Damages** awarded if **Suit** or any other proceeding is brought on the **Claim**.

C. **Assignment**

This Policy may not be assigned without first obtaining the written consent of the Company. No **Insured's** rights under this Policy are assignable. If any **Insured** shall die or be adjudged incompetent, this insurance shall terminate for such person, but shall cover the **Insured's** legal representative with respect to liability previously incurred and covered by this insurance.

D. **Legal Action Against The Company**

No action shall lie against the Company unless there shall have been full compliance with all of the terms and conditions of this Policy, nor until the amount of the **Insured's** obligation to pay shall have been finally determined, either by judgment against the **Insured** or by written settlement agreement between the **Insured** and the claimant, entered into with the written consent of the Company.

Any person or organization or the legal representative thereof who has secured a judgment or written settlement agreement shall thereafter be entitled to recover under this Policy to the extent of the insurance afforded by this Policy. A written settlement agreement means a settlement and release of liability signed by the **Insured** and the claimant with the written consent of the Company. No person or organization shall have any right under this Policy to join the Company as a party to any **Suit** against the **Insured** to determine the **Insured's** liability, nor shall the Company be impleaded in any **Suit** by the **Insured** or his legal representative.

The Company will not be liable for **Damages** that are not payable under the terms of this Policy or that are in excess of the applicable LIMIT OF LIABILITY.

E. **Conformity to Statute**

In the event that any terms, conditions or Exclusions of this Policy conflict with any applicable law, the terms of this Policy shall, by this statement, be amended to conform to such law or laws.

F. **Other Insurance**

If there is other valid insurance (whether primary, excess, contingent or qualified self-insurance, including Extended Reporting Period coverage in the **Insured's** previous insurance) which may apply to a **Claim** covered by this Policy, the insurance provided hereunder shall be deemed excess

insurance over and above the applicable LIMIT OF LIABILITY of all other insurance or qualified self-insurance.

When this insurance is excess, the Company shall have no duty under this Policy to defend any **Claim** or **Suit** that any other insurer or qualified self-insurer has a duty to defend. If such other insurer or self-insurer refuses to defend such **Claim** or **Suit**, the Company shall be entitled to the **Insured's** rights against all other insurers or qualified self-insurers for any **Claims Expenses** and **Damages** incurred by the Company.

If a loss occurs involving two or more policies, each of which provides that its insurance shall be excess, each will contribute pro rata.

G. **Subrogation**

To the extent of any payment under this Policy, the Company shall be subrogated to all the **Insured's** rights of recovery against any person, organization or entity, and all **Insureds** shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. No **Insured** shall do anything after any loss to prejudice or terminate such rights and shall fully cooperate with the Company. The Company shall not exercise any such rights against any **Insured**. Notwithstanding the foregoing, however, the Company reserves the right to exercise any rights of subrogation against an **Insured** arising from a **Claim** brought about or contributed to by any dishonest, criminal, fraudulent, malicious or illegal acts, errors, omissions or **Personal Injuries**.

H. **Cancellation**

This Policy may be canceled by the **Named Insured** by surrender thereof to the Company or any of its authorized representatives or by mailing to the Company written notice stating when thereafter the cancellation shall be effective.

The Policy may be canceled by the Company by mailing written notice to the **Named Insured** at the address shown in the DECLARATIONS PAGE stating when, not less than sixty (60) days thereafter or ten (10) days in the case of nonpayment of premium, such cancellation shall be effective. The mailing of such notice shall be sufficient proof of notice. The time of the surrender or the effective date and hour of cancellation stated in the notice shall become the end of the **Policy Period**. Delivery of such written notice either by the **Named Insured** or by the Company shall be equivalent to mailing.

If either the **Named Insured** or the Company cancels, earned premium shall be the pro rated amount of the ANNUAL PREMIUM. Premium adjustment may be made at the time cancellation is effected and, if not then made, shall be made as soon as practicable after cancellation becomes effective. The Company's check or the check of its representative mailed as aforesaid shall be sufficient tender of any refund or premium due to the **Named Insured**, provided that if at the time of cancellation the LIMIT OF LIABILITY has been exhausted as a result of a **Claim**, the entire premium shall be considered earned.

I. **Nonrenewal**

The Company may nonrenew this Policy by mailing or delivering written notice to the **Named Insured** at the address stated in the DECLARATIONS PAGE of nonrenewal at least sixty (60) days before the Expiration Date of this Policy. The offer of renewal terms, conditions, or premium amount different than those in effect prior to renewal does not constitute nonrenewal.

J. **Changes**

The terms of this Policy shall not be waived or changed except by endorsement issued to form a part of this Policy.

K. **Bankruptcy or Insolvency of Insured**

Bankruptcy or insolvency of an **Insured** or of the **Insured's** estate shall not relieve the Company of any of its obligations under this Policy.

L. **Declarations and Application**

By acceptance of this Policy, all **Insureds** agree that the statements in the application are the **Insureds'** agreements and representations, that they shall be deemed material, that this Policy is issued in reliance upon the truth of such representations that this Policy embodies all agreements existing between the **Insureds** and the Company or any of its agents relating to this insurance.

M. **Reimbursement**

While the Company has no duty to do so, if the Company pays **Damages** or **Claims Expenses**:

1. Within the amount of the applicable DEDUCTIBLE;
2. In excess of the applicable LIMIT OF LIABILITY; or
3. Under a reservation of rights to seek reimbursement, and it is determined that the Company is entitled to reimbursement.

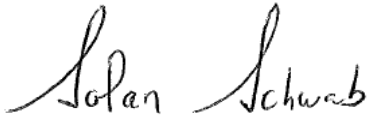
Insureds shall be jointly and severally liable to the Company for such amounts. Upon written demand, the **Insureds** shall repay such amounts to the Company within thirty (30) days. Failure to pay any amount indicated may lead to termination of this Policy.

N. **Liberalization**

If the Company adopts, during the **Policy Period**, any revision that without additional premium would broaden coverage under this Policy, the broadened coverage will apply to this Policy effective when the provision has been approved by the appropriate regulatory authority but such provision shall only apply to **Claims** first made after the date such approval is received by the Company.

IN WITNESS WHEREOF the **General Star National Insurance Company** has caused this Policy to be signed by its President and Secretary at Stamford, Connecticut, but the same shall not be binding upon the Company unless countersigned on the DECLARATIONS PAGE by an authorized representative of the Company.

GENERAL STAR NATIONAL INSURANCE COMPANY



Secretary



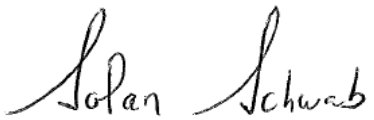
President

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SIGNATURE PAGE

IN WITNESS WHEREOF the
to be signed by its President and Secretary at Stamford, Connecticut.

has caused this Policy



Secretary



President