

ENDORSEMENT NO. 4

ENDORSEMENT ATTACHING TO AND FORMING PART OF POLICY NO. SRX619466

ISSUED TO: MCCARTHY TÉTRAULT LLP; MCCARTHY TÉTRAULT REGISTERED FOREIGN LAWYERS AND SOLICITORS; MCCARTHY TÉTRAULT (NEW YORK) LLP; MCCARTHY TÉTRAULT (US) LLP

BY: VICTOR INSURANCE MANAGERS INC. (20%) – 'LEAD'

It is hereby understood and agreed that any reference to Victor Insurance Managers Inc. should be deleted to its entirety and replaced with:

Victor Insurance Managers Inc. on behalf of subscribing insurers

With respect to the excess layer of 12M part of 60M xs 100M, the limits noted below represent each subscribing insurers participation for any amounts incurred as part of the quota share of 60M xs 100M. It is agreed that the subscribing insurers are to read as follows:

10M part 12M part of 60M xs 100M:

Aviva Canada Insurance Company of Canada	25.0%
Temple Insurance Company	20.0%
Everest Insurance Company of Canada	20.0%
Arch Insurance Canada Ltd	17.5%
XL Reinsurance America Inc.	17.5%

2M part of 12M part of 60M xs 100M:

HDI Global Specialty SE	16.67%
-------------------------	--------

Except as otherwise provided by this endorsement, all terms, provisions and conditions of this policy shall have full force and effect.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

This endorsement shall be effective July 1, 2023, 12:01am local time at Toronto, Ontario

ENDORSEMENT NO. 3

ENDORSEMENT ATTACHING TO AND FORMING PART OF POLICY NO. SRX619466

ISSUED TO: MCCARTHY TÉTRAULT LLP; MCCARTHY TÉTRAULT REGISTERED FOREIGN LAWYERS AND SOLICITORS; MCCARTHY TÉTRAULT (NEW YORK) LLP; MCCARTHY TÉTRAULT (US) LLP

**BY: VICTOR INSURANCE MANAGERS INC. (20%)– “LEAD”
“PARTICIPATING INSURERS”
TRISURA GUARANTEE INSURANCE COMPANY (9.5%)
TRAVELERS INSURANCE COMPANY OF CANADA (16.5%)
INTACT INSURANCE COMPANY (9.5%)
NORTHBRIDGE GENERAL INSURANCE CORPORATION (10%)
THE SOVEREIGN GENERAL INSURANCE COMPANY (16.5%)
QBE SERVICES INC. (8%)
CANADIAN LAWYERS LIABILITY ASSURANCE SOCIETY (5%)
TOKIO MARINE CANADA LTD. (5%)**

Heenan Blaikie LLP Lateral Hire Extension Endorsement

In consideration of the premium charged under this policy it is understood and agreed that the coverage afforded under this policy which is also afforded to **Insureds** under Item B of the **Heenan Blaikie LLP Lateral Hire Extension Endorsement** (hereafter referred to as Heenan Blaikie prior acts) issued by CLLAS shall not apply until an aggregate limit of \$50,000,000 under Item B of all similar endorsements on policies issued by CLLAS from the period July 1, 2013 to July 1, 2024 has been exhausted by payment of claims.

This endorsement does not increase the **Sum Insured** stated in Item 8 of the Schedule of this policy and in no event will the aggregate payments of all policies in excess of CLLAS exceed \$90,000,000 for the coverage provided by this endorsement.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

This endorsement shall be effective from July 1, 2023, 12:01 a.m. local time at Toronto, Ontario.

ENDORSEMENT NO. 2

ENDORSEMENT ATTACHING TO AND FORMING PART OF POLICY NO. SRX619466

ISSUED TO: MCCARTHY TÉTRAULT LLP; MCCARTHY TÉTRAULT REGISTERED FOREIGN LAWYERS AND SOLICITORS; MCCARTHY TÉTRAULT (NEW YORK) LLP; MCCARTHY TÉTRAULT (US) LLP

BY: VICTOR INSURANCE MANAGERS INC. (20%)– “LEAD”
“PARTICIPATING INSURERS”
TRISURA GUARANTEE INSURANCE COMPANY (9.5%)
TRAVELERS INSURANCE COMPANY OF CANADA (16.5%)
INTACT INSURANCE COMPANY (9.5%)
NORTHBRIDGE GENERAL INSURANCE CORPORATION (10%)
THE SOVEREIGN GENERAL INSURANCE COMPANY (16.5%)
QBE SERVICES INC. (8%)
CANADIAN LAWYERS LIABILITY ASSURANCE SOCIETY (5%)
TOKIO MARINE CANADA LTD. (5%)

QUOTA SHARE CLAIMS HANDLING AND CONTROL

IT IS HEREBY UNDERSTOOD AND AGREED THAT:

All **CLAIMS** and/or potential **CLAIMS** with respect to which coverage under this policy attaches or may attach because of the exhaustion of the Underlying Insurance by the payment of losses thereunder shall be administered as set forth below:

- a. Victor Insurance Managers Inc. (formerly “ENCON”) and the “Participating Insurers” shall receive and accept notices from the **INSURED** by quarterly claims bordereaux as agreed and outlined in the General Conditions of this policy.
- b. “Victor” shall, on behalf of itself and the “Participating Insurers”, investigate **CLAIMS** or potential **CLAIMS** and in agreement and cooperation with the “Participating Insurers”, such agreement not to be unreasonably withheld, appoint coverage counsel, develop coverage positions, consent to settle **CLAIMS**, and/or settle coverage disputes arising with respect to **CLAIMS**.
- c. In the event the “Participating Insurers” do not consent to the settlement of any **CLAIM** or any coverage dispute with respect to any **CLAIM**, such refusal of consent shall be resolved by way of arbitration between “Victor” and the “Participating Insurers”, the exact form of which will be mutually determined by “Victor” and the “Participating Insurers”, failing which, the *Arbitration Act, RSA 2000, cA-43*, as amended, shall apply. It is agreed that such arbitration will be undertaken by each of “Victor” and the “Participating Insurers” on a good faith basis, with each seeking an equitable, timely, and cost-efficient resolution.
- d. “Victor” shall use its reasonable best efforts to provide the “Participating Insurers” with notice of any significant changes in the status or development of any **CLAIMS** that may impact this policy’s **LIMIT OF LIABILITY**, including liability and damage assessments, reserve changes, settlement negotiations and final payment, and in all circumstances at least every ninety (90) days, if so requested by the “Participating Insurers”.
- e. Upon request, “Victor” shall permit the “Participating Insurers” to review, only at “Victor’s” office at 500 -

1400 Blair Place Towers, Ottawa, ON K1J 9B8, all correspondence, pleadings and other documents pertaining to a **CLAIM** under this policy received from and/or sent to the **INSURED**. The "Participating Insurers" review of correspondence, pleadings and other **CLAIM** documents must be undertaken during normal business hours, at a time reasonably convenient to "Victor".

- f. Upon request, the "Participating Insurers" may attend with "Victor" at any **CLAIMS** meeting with the **INSURED**. Any **CLAIMS** meeting will be scheduled during normal business hours, at a time and location reasonably convenient to both "Victor" and the "Participating Insurers", subject to the **INSURED'S** availability.
- g. Subject always to the exhaustion of the **UNDERLYING INSURANCE** by the payment of losses thereunder, the **LIMITS OF LIABILITY** and other terms, conditions, limitations, exclusions, and endorsements of this policy, and Subparagraph (b) above, "Victor" shall pay twenty per cent (20%) and the "Participating Insurers" eighty per cent (80%) of all loss determined by "Victor" to be covered under this policy. The "Participating Insurers" payment of loss shall be made in accordance with "Victor's" instructions as to payee, payment date, currency, and other details of payment.
- h. Additionally, "Victor" shall each pay twenty per cent (20%) and the "Participating Insurers" eighty per cent (80%) of all allocated expenses incurred by "Victor" in the handling of **CLAIMS** and potential **CLAIMS** under this policy, including but not limited to coverage counsel's fees and expenses. "Victor" and the "Participating Insurers" shall each pay their respective shares of any allocated expenses directly to the service provider, within thirty (30) days' of their respective receipt of an invoice or account.

"Victor" and the "Participating Insurers" payment obligations pursuant to this endorsement are several only. Subject always to this policy's **LIMITS OF LIABILITY**, neither "Victor", nor the "Participating Insurers" shall be obligated to pay any amount whatsoever in excess of their stated percentage of loss covered under this policy or allocated expenses incurred in handling **CLAIMS** or potential **CLAIMS** under this policy.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

This endorsement shall be effective from July 1, 2023, 12:01 a.m. local time at Toronto, Ontario.

ENDORSEMENT NO. 1

ENDORSEMENT ATTACHING TO AND FORMING PART OF POLICY NO. SRX619466

ISSUED TO: MCCARTHY TÉTRAULT LLP; MCCARTHY TÉTRAULT REGISTERED FOREIGN LAWYERS AND SOLICITORS; MCCARTHY TÉTRAULT (NEW YORK) LLP; MCCARTHY TÉTRAULT (US) LLP

**BY: VICTOR INSURANCE MANAGERS INC. (20%)– “LEAD”
“PARTICIPATING INSURERS”
TRISURA GUARANTEE INSURANCE COMPANY (9.5%)
TRAVELERS INSURANCE COMPANY OF CANADA (16.5%)
INTACT INSURANCE COMPANY (9.5%)
NORTHBRIDGE GENERAL INSURANCE CORPORATION (10%)
THE SOVEREIGN GENERAL INSURANCE COMPANY (16.5%)
QBE SERVICES INC. (8%)
CANADIAN LAWYERS LIABILITY ASSURANCE SOCIETY (5%)
TOKIO MARINE CANADA LTD. (5%)**

It is hereby understood and agreed that this policy will automatically renew effective 12:01 a.m. July 1, 2024 for a period of 12 months, for an annual premium calculated at the rate indicated at Item 6 of the Declarations against each rateable staff reported by the Named **INSURED** at July 1st, 2024, unless:

1. If during the period of July 1st, 2023 to May 15th, 2024, a reserve or a payment or a combination of both, of equal to or greater than 65% of the underlying limit of liability, such underlying limit of liability being \$50,000,000, issued by Canadian Lawyers Liability Assurance Society (“CLLAS”) is established or made against any **CLAIM** covered under this policy or any like policy issued to any **INSURED** of “CLLAS” or,
2. If during the period of July 1st, 2023 to May 15th, 2024, a reserve or a payment or a combination of both, of equal to or greater than 65% of the underlying limit of liability, such underlying limit of liability being US\$30,000,000 of any International insurance program providing coverage, is established or made against any **CLAIM** covered under this policy or any like policy issued to any **INSURED** of “CLLAS” or,
3. If during the period of July 1st, 2023 to May 15th, 2024, a reserve or a payment or a combination of both, of equal to or greater than \$500,000 excess of the Retention stated in Items 5 (c) of the Declaration is established or made against any **CLAIM** which is not covered under the “CLLAS” policy or any International insurance program, but is covered under this policy or any like policy issued to any **INSURED** of “CLLAS” then,

the **INSURERS** may or may not offer renewal terms for the period July 1, 2024 to July 1, 2025 which may or may not be accepted by the **INSURED’S** of CLLAS.

For the purpose of this endorsement only, “rateable staff” shall mean: partner, lawyer, counsel and “of counsel”.

For the purpose of this endorsement, **INSUREDS** of CLLAS and their corresponding policies are listed below:

INSUREDS**Policy Number**

Borden Ladner Gervais LLP	34002
Cassels Brock & Blackwell LLP	34013
Davies Ward Phillips & Vineberg LLP	34003
Fasken Martineau DuMoulin LLP (a Canadian limited liability partnership), Fasken Martineau LLP (a limited liability partnership registered in England and Wales) and Gravel, Leclerc & Associates S.E.L.A.S. (a French corporation), and any and all predecessors of any of the foregoing.	34004
Goodmans LLP	34007
Lenczner Slaght LLP	CLLAS-AM-2023001 and CLLAS-AM-XS-2023001
McCarthy Tétrault LLP; McCarthy Tétrault Registered Foreign Lawyers and Solicitors; McCarthy Tétrault (New York) LLP; McCarthy Tétrault (US) LLP	34008
McMillan LLP	34009
Osler, Hoskin & Harcourt LLP	34010
Torys LLP	34011
WeirFoulds LLP	34012

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

This endorsement shall be effective from July 1, 2023, 12:01 a.m. local time at Toronto, Ontario.

LAWYERS EXCESS PROFESSIONAL LIABILITY

POLICY NO. **SRX619466**

Broker: Hub International Ontario Limited dba Pro-Form Sinclair Professional
675 Cochrane Drive, Suite 200, East Tower
Markham, Ontario
L3R 0B8

DECLARATIONS

1. **Named INSURED:** McCarthy Tétrault LLP; McCarthy Tétrault Registered Foreign Lawyers and Solicitors; McCarthy Tétrault (New York) LLP; McCarthy Tétrault (US) LLP
2. **INSURED'S address:** Suite 5300
Toronto-Dominion Bank Tower
Toronto, ON M5K 1E6
3. **Policy Period:** From July 1, 2023 to July 1, 2024
at 12:01 a.m. local time at the INSURED'S
address shown above without tacit renewal
4. **Limit of Liability:** \$60,000,000 per CLAIM
\$60,000,000 per policy period
5. **Underlying Insurance**
 - a) Designated Underlying Policy No.: PLTO295061020
Underlying Insurer: Liberty Mutual Insurance Company
 - b) Limit of Liability: \$50,000,000 per claim
\$50,000,000 in the aggregate
 - c) Retention: CDN \$500,000 each and every claim,
including costs, charges and expenses or;

Underlying Insurance
\$50,000,000 per claim/\$50,000,000 in the aggregate
As more fully described in the Underlying Policy No. 34008
Issued by the Canadian Lawyers Liability Assurance Society
(also referred to as CLLAS)
6. **Premium:** **\$323,568.00** (Rate per Lawyer: \$432.00)
7. **No. of endorsements attached at policy issuance:** 4
8. **INSURERS :** See schedule "A" below

Schedule 'A'

\$60,000,000 excess of \$100,000,000

Insurer	Participation	Premium
Trisura Guarantee Insurance Company	9.5%	\$ 30,738.96
Victor Insurance Managers Inc.	20% - lead	\$ 64,713.60
Travelers Insurance Company of Canada	16.5%	\$ 53,388.72
Intact Insurance Company	9.5%	\$ 30,738.96
Northbridge General Insurance Corporation	10%	\$ 32,356.80
The Sovereign General Insurance Company	16.5%	\$ 53,388.72
QBE Services Inc.	8%	\$ 25,885.44
Canadian Lawyers Liability Assurance Society	5%	\$ 16,178.40
Tokio Marine Canada Ltd.	5%	\$ 16,178.40
TOTAL	100%	\$323,568.00



Victor Insurance Managers Inc.
Authorized Representative



Travelers Insurance Company of Canada
Authorized Representative



Intact Insurance Company
Authorized Representative



Northbridge General Insurance Corporation

Authorized Representative

QBE SERVICES INC

Per 

QBE Services Inc.
Authorized Representative



Trisura Guarantee Insurance Company
Authorized Representative

Andre Linsky

The signatory acknowledges coverage provided by its company

The Sovereign General Insurance Company
Authorized Representative



Canadian Lawyers Liability Assurance Society
Authorized Representative

Elizabeth Diotte

Tokio Marine Canada Ltd.
Authorized Representative

LAWYERS EXCESS PROFESSIONAL LIABILITY INSURANCE

This is a “claims made” excess professional liability insurance contract. In reliance upon the statements made and information furnished in the application process, all of which is deemed to be made a part hereof, and subject to the limits, terms, conditions and exclusions of the policy, “the **INSURERS**” whose name appears on the Declarations agrees with the **INSURED** as follows:

INSURING AGREEMENTS

To pay on behalf of the **INSURED** sums which the **INSURED** is legally obligated to pay as **DAMAGES** for Ultimate Net Loss which is in excess of the total limits of **UNDERLYING INSURANCE**, where applicable, identified in Item 5 of the Declarations and which arises out of a **CLAIM** made during the **POLICY PERIOD** and which is covered by **UNDERLYING INSURANCE** or would be covered by **UNDERLYING INSURANCE** if the insurance were not exhausted by the payment of **CLAIMS**.

Incorporation of Underlying Policy Provisions

This policy for excess professional liability insurance is to indemnify the **INSURED** in accordance with the Insuring Agreements, exclusions, terms and conditions of the Designated Underlying Policy as specified in Item 5 of the Declarations.

Change in Underlying Insurance/Defence Provisions

1. This policy for excess professional liability insurance is issued in reliance upon the existence of **UNDERLYING INSURANCE**. If the **UNDERLYING INSURANCE** is not maintained as described, or is altered in any manner, the obligation of the **INSURER** to respond is not increased in any way and the obligation under this policy of insurance is to pay the amounts which would have been payable if the **UNDERLYING INSURANCE** had been maintained in full force and effect as represented at the inception date of this policy.
2. The **INSURER** shall not be obligated to pay any **CLAIM**, judgement, award or to undertake or continue defence of any suit or proceeding after the applicable limit of the **INSURER’S** liability has been exhausted by payment of judgements, awards, settlements or after deposit of the applicable **LIMITS OF LIABILITY** in a court of competent jurisdiction, and in such a case, the **INSURER** shall have the right to withdraw from further defence by tendering control of the defence to the **INSURED**.
3. At no time shall the **INSURER** be called upon to assume charge of the settlement or defence of any **CLAIMS** made or suits brought or proceeding instituted against the **INSURED**, but the **INSURER** shall have the right and shall be given the opportunity to associate with the **INSURED**, or its underlying insurer or **INSURERS**, or both, in the control, defence and trial of any **CLAIMS**, suits or proceedings which in the opinion of the **INSURER**, involve or appear reasonably likely to involve the **INSURER**. If the **INSURER** avails itself of such rights and opportunities, the **INSURED** shall cooperate in the control, defence and/or trial of such matters.

To the extent that **UNDERLYING INSURANCE** is reduced or exhausted by the payment of **CLAIMS** within the scope of coverage of the **UNDERLYING INSURANCE** and within the scope of coverage of this contract of insurance, then this policy of insurance shall operate to respond to **CLAIMS** in excess of the reduced underlying coverage. A **CLAIM** is not within the scope of coverage of this policy for purpose of this provision unless:

- (a) The **CLAIM** is made, or triggering notice of circumstances reasonably expected to give rise to a **CLAIM** is given, during the **POLICY PERIOD**, and
- (b) The **CLAIM**, or triggering notice of circumstances reasonably expected to give rise to a **CLAIM** is not excluded by this policy, and
- (c) All other terms and conditions of this policy have been met.

ANNUAL AGGREGATE LIMIT OF LIABILITY

Regardless of the number of **INSUREDS** under this policy, persons or organizations alleging **DAMAGES** payable or **CLAIMS** made or suits brought, the **INSURER'S** total **LIMIT OF LIABILITY** for all **CLAIMS** (including defence costs, investigation costs and interest) is limited to the amount stated in Item 4 of the Declarations.

DEFINITIONS

Policy Period: shall mean the period of time stated at Item 3 of the Declarations or any lesser period in the event of cancellation of this policy but specifically excluding any extended reporting period hereunder.

Ultimate Net Loss: means the sums paid as **DAMAGES** in settlement of a **CLAIM** or in satisfaction of a judgment for which the **INSURED** is legally liable after making proper deductions for all recoveries and salvages collectible, and includes investigation, adjustment, appraisal, pre-judgement interest, post-judgement interest, appeal and defence costs paid by or incurred by the **INSURER** with respect to **DAMAGES** covered hereunder.

Ultimate Net Loss does not include the following:

- (a) costs and expenses which an underlying insurer has paid or incurred or is obligated to pay to or on behalf of the **INSURED**;
- (b) office costs and expenses of the **INSURED** and salaries and expenses of employees of the **INSURED**;
- (c) general retainer fees of counsel retained by the **INSURED** or;
- (d) expenses incurred by the **INSURED** under contract with another party to provide loss prevention, risk management or claims services or other similar services.

GENERAL CONDITIONS

Extended Reporting Period and Interprovincial/International Partnerships

The Extended Reporting Period and partnership Dissolution Extension clauses or any endorsement granting coverage for Interprovincial and/or International Partnerships, if any, of the Designated Underlying Policy are applicable to this policy if also applied by every other underlying policy. Any Extended Reporting Period will not reinstate or increase the **LIMITS OF LIABILITY** or extend the **POLICY PERIOD**.

Insured's Duties In The Event Of Claim Or Suit

The **INSURER** will receive quarterly claims bordereaux from the Canadian Lawyers Liability Assurance Society, and it is agreed that the **INSURER** will accept these as providing notice, where applicable, of **CLAIMS** to be reported under this policy. For the purposes of this policy, the date upon which notice of a **CLAIM** or circumstance giving rise to a **CLAIM** is made by the **INSURED** to Canadian Lawyers Liability Assurance Society shall be the date on which such claim attached to the policy. In the event that the **INSURED** is notified, in respect of a particular **CLAIM**, by the Canadian Lawyers Liability Assurance Society of a limitation of coverage in circumstances that trigger the drop down provision of this policy, the **INSURED** will provide the **INSURER**

with independent notice of such **CLAIM**. The **INSURED** shall further, upon request, give the **INSURER** such information as the **INSURER** may reasonably request at any time and is in the **INSURED'S** power to give.

If the **INSURED** enters into a Tolling Agreement and such Tolling Agreement has been agreed and accepted by the Canadian Lawyers Liability Assurance Society, the **INSURER** shall be deemed to have provided their acceptance of such Tolling Agreement.

The **INSURED** shall further cooperate with the **INSURER** and take such action as may be necessary to secure and effect any rights of indemnity, contribution or apportionment which any **INSURED** may have.

Subrogation and Other Recoveries

The **INSURERS** obligations to pay are net of any and all recoveries available to the **INSURED**. In the event that this policy is called upon to pay an amount and a subsequent recovery is effected, the amount of recovery shall be remitted to the **INSURER** except to the extent necessary to reimburse the **INSURED** or an **INSURER** for amounts paid in excess of the **LIMITS OF LIABILITY** of this policy.

The **INSURED** shall prosecute all actions for recovery in good faith on behalf of the **INSURER** or shall cooperate with the **INSURER** in its efforts at recovery of any amounts.

Cancellation Clause and Extended Reporting Period:

This policy is non-cancelable during the **POLICY PERIOD** as stated in the Declarations except:

1. By mutual consent;
2. By the **INSURER** if:
 - (a) The Canadian Lawyers Liability Assurance Society (CLLAS) is dissolved; or
 - (b) The **INSURED** is dissolved or merges with a firm outside of the CLLAS program and discontinues the CLLAS underlying protection; or
 - (c) The **INSURED** has failed to pay a premium when due or has failed, after demand, to reimburse the **INSURER** such amounts as the **INSURER** has paid in settlement or satisfaction of claims or judgment in excess of the applicable limit of the **INSURERS** liability.

In the event of the above, this policy may be cancelled by the **INSURER** by mailing written notice of cancellation to the **INSURED** at the address shown in this policy stating when not less than 30 (thirty) days thereafter such cancellation shall be effective. The mailing of notice as aforesaid shall be sufficient proof of notice. The effective date and hour of cancellation stated in the notice shall become the end of the **POLICY PERIOD**. Delivery of such written notice by the **INSURER** shall be equivalent to mailing.

3. If the **INSURER** cancels, the computed pro rata cancellation of the annual premium will be charged to the **INSURED**. If the **INSURER** shall refuse to renew this policy, the **INSURED** shall have the right, in consideration of an additional premium equal to 150% of the annual premium for this policy, to an extension of the cover granted by this policy to apply, subject to its terms, conditions, exclusions and limitations, to **CLAIMS** first made against the **INSURED** during the period of 12 calendar months after the expiry date but only when such **CLAIM** arises out of **PROFESSIONAL SERVICES** rendered prior to the expiry date. To exercise this right, the **INSURED** must give notice in writing (together with payment of the additional premium) not later than 30 days after the expiry date. In the event of failure by the

INSURED to give such notice, the **INSURED** shall not at a later date be entitled to give such notice. The mailing of notice by the **INSURED** by registered mail to the **INSURER** shall be sufficient proof of notice. For the purpose of establishing the **LIMIT OF LIABILITY** under this extended reporting period, the period of 12 months referred to herein shall not in any way increase the **LIMIT OF LIABILITY** of this policy as stated in Item 4 of the Declarations, which limit shall apply to the last policy year and the extended reporting period taken together.

4. Notwithstanding any other terms or conditions of this policy to the contrary, in the event that the financial strength rating of the Company is downgraded after issuance of this policy to: (1) below A- by A.M. Best Co., or (2) below BBB by Standard & Poor's Ratings Services (hereinafter, the Credit Rating Downgrade), this policy may be canceled by the **INSURED** by mailing prior written notice to the **INSURER** or by surrender of this policy to the Company.

If this policy is canceled by the **INSURED** resulting from the downgrade then the **INSURER** shall return the unearned pro rata proportion of the premium as of the effective date of cancellation and shall waive any minimum earned premium requirement specified herein.

5. The **INSURER** shall not knowingly provide cover or be liable to pay any **CLAIMS** or provide benefit hereunder to the extent that the provision of such cover, payment of such **CLAIM** or provision of such benefit would expose the **INSURER** to any sanction, prohibition or restriction under any economic or financial sanctions legislation applicable to the **INSURER**.
6. This policy may be executed in counterparts and may be executed and delivered by facsimile or PDF, and each such facsimile or PDF, or counterpart, shall constitute an original, and all of which taken together shall constitute one and the same instrument.