

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ENHANCEMENT ENDORSEMENT

This endorsement modifies insurance provided under the following:

LAWYERS PROFESSIONAL LIABILITY INSURANCE POLICY

This policy is amended as follows:

1. SECTION I – COVERAGE A., the third paragraph is deleted and replaced with the following:

Modified Consent to Settle.

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 the **Named Insured** to any settlement without the **Named Insured's** consent. If the **Named 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 liability of the Company for **Damages** and **Claims Expenses** for such **Claim** shall not exceed the amount for which the **Claim** could have been settled, as well as the **Claims Expenses** incurred by the Company or with the Company's consent up to the date of such refusal, plus 50% of covered **Damages** and **Claims Expenses** incurred after the date of the **Insured's** refusal to settle. Such amounts are subject to the provisions of SECTION III – LIMITS OF LIABILITY AND DEDUCTIBLE.

2. SECTION I – COVERAGE B. Supplementary Payments 1. and 2. are deleted and replaced with the following:

1. 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** up to a maximum of \$15,000 for each **Suit**. The total amount so payable shall in no event exceed \$30,000 for all **Suits** and all **Insureds** covered hereunder; and

2. Up to \$20,000 for attorney fees, and other costs, expenses or fees resulting from the investigation or defense of each 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** happening on or after the **Retroactive Date** in the rendering of or failure to render **Professional Services** by an **Insured** covered under this policy. The total amount so payable shall in no event exceed \$100,000 for all such proceedings covered hereunder; and

3. SECTION VII – DEFINITIONS, E. **Damages** is deleted and replaced with the following:

E. **Damages** means compensatory judgments, settlements or awards, but does not include fines or penalties, sanctions, the return of fees or other consideration paid to the **Insured**, or that portion of any award or judgment caused by the trebling or multiplication of actual damages under federal or state law. **Damages** does not include matters uninsurable in the jurisdiction governing this policy.

However, if a **Suit** is brought against an **Insured** with respect to a **Claim** falling within the scope of coverage afforded by this policy, and such **Suit** seeks both compensatory and multiplied damages, then the Company will afford a defense to such action without liability for payment of such multiplied damages.

Damages includes punitive or exemplary damages to the extent such damages are insurable under the internal laws of the applicable jurisdiction that most favors coverage for such damages.

Notwithstanding the foregoing:

1. For **Named Insureds** in Illinois and Kansas: In applying the foregoing, only punitive damages awarded for vicarious liability of the **Insureds** is insurable under state law.
 2. For **Named Insureds** in Minnesota: Provided, however, punitive damages shall only be covered under this policy to the extent that this policy is construed by a court of competent jurisdiction, or an arbitration panel:
 - a. Pursuant to Minnesota law, and such damages are awarded against an **Insured** for that **Insured's** vicarious liability in a **Claim** and are otherwise covered under this policy; or
 - b. Under the laws of any jurisdiction other than Minnesota, and such damages awarded against an **Insured** in a **Claim**, if such damages are insurable under the laws of that jurisdiction, and are otherwise covered under this policy.
 3. For **Named Insureds** in Florida, New York, Oklahoma and Rhode Island: In applying the foregoing, punitive damages are not insurable under state law.
 4. For **Named Insureds** in Ohio and South Dakota: In applying the foregoing, punitive and exemplary damages are not insurable under state law.
4. SECTION VIII – AUTOMATIC EXTENDED REPORTING and EXTENDED REPORTING OPTIONS, B. Extended Reporting Period Option, 1. Eligibility, is amended by the addition of the following:

Loyalty Discount

Notwithstanding the additional premium noted in items a. - f., in the event that the **Named Insured** has been insured by the Company under a Lawyers Professional Liability Insurance Policy continuously for the last four (4) full years, the additional premium for purchase of the Extended Reporting Period shall be reduced by 50%.