

**HEALTHCARE ORGANIZATION
MANAGEMENT LIABILITY POLICY**

**Employed Lawyers Professional Liability
Coverage Section**



In consideration of payment of the premium and subject to the Declarations, the General Terms and Conditions, and the terms, conditions and limitations of this Coverage Section, the Underwriter and the **Insureds** agree as follows:

I. INSURING AGREEMENTS

(A) Employed Lawyers Professional Liability Non-Indemnified Loss Coverage:

The Underwriter will pay, on behalf of an **Insured**, **Loss** for which an **Insured** is not indemnified by the **Organization** from any **Claim** first made against an **Insured** during the **Policy Period** or applicable Extended Reporting Period for a **Wrongful Act**; provided, that such **Claim** is reported to the Underwriter in accordance with Section VII of this Coverage Section.

(B) Employed Lawyers Professional Liability Indemnified Loss Coverage:

The Underwriter will pay, on behalf of the **Organization**, **Loss** for which the **Organization** grants indemnification to an **Insured**, as permitted or required by law, from any **Claim** first made against an **Insured** during the **Policy Period** or applicable Extended Reporting Period for a **Wrongful Act**; provided, that such **Claim** is reported to the Underwriter in accordance with Section VII of this Coverage Section.

(C) General Counsel Replacement Reimbursement Coverage:

Upon satisfactory proof of payment by the **Named Organization**, the Underwriter will reimburse the **Named Organization**, up to the General Counsel Replacement Expenses Limit stated in Section V(B) of this Coverage Section, for **General Counsel Replacement Expenses** actually paid by the **Named Organization** in connection with a **General Counsel Injury Event**; provided, that such **General Counsel Injury Event** is reported to the Underwriter in accordance with Section VII of this Coverage Section.

II. DEFINITIONS

(A) "Claim" means:

- (1) a written demand for monetary, non-monetary or injunctive relief (including any request to toll or waive any statute of limitations or request for mediation); or
- (2) a civil, criminal, administrative, regulatory, bar association or arbitration proceeding for monetary, non-monetary or injunctive relief commenced by:
 - (a) the service of a complaint or similar pleading;
 - (b) the return of an indictment, information or similar document (in the case of a criminal proceeding); or

- (c) the filing of a notice of charges, formal investigative order or similar document, against an **Insured** for a **Wrongful Act**.
- (B) "**Employed Lawyer**" means any person admitted to practice law who is, was or becomes a full-time or part-time employee of the **Organization** for the purpose of providing legal services to the **Organization**.
- (C) "**General Counsel**" means the **Employed Lawyer** who acts as the chief legal officer of the **Named Organization** and manages the **Named Organization's** legal department.
- (D) "**General Counsel Injury Event**" means an **Injury** suffered by the **General Counsel** during the **Policy Period** that results in his or her loss of life during the **Policy Period**.
- (E) "**General Counsel Replacement Expenses**" means the following reasonable and necessary expenses of the **Named Organization**:
- (1) costs of advertising the **General Counsel** employment position opening;
 - (2) travel, lodging and meal expenses incurred in interviewing job applicants for the **General Counsel** employment position opening;
 - (3) costs to verify the background and references of the applicants for the **General Counsel** employment position opening; and
 - (4) legal expenses incurred to draw up an employment contract between the **Named Organization** and the attorney hired to fill the **General Counsel** employment position.
- (F) "**Independent Contractor Attorney**" means any person admitted to practice law who:
- (1) performs legal services for the **Organization**;
 - (2) is indemnified by the **Organization** pursuant to an independent contractor services agreement between the **Independent Contractor Attorney** and the **Organization**; and
 - (3) is not employed by or affiliated with a private law firm, other than as a sole practitioner.
- (G) "**Injury**" means any bodily injury sustained by a person that is caused by violence, fracture or an accident. **Injury** shall not include any self-inflicted bodily injury.
- (H) "**Insured**" means:
- (1) an **Employed Lawyer**;
 - (2) an **Independent Contractor Attorney**, solely in his or her capacity as an attorney performing legal services for the **Organization**;
 - (3) a **Paralegal**, solely in his or her capacity as an assistant to an **Employed Lawyer**;
 - (4) a **Temporary Lawyer**, solely in his or her capacity as a **Temporary Lawyer** for the **Organization**, but only if the **Organization** agrees in writing, no later than thirty (30)

days after a **Claim** is made, to indemnify the **Temporary Lawyer** for liability arising out of such **Claim**; and

- (5) any person identified in the **Application** who is employed in a position functionally equivalent to an **Employed Lawyer** in any **Subsidiary** chartered in any **Foreign Jurisdiction** and who is admitted or licensed to practice law in such **Foreign Jurisdiction**.
- (I) **"Intra-Organization Defense Claim"** means a **Claim** brought by or on behalf of the **Organization**, any **Joint Venture** or partnership in which the **Organization** is a partner or member, or any securityholder of the **Organization**, whether directly or derivatively; provided, that **Intra-Organization Defense Claim** does not include any such **Claim**:
 - (1) brought or maintained by a securityholder of the **Organization** independently of, and without the solicitation, assistance, active participation or intervention of, any **Insured** or the **Organization**, or any current or former director, officer, trustee, trustee emeritus, executive director, member of the board of managers, duly constituted committee member, general counsel, risk manager or employee of the **Organization**; or
 - (2) made against an **Insured** by a third party bankruptcy trustee, receiver, liquidator, conservator, rehabilitator, creditors' committee, or any similar official who has been appointed to take control of, supervise, manage or liquidate the **Organization**.
- (J) **"Joint Venture"** means any entity in which the **Organization**, directly or through one or more **Subsidiaries**, maintains an equity interest of fifty percent (50%) or less, and in which the **Organization** participates in the management and operation of such entity.
- (K) **"Loss"** means **Defense Expenses** and any monetary amount which an **Insured** is legally obligated to pay as a result of a covered **Claim**, including but not limited to, damages (including punitive or exemplary damages or the multiple portion of any multiplied damage award, to the extent that such damages are insurable under the law of any jurisdiction which has a substantial relationship to the **Organization**, this Policy or the **Claim** giving rise to such damages and which is most favorable to the insurability of such damages), judgments, settlements, pre-judgment interest and post-judgment interest.

Loss does not include:

- (1) any amount not insurable under the law pursuant to which this Coverage Section is construed, except as provided above with respect to punitive or exemplary damages or the multiple portion of any multiplied damage award;
- (2) civil or criminal fines or penalties, except as provided above with respect to punitive or exemplary damages or the multiple portion of any multiplied damage award;
- (3) taxes or tax penalties (whether imposed by a federal, state, local or other governmental authority);
- (4) any costs incurred by the **Insured** to comply with any order for injunctive or other non-monetary relief, or to comply with an agreement to provide such relief; or
- (5) the return, restitution or disgorgement of fees, costs or expenses.

- (L) **"Moonlighting Legal Services"** means legal services and notary services provided by an **Employed Lawyer** for natural person clients other than the **Organization's** directors, officers, trustees, trustees emeritus, executive directors, members of the board of managers, duly constituted committee members, general counsel, risk manager or employees.
- (M) **"Outside Capacity Legal Services"** means legal services performed by an **Employed Lawyer** as a director, officer, trustee, regent, governor or equivalent executive of an **Outside Entity**, but only during such time that such position is held at the request or direction of the **Organization**.
- (N) **"Outside Entity"** means any not-for-profit entity that is not included in the definition of **Organization**.
- (O) **"Paralegal"** means any person who is, was or becomes a full-time or part-time employee of the **Organization** for the purpose of assisting an **Employed Lawyer** in performing legal services for the **Organization**, and includes paralegal assistants, legal assistants, law students or notaries public.
- (P) **"Personal Legal Services"** means legal services and notary services performed by an **Employed Lawyer** or **Paralegal**, without compensation, for a director, officer, trustee, trustee emeritus, executive director, member of the board of managers, duly constituted committee member, general counsel, risk manager or employee of the **Organization** with regard to his or her personal legal matters.
- (Q) **"Pollutant"** means (1) any substance located anywhere in the world exhibiting any hazardous characteristics as defined by, or identified on a list of hazardous substances issued by, the United States Environmental Protection Agency or any state, county, municipal or local counterpart thereof, including, without limitation, solids, liquids, gaseous or thermal irritants, contaminants or smoke, vapor, soot, fumes, acids, alkalis, chemicals or waste materials, or (2) any other air emission, odor, waste water, oil or oil products, infectious or medical waste, asbestos or asbestos products or any noise.
- (R) **"Professional Services"** means:
- (1) legal services and notary services provided by an **Employed Lawyer**, or an **Independent Contractor Attorney, Paralegal** or **Temporary Lawyer** while acting under the supervision and direction of an **Employed Lawyer**, but only if such legal services or notary services are performed for the **Organization** and in the case of an **Employed Lawyer** or **Paralegal**, as an employee of the **Organization**;
 - (2) pro bono legal services provided by an **Employed Lawyer**, or a **Paralegal** while acting under the supervision and direction of an **Employed Lawyer**, with the knowledge of the **Organization** without compensation for natural person indigent clients or non-profit public interest groups;
 - (3) **Personal Legal Services**;
 - (4) **Moonlighting Legal Services**; and
 - (5) **Outside Capacity Legal Services**.
- (S) **"Securities Wrongful Act"** means an actual or alleged violation of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Organization Act of 1940, any state "blue

sky” securities law, or any other federal, state, local securities law, or any amendments thereto or regulations promulgated under any such laws.

- (T) **“Temporary Lawyer”** means any person admitted to practice law who:
- (1) is neither an **Employed Lawyer** nor an **Independent Contractor Attorney**;
 - (2) works under the supervision and direction of an **Employed Lawyer** through a service agreement between the **Organization** and a temporary agency; and
 - (3) is not employed by or affiliated with a private law firm, other than as a sole practitioner.
- (U) **“Wrongful Act”** means any actual or alleged act, error, omission, neglect or breach of duty, including any **Securities Wrongful Act**, libel or slander by an **Insured**, but only in connection with the performance of, or actual or alleged failure to perform, **Professional Services**.

III. EXCLUSIONS

- (A) This Coverage Section does not apply to, and no coverage will be available under this Coverage Section for, **Loss** from any **Claim**:
- (1) based upon, arising out of, directly or indirectly resulting from, in consequence of, or in any way involving any fact, circumstance, situation, transaction, event or **Wrongful Act** that, before the Inception Date of this Policy stated in ITEM 2(a) of the Declarations, was the subject of any notice given and accepted under any policy or coverage section of which this Coverage Section is a direct or indirect renewal or replacement;
 - (2) based upon, arising out of, directly or indirectly resulting from, in consequence of, or in any way involving any prior and/or pending litigation or administrative, regulatory, arbitration or bar association proceeding against any **Insured** as of the applicable Pending or Prior Date stated in ITEM 3 of the Declarations, or the same or substantially the same fact, circumstance, situation, transaction, event or **Wrongful Act** underlying or alleged therein;
 - (3) brought by or on behalf of any **Insured** or any other current or former director, officer, trustee, trustee emeritus, executive director, member of the board of managers, duly constituted committee member, general counsel, risk manager or employee of the **Organization**; provided, that this EXCLUSION (A)(3) shall not apply to:
 - (a) any **Claim** brought or maintained by a current or former director, officer, trustee, trustee emeritus, executive director, member of the board of managers, duly constituted committee member, general counsel, risk manager or employee of the **Organization** to whom the **Insured** provided legal services or notary services at the direction of the **Organization** regarding a matter within the scope of such director’s, officer’s, trustee’s, trustee emeritus’, executive director’s, member’s, general counsel’s, risk manager’s or employee’s duties with the **Organization**;
 - (b) any **Claim** brought or maintained by a current or former director, officer, trustee, trustee emeritus, executive director, member of the board of managers, duly constituted committee member, general counsel, risk manager or employee of the **Organization** for any actual or alleged discrimination, harassment or

wrongful termination, solely to the extent such **Claim** is based upon employment-related legal advice provided by an **Employed Lawyer**;

- (c) any **Claim** brought or maintained by a current or former director, officer, trustee, trustee emeritus, executive director, member of the board of managers, duly constituted committee member, general counsel, risk manager or employee of the **Organization** regarding **Personal Legal Services**;
 - (d) any **Claim** brought or maintained by a former director, officer, trustee, trustee emeritus, executive director, member of the board of managers, duly constituted committee member, general counsel, risk manager or employee of the **Organization** who has not served as a director, officer, trustee, trustee emeritus, executive director, member of the board of managers, duly constituted committee member, general counsel, risk manager or employee of the **Organization** for at least two (2) years prior to the date such **Claim** is first made and who brings and maintains such **Claim** independently of, and without the solicitation, assistance, active participation or intervention of, the **Organization** or any other individual who is serving or has served in any of the listed capacities within such two (2) year period; or
 - (e) **Defense Expenses** incurred in connection with any such **Claim** if such **Claim** is in the form of a cross-claim, third party claim or other claim for contribution or indemnity which is part of or results directly from a **Claim** which is not otherwise excluded by the terms of this Coverage Section;
- (4) with respect to **Outside Capacity Legal Services**, brought by or on behalf of (a) the **Outside Entity** for which an **Employed Lawyer** provided such **Outside Capacity Legal Services**, or (b) any director, officer, trustee, governor or equivalent executive of such **Outside Entity** in any capacity; provided, that this EXCLUSION (A)(4) shall not apply to any **Claim** brought or maintained derivatively on behalf of the **Outside Entity** by one or more securityholders or members of the **Outside Entity** who are not **Insureds** and are not directors, officers, trustees, governors or equivalent executives of the **Outside Entity** and who bring and maintain such **Claim** independently of, and without the solicitation, assistance or active participation of any **Insured** or of any director, officer, trustee, governor or equivalent executive of the **Outside Entity**;
- (5) based upon, arising out of, directly or indirectly resulting from, in consequence of, or in any way involving (a) any actual, alleged, or threatened exposure to, generation, storage, transportation, discharge, emission, release, seepage, dispersal, escape, treatment, removal, handling, processing or disposal of any **Pollutants**; or (b) any order, direction or request to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize any **Pollutants**; provided, that this EXCLUSION (A)(5) shall not apply to any **Claim** alleging any of the foregoing if the underlying legal services performed by an **Insured** giving rise to such **Claim** were not the direct immediate cause of the foregoing;
- (6) for any actual or alleged bodily injury (other than mental anguish or emotional distress), sickness, disease or death of any person, or damage to or destruction of any tangible property including loss of use thereof whether or not it is damaged or destroyed;
- (7) for any actual or alleged violation of the responsibilities, duties or obligations imposed on fiduciaries by the Employee Retirement Income Security Act of 1974, or any amendments thereto or regulations or promulgated thereunder, or any similar provisions of any federal, state or local statute, ordinance, regulation or common law, except to the extent

that an **Employed Lawyer** is deemed to be a fiduciary solely by reason of legal advice provided with respect to an employee benefit plan;

- (8) based upon, arising out of, directly or indirectly resulting from, in consequence of, or in any way involving the service of an **Insured** in his or her capacity as a partner, principal, director, officer, shareholder or employee of any entity other than the **Organization**; provided, that this EXCLUSION (A)(8) shall not apply to any **Claim** for **Wrongful Acts** committed or allegedly committed by an **Employed Lawyer** in the performance of, or actual or alleged failure to perform, **Outside Capacity Legal Services**;
- (9) where an **Insured's** position as an **Insured** is with respect to any **Subsidiary**, for any **Wrongful Act** committed or allegedly committed during any time when such entity was not a **Subsidiary**;
- (10) made against any **Insured** based upon, arising out of, directly or indirectly resulting from, in consequence of, or in any way involving:
 - (a) such **Insured** having gained any profit, remuneration or advantage to which such **Insured** is not legally entitled; or
 - (b) the committing of any deliberately fraudulent or dishonest act or omission, or any willful violation of any statute, rule or law, by such **Insured**;

provided, that this EXCLUSION (A)(10) shall not apply unless the gaining by such **Insured** of such profit, remuneration or advantage to which such **Insured** is not legally entitled, or the deliberately fraudulent or dishonest act or omission or willful violation of statute, rule or law, has been established by a final and non-appealable adjudication in any judicial or administrative proceeding other than an action or proceeding commenced by the Underwriter to determine coverage under this Policy;

- (11) for any actual or alleged act, error, omission, neglect, breach of duty, libel or slander committed by an **Insured** before such person became, or after such person ceased to be, an **Employed Lawyer, Independent Contractor Attorney, Paralegal** or **Temporary Attorney** of the **Organization**;
 - (12) based upon, arising out of, directly or indirectly resulting from, in consequence of, or in any way involving any **Insured** notarizing any signature not made in the presence of such **Insured** at the time of such notarization;
 - (13) based upon, arising out of, directly or indirectly resulting from, in consequence of, or in any way involving any **Securities Wrongful Act** committed or allegedly committed by an **Employed Lawyer** in the performance of, or actual or alleged failure to perform, **Outside Capacity Legal Services**; or
 - (14) brought by or on behalf of any non-profit service organization regarding legal services rendered for such non-profit service organization; provided, that this EXCLUSION (A)(14) shall not apply to any **Claim** brought by or on behalf of the third party beneficiaries of such legal services.
- (B) This Coverage Section does not apply to, and no coverage will be available under this Coverage Section for, **Loss**, other than **Defense Expenses**, from any **Intra-Organization Defense Claim**.

IV. SEVERABILITY OF EXCLUSIONS

No fact pertaining to or knowledge possessed by any **Insured** shall be imputed to any other **Insured** to determine the application of EXCLUSION (A)(10) of this Coverage Section.

V. COVERAGE SECTION SPECIFIC LIMITS OF LIABILITY AND RETENTIONS

(A) Intra-Organization Claims Defense Sublimit:

The Underwriter's maximum limit of liability for all **Defense Expenses** resulting from all **Intra-Organization Claims** shall be the amount stated in ITEM 4 of the Declarations as the Intra-Organization Claims Defense Sublimit, which amount shall be part of, and not in addition to, the **Policy Aggregate Limit of Liability** and any **Separate Limit of Liability** or **Shared Limit of Liability** applicable to this Coverage Section.

(B) General Counsel Replacement Expenses Limit:

The Underwriter's maximum limit of liability for all **General Counsel Replacement Expenses** resulting from all **General Counsel Injury Events** shall be \$50,000, which amount shall be in addition to, and not part of, the **Policy Aggregate Limit of Liability** or any **Separate Limit of Liability** or **Shared Limit of Liability** applicable to this Coverage Section.

(C) Retentions:

The following provisions shall apply in addition to the provisions of Section IV of the General Terms and Conditions Section:

- (1) The Underwriter's obligation to pay **Loss** under this Coverage Section shall only be in excess of the applicable Retention stated in ITEM 5 of the Declarations. Such Retention shall only be eroded (or exhausted) by the **Insured's** payment of **Loss** otherwise covered under this Coverage Section, and shall be borne by the **Insureds** uninsured and at their own risk. The Underwriter shall have no obligation whatsoever, either to the **Insureds** or any other person or entity, to pay all or any portion of the applicable Retention on behalf of any **Insured**. The Underwriter shall, however, at its sole discretion, have the right and option to do so, in which event the **Insureds** will repay the Underwriter any amounts so paid. If the Underwriter and the **Insured** agree to use voluntary mediation as a dispute resolution approach with respect to a **Claim** and the Underwriter and the **Insured** consent to a full and final settlement of such **Claim** during such voluntary mediation (as evidenced by a full and final settlement agreement with respect to such **Claim**), the **Insured's** obligation to pay the applicable Retention stated in ITEM 5 of the Declarations for such **Claim** will be reduced by ten percent (10%), subject to a maximum reduction of \$25,000 of the Retention for such **Claim**.
- (2) If the **Organization** fails or refuses, other than for reason of **Financial Impairment**, to indemnify any **Insured** for **Loss**, or to advance **Defense Expenses** on behalf of any **Insured**, to the fullest extent permitted by statutory or common law, then, notwithstanding any other terms, conditions or limitations of this Coverage Section to the contrary, any payment by the Underwriter of such **Defense Expenses** or other **Loss** shall be subject to the applicable Insuring Agreement (B) Retention stated in ITEM 5 of the Declarations.

VI. CLAIM SETTLEMENT

No **Insured** may admit any liability for any **Claim**, settle or offer to settle any **Claim** or incur any **Defense Expenses** without the Underwriter's prior written consent, which consent shall not be unreasonably withheld. The Underwriter will have the right to make investigations and conduct negotiations and, with the consent of the **Insureds**, enter into such settlement of any **Claim** as the Underwriter deems appropriate. If the **Insureds** refuse to consent to a settlement acceptable to the claimant in accordance with the Underwriter's recommendation, then, subject to the Underwriter's applicable Limits of Liability stated in ITEM 4 of the Declarations, the Underwriter's liability for such **Claim** will not exceed:

- (A) the amount for which the **Claim** could have been settled plus **Defense Expenses** incurred up to the date the **Insureds** refused to settle such **Claim** (the "Settlement Amount"); plus
- (B) eighty percent (80%) of any **Loss** in excess of the Settlement Amount incurred in connection with such **Claim**. The remaining twenty percent (20%) of **Loss** in excess of the Settlement Amount will be carried by the **Insureds** at their own risk and will be uninsured.

VII. REPORTING OF CLAIMS AND CIRCUMSTANCES

- (A) If, during the **Policy Period** or any applicable Extended Reporting Period, any **Claim** is first made against an **Insured**, the **Insureds** must, as a condition precedent to any right to coverage under this Coverage Section, give the Underwriter written notice of such **Claim** as soon as practicable after the **Organization's** risk manager or general counsel (or an equivalent position thereof) first becomes aware of such **Claim**, and in no event later than:
 - (1) with respect to any **Claim** first made during the **Policy Period**, ninety (90) days after the end of the **Policy Period**; or
 - (2) with respect to any **Claim** first made during any applicable Extended Reporting Period, ninety (90) days after the end of the Extended Reporting Period.

Timely and sufficient notice by one **Insured** of a **Claim** shall be deemed timely and sufficient notice for all **Insureds** involved in the **Claim**. Such notice shall give full particulars of the **Claim**, including, but not limited to: a description of the **Claim** and **Wrongful Act**; the identity of all potential claimants and any **Insureds** involved; a description of the injury or damages that resulted from such **Wrongful Act**; information on the time, place and nature of the **Wrongful Act**; and the manner in which the **Insureds** first became aware of such **Wrongful Act**.

- (B) If, during the **Policy Period**, an **Insured** first becomes aware of a specific **Wrongful Act** which may subsequently give rise to a **Claim**, and:
 - (1) gives the Underwriter written notice of such **Wrongful Act** with full particulars as soon as practicable thereafter but in any event before the end of the **Policy Period**; and
 - (2) requests coverage under this Coverage Section for any **Claim** subsequently arising from such **Wrongful Act**;

then any **Claim** subsequently made against the **Insured** arising out of such **Wrongful Act** shall, subject to paragraph (D) below, be treated as if it had been first made during the **Policy Period**. The full particulars required in any notice given under paragraph (B)(1) above must include, without

limitation, a description of the **Wrongful Act**, the identities of the potential claimants and involved **Insureds**, the injury or damages which have resulted and/or may result from such **Wrongful Act**, the manner in which the **Insureds** first became aware of such **Wrongful Act**, and the reasons why the **Insureds** believe the **Wrongful Act** is likely to result in a **Claim** being made.

- (C) As a condition precedent to any right to reimbursement under Insuring Agreement (C) of this Coverage Section, the **Insureds** must give the Underwriter written notice of any **General Counsel Injury Event** no later than thirty (30) days after the **Named Organization's** chief executive officer or chief financial officer (or an equivalent position thereof) first becomes aware of such **General Counsel Injury Event**. Within sixty (60) days of making any payment of **General Counsel Replacement Expenses**, the **Insureds** must provide the Underwriter with a detailed breakdown of all **General Counsel Replacement Expenses** for which the **Named Organization** seeks reimbursement under Insuring Agreement (C) of this Coverage Section, together with satisfactory proof of payment and any additional information as the Underwriter may reasonably request.
- (D) All **Related Claims**, whenever made, shall be deemed a single **Claim** made when the earliest of such **Related Claims** was first made, or when the earliest of such **Related Claims** is treated as having been made in accordance with paragraph (B) above, whichever is earlier.

VIII. OTHER INSURANCE

This Coverage Section is specifically excess of and will not contribute with:

- (A) any other valid and collectible insurance available to any **Insured**, including but not limited to: (1) any directors and officers or management liability policy or coverage section; (2) any insurance under which there is a duty to defend, unless such other insurance is written specifically in excess of this Policy; and (3) with regard to an **Independent Contractor Attorney** or **Temporary Lawyer**, any Lawyers Professional Liability Insurance Policy or similar insurance policy that may cover such **Independent Contractor Attorney** or **Temporary Lawyer**; or
- (B) any indemnification to which any **Insured** is entitled from any entity other than the **Organization**.

This Coverage Section will not be subject to the terms of any other insurance.

IX. PAYMENT OF LOSS

In the event payment of **Loss** is due under this Coverage Section but the amount of such **Loss** in the aggregate exceeds the remaining available **Separate Limit of Liability** or **Shared Limit of Liability** applicable to this Coverage Section, the Underwriter shall:

- (A) first pay such **Loss** for which coverage is provided under Insuring Agreement (A) of this Coverage Section; then
- (B) to the extent of any remaining amount of such **Separate Limit of Liability** or **Shared Limit of Liability** after payment under paragraph (A) above, pay such **Loss** for which coverage is provided under Insuring Agreement (B) of this Coverage Section.

Except as otherwise provided in this Section IX, the Underwriter may pay covered **Loss** as it becomes due under this Coverage Section without regard to the potential for other future payment obligations under this Coverage Section.

X. REPRESENTATIONS AND SEVERABILITY; INCORPORATION OF APPLICATION

- (A) The **Insureds** and the **Organization** represent that the particulars and statements contained in the **Application** attached to this Policy are true, accurate and complete, and agree that:
- (1) this Coverage Section is issued and continued in force by the Underwriter in reliance upon the truth of such representation;
 - (2) those particulars and statements are the basis of the coverage granted by this Coverage Section; and
 - (3) the **Application** and those particulars and statements are incorporated in and form a part of this Policy.
- (B) The **Insureds** and the **Organization** agree that in the event of any material untruth, misrepresentation or omission in connection with any of the particulars or statements in the **Application**, this Coverage Section shall be void *ab initio* with respect to any **Insured** who knew, as of the Inception Date stated in ITEM 2(a) of the Declarations, of such facts that were not accurately and completely disclosed in the **Application** (whether or not such **Insured** knew that such facts were not accurately and completely disclosed in the **Application**).
- (C) The **Insureds** and the **Organization** agree that in the event of any material untruth, misrepresentation or omission in connection with any of the particulars or statements in the **Application** known only by the person or persons who signed the **Application**, no coverage will be available under INSURING AGREEMENT (B) of this Coverage Section with respect to any **Insured**.