

LIBERTY INSURANCE UNDERWRITERS INC.

(A Stock Insurance Company, hereinafter the "Company")

COURT REPORTERS PROFESSIONAL LIABILITY INSURANCE CLAIMS-MADE POLICY

THIS IS A CLAIMS-MADE AND REPORTED POLICY. PLEASE READ IT CAREFULLY.

THE POLICY IS LIMITED TO LIABILITY FOR ONLY THOSE CLAIMS THAT ARE FIRST MADE AGAINST THE INSURED AND REPORTED TO THE COMPANY DURING THE POLICY PERIOD OR THE EXTENDED REPORTING PERIOD, IF APPLICABLE.

I. COVERAGE

The Company will pay on behalf of the **Insured** all sums which the **Insured** shall become legally obligated to pay as **Damages** for any **Claim** both first made against the **Insured** and reported to the Company during the **Policy Period** or Extended Reporting Period, if applicable, but only if such **Claim** arises out of a negligent act, error or omission of an **Insured** in the rendering of or failure to render any **Professional Service** and only if such **Professional Service** is performed or should have been performed (in the case of an omission):

- A. On or after the policy effective date shown on the Declarations; or
- B. At any time prior to the policy effective date shown on the Declarations if no **Insured** knew or could have reasonably foreseen that such negligent act, error or omission might be expected to be the basis of a **Claim** on the effective date of the first policy issued by the Company to the **Insured**.

The Company shall have the right and duty to defend any suit against the **Insured** seeking **Damages** to which this policy applies even if any of the allegations of the suit are groundless, false or fraudulent. However, the Company shall have no duty to defend the **Insured** against any **Claim** seeking loss to which this insurance does not apply.

Further:

- A. The amount the Company will pay for **Damages** is limited as described in Section III. of this policy; and
- B. The Company's right and duty to defend ends when the Company has used up the applicable Limit of Liability in the payment of any settlement(s) or judgment(s).

The Company shall select and assign defense counsel; however, the **Insured** may engage additional counsel, solely at its expense, to associate in the defense of any **Claim** covered hereunder. The Company shall also have the right to investigate any **Claim** and/or negotiate the settlement thereof, as it deems expedient, but the Company shall not commit the **Insured** to any settlement without its consent. If the **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**, and the liability of the Company for **Damages** and **Claim Expenses** shall not exceed the amount for which the **Claim** could have been settled plus the amount of **Claim Expenses** incurred by the Company as of the date of such refusal. Furthermore, the **Insured** shall not assume any obligation, incur any cost, charge, or expense, or enter into any settlement without the Company's consent. **Claim Expenses** shall be in addition to the Limits of Liability specified in Item 3 of the Declarations.

II. ENTITY & PERSONS INSURED

Each of the following is an **Insured** under this policy to the extent set forth below:

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- A. If the **Named Insured** is a sole proprietorship, the **Named Insured** designated in Item 1. of the Declarations, and any current or former employee of the **Named Insured**, but only while acting on behalf of the **Named Insured** and within the scope of their duties as such;
- B. If the **Named Insured** is a partnership, the partnership so designated and any partner thereof and any current or former employee of the **Named Insured**, but only while acting on behalf of the **Named Insured** and within the scope of their duties as such;
- C. If the **Named Insured** designated in the Declarations is other than a sole proprietorship or partnership, the organization so designated and any current or former executive officer, director, stockholder or employee of the **Named Insured**, but only while acting on behalf of the **Named Insured** and within the scope of their duties as an executive officer, director, stockholder or employee of the **Named Insured**;
- D. The **Insured** shall also include:
 - 1. any current or former independent contractor as reported on the Application and for which an additional premium has been paid; or
 - 2. any independent contractor who contracts work with the **Named Insured** during the **Policy Period**,but solely while acting or performing the delegated work under contract with the **Named Insured** and within their scope of duties as such.

III. LIMIT OF LIABILITY

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

- A. The Limit of Liability stated in the Declarations as applicable to "each **Claim**" is the limit of the Company's liability for all **Damages** because of each **Claim** covered hereby. All **Claims** arising from the same or related negligent act, error or omission shall be considered a single **Claim** for the purpose of this policy and shall be subject to the same Limit of Liability.

The Limit of Liability stated in the Declarations as "**Aggregate**" is, subject to the above provision respecting "each **Claim**", the total limit of the Company's liability under this policy for all **Damages**.

- B. The Company's liability for **Damages** resulting from "each **Claim**" is in excess of the Deductible amount stated in the Declarations.
- C. **Claim Expenses** are in addition to the Limit of Liability as specified in Item 3 of the Declarations.
- D. The application of any Extended Reporting Period shall not increase the Limit of Liability stated in the Declarations.

IV. POLICY TERRITORY

The insurance afforded by this policy applies to any negligent act, error, omission in the rendering of or failure to render **Professional Services** taking place anywhere in the world. The insurance afforded by this policy applies to any **Claim** both first made and reported to the Company during the **Policy Period** or Extended Reporting Period, if applicable, provided that the **Claim** is brought within the United States of America, its territories or possessions or Canada.

V. WHEN A CLAIM IS DEEMED AS FIRST MADE

A **Claim** shall be deemed as being first made at the earlier of the following times:

- A. When the **Insured** first receives written notice from the claimant or its representative that a **Claim** has been made; or
- B. When the Company first receives written notice from the **Insured** or its representative of any specific circumstances involving a particular person or entity, which may result in a **Claim**.

All **Claims** arising out of the same or related negligent act, error or omission shall be considered as having been made at the time that the first such **Claim** is made, and shall be subject to the same Limit of Liability and Deductible.

VI. EXCLUSIONS

This insurance does not apply to any **Claim**:

- A. Based on or arising from the actual or alleged rendering of or failure to render **Professional Services** by an **Insured** as an employee, owner, partner, stockholder, director or officer of any sole proprietorship, joint venture, partnership, corporation or any other business enterprise not defined as an **Insured**;
- B. Based on or arising out of any dishonest, fraudulent, criminal or malicious act or omission or any deliberate misrepresentation committed by, at the direction of, or with the knowledge of the **Insured**;
- C. Based on or arising out of any actual or alleged violation of any state or federal anti-trust, price fixing, restraint of trade, copyright or deceptive trade practice law, rule or regulation;
- D. Based on or arising out of any obligation under any workers' compensation, unemployment compensation, disability or pension benefits law, or any similar laws including but not limited to, the Employee Retirement Security Act of 1974 and any amendments thereof;
- E. Based on or arising out of the liability of others assumed by the **Insured** under any contract or agreement, except that this exclusion shall not apply to liability that the **Insured** would have in the absence of such contract or agreement;
- F. Based on or arising out of bodily injury, sickness, disease, mental anguish, emotional distress, death, or from the loss of society, consortium, or services of any person, or damage to, destruction of, or loss of use of tangible property by any person or entity;
- G. For wages, salaries, commissions, fees, bonuses, promotions, profit sharing, pensions or other employee benefits earned in the normal course of employment;
- H. Based on or arising out of any actual, alleged, or threatened pollution, contamination, or any environmental impairment resulting from seepage, discharge, dispersal, release, or escape of any solid, liquid, gaseous, or radioactive matter including, but not limited to smoke, vapors, soot, fumes, acids, alkalis, chemicals, or toxic matter, or waste materials (including materials to be recycled, reconditioned, or reclaimed); or oil or other petroleum substances or derivatives (including any oil reuse or oil mixed with waste), or thermal or vibratory effect including, but not limited to, heat or cold, into or upon land, the atmosphere, or any water course or body of water, underground water, or water table supplies, whether such results directly, indirectly, or in concurrence or in any sequence from the **Insured's** activities or the

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activities of others and whether or not such is sudden, gradual, accidental, intended, foreseeable, expected, fortuitous, or inevitable and wherever or however such occurs.

VII. DEFINITIONS

When used in the policy (including endorsements forming a part hereto):

“**Claim**” means any demand for money or services, or the filing of suit or institution of any arbitration proceeding or alternative dispute resolution naming an **Insured** and alleging a covered negligent act, error, or omission resulting from the rendering of or failure to render **Professional Services**. **Claim** does not include proceedings seeking injunctive or other non-pecuniary relief.

“**Claim Expenses**” means reasonable costs, charges, fees (including but not limited to attorney’s fees and expert’s fees) and expenses (other than regular and overtime wages, salaries or fees of any director, trustee, officer or employee of the Company or the **Insured**) incurred in defending and investigating a **Claim** and the premium for appeal, attachment or similar bonds.

“**Damages**” means the total amount that the **Insured** is legally obligated to pay on account of each **Claim** and for all **Claims** made against them for which coverage applies, including, but not limited to, damages, judgments, settlements, awards and costs. **Damages** do not include:

1. fines or penalties imposed by law, including but not limited to punitive or exemplary damages, or the multiple portion of any multiplied damage award;
2. matters uninsurable under the law pursuant to which this policy is construed; or
3. any amount which the **Insured** is absolved from paying by reason of any covenant, agreement, or court order.

“**Insured**” means any person or organization qualifying as an **Insured** in the ENTITY & PERSONS INSURED provision of this policy. This policy applies separately to each **Insured** against whom a **Claim** is made, except with respect to the Company’s Limit of Liability.

“**Named Insured**” means the person or organization named in Item 1 of the Declarations of this policy.

“**Policy Period**” means, whenever used in this policy, the period from the inception date of this policy to the policy expiration date as set forth in the Declarations or its earlier termination date, if any.

“**Professional Services**” means those services which the **Insured** is qualified to perform for others in their capacity as a Court Reporter, videographer or captioner. **Professional Services** also includes any act, error, or omission of the **Insured** acting in their capacity as an **Insured** if same results in an allegation of:

1. false arrest, wrongful detention, or imprisonment, or malicious prosecution;
2. wrongful entry or eviction, or other invasion of the right of private occupancy; or
3. libel or slander, including, but not limited to allegation of any publication, dissemination, or utterance constituting the offenses of libel, defamation, disparagement, or utterances in the course of or related to advertising, broadcasting, or telecasting activities conducted by or on behalf of the **Named Insured**.

VIII. 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 policy. The **Named Insured** shall maintain records

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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 THE INSURED IN THE EVENT OF CLAIM OR SUIT

Upon the **Insured** becoming aware of any act, error or omission in the rendering of or failure to render **Professional Services** which could reasonably be expected to be the basis of a **Claim** covered hereby, written notice shall be given by the **Insured**, or its representative, to the Company together with the fullest information obtainable.

If a **Claim** is made against the **Insured**, the **Insured** or its representative shall immediately forward to the Company every demand, notice, summons or other process received by the **Insured** or the **Insured's** representative. The **Insured** shall cooperate with the Company and upon the Company's request, assist in making settlements, in the conduct of suits and in enforcing any right of contribution or indemnity against any person or organization who may be liable to the **Insured** because of **Damages** with respect to which this policy applies. The **Insured** shall attend hearings and trials, and assist in securing and giving evidence and obtaining the attendance of witnesses. The **Insured** shall not, except at the **Insured's** own cost, voluntarily make any payments, assume any obligation or incur any expense.

C. ASSIGNMENT

The interest of the **Named Insured** is not assignable. If any **Insured** shall die or be adjudged incompetent, this policy shall thereupon terminate for such person but shall cover the **Insured's** legal representative as the **Insured** with respect to liability previously incurred and covered by this policy. Pro-rata return premium will be computed from the date of termination.

D. ACTION AGAINST THE COMPANY

No action shall lie against the Company unless, as a condition precedent thereto, there shall have been full compliance with all of the terms of this policy, but not until the amount of the **Insured's** obligation to pay shall have been finally determined either by judgment against the **Insured** after actual trial or by written agreement of the **Insured**, the claimant and the Company.

E. CONFORMITY TO STATUTE

Notwithstanding anything contained herein to the contrary, in the event that any terms or conditions of this policy conflict with any law applicable to the coverage afforded hereunder, the terms of this policy shall be amended to conform to such law or laws.

F. OTHER INSURANCE

If there is other valid insurance (whether primary, excess, contingent or self-insurance), or other right of indemnity, against a **Claim** covered by this policy the insurance provided hereunder shall be deemed excess insurance over and above the applicable limit of all other insurance, self-insurance or other right of indemnity. This policy is written as specific excess of coverage available under any Extended Reporting Period or similar period in any prior policy or policies.

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

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When both this insurance and other insurance or self-insurance apply to the **Claim** on the same basis, whether primary, excess or contingent, the Company shall not be liable under this policy for a greater proportion of the **Damages** and **Claim Expenses** than such proportion that the applicable Limit of Liability under this policy bears to the total applicable Limit of Liability of all valid and collectible insurance against such **Claim**. Subject to the foregoing, 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

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

H. CHANGES

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

I. BANKRUPTCY OR INSOLVENCY OF INSURED

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

J. CANCELLATION

This insurance may be canceled on the customary short-rate basis by the **Named Insured** at any time by written notice or by surrender of this policy to the Company or its authorized representative and the Company shall refund the paid premium less the earned portion thereof within thirty (30) days of the latter of the effective date of the cancellation or the date of delivery of the **Named Insured's** notice of intent to cancel. This insurance may also be canceled by the Company or by its authorized representative on its behalf, by sending to all **Named Insured(s)**, by first-class, registered or certified mail, at the address of the **Named Insured(s)** last known to the Company or its authorized agent, not less than ninety (90) days' written notice stating the specific reason for such cancellation and when the cancellation shall be effective. In such case, the Company shall refund the paid premium less the earned portion thereof within ten (10) business days after the effective date of cancellation, subject always to the retention by the Company of any minimum premium stipulated herein (or proportion thereof previously agreed upon) in the event of cancellation either by the Company or the **Named Insured**. In case of non-payment of premium only thirty (30) days' written notice of cancellation must be given by the Company. Proof of mailing will be sufficient proof of notice.

Cancellation by the Company shall only be effective if based on one or more of the following reasons:

1. Nonpayment of premium;
2. The policy was obtained through material misrepresentation;
3. Violation of any term or condition of this policy;
4. The risk originally accepted has measurably increased; or
5. Loss by the Company of reinsurance which provided coverage for all or substantial part of the risk insured.

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K. NONRENEWAL

The Company will renew this policy unless written notice of the Company's intent not to renew stating the specific reasons for nonrenewal, is mailed to the **Named Insured** not less than sixty (60) days before the policy expires.

Any notice of nonrenewal will be mailed by first-class registered or certified mail to the **Named Insured** at the last mailing address known to the Company. Proof of mailing will be sufficient proof of notice.

L. DECLARATIONS AND APPLICATIONS

By acceptance of this policy, the **Insured** agrees that the statements in the Declarations and Application are the **Insured's** agreements and representations, that this policy is issued in reliance upon the truth of such representations and that this policy embodies all agreements existing between the **Insured** and the Company and relating to this insurance.

M. EXTENDED REPORTING PERIOD OPTION

1. CANCELLATION/NONRENEWAL

In the case of cancellation or non-renewal of this policy by the **Named Insured** or the Company for any reason (other than nonpayment of premium):

1. this policy will automatically be extended for a period of sixty (60) days from the date of such cancellation or non-renewal, but only for **Professional Services** committed on or after any applicable retroactive date and prior to the effective date of such cancellation or non-renewal ("Automatic Extended Reporting Period"); and
2. the **Named Insured** shall have the right, upon payment of the respective additional premium set forth below, to an extension of the coverage granted by this policy for the respective period set forth below:
 - a. 90% of the full annual premium for this policy, for a period of twelve (12) months commencing the end of the Automatic Extended Reporting Period;
 - b. 135% of the full annual premium for this policy, for a period of twenty-four (24) months commencing the end of the Automatic Extended Reporting Period;
 - c. 150% of the full annual premium for this policy, for a period of thirty-six (36) months commencing the end of the Automatic Extended Reporting Period;
 - d. 175% of the full annual premium for this policy, for a period of sixty (60) months commencing the end of the Automatic Extended Reporting Period;
 - e. 200% of the full annual premium for this policy, for a period of ninety-six (96) months commencing the end of the Automatic Extended Reporting Period;
 - f. 225% of the full annual premium for this policy, for an unlimited period commencing the end of the Automatic Extended Reporting Period,but only for **Professional Services** committed on or after any applicable retroactive date and prior to the effective date of such cancellation or non-renewal ("Supplemental Extended Reporting Period").

This right to purchase a Supplemental Extended Reporting Period shall terminate, however, unless written notice of such election, together with the additional premium, is received by the

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Company or its authorized agent from the **Insured** within sixty (60) days after the effective date of cancellation or non-renewal.

2. RETIREE PROVISION

If the **Named Insured** is:

- a. A sole proprietorship and shall cancel or fail to renew this policy due to retirement of the **Named Insured** from active business; or
- b. A partnership and shall cancel or fail to renew this policy due to dissolution of the partnership,

and has been continuously insured by the Company under a claims-made policy for at least five (5) years prior to such cancellation or non-renewal, the **Named Insured** shall have the right to have an endorsement issued extending the reporting period for this policy at no cost, for an unlimited period following the effective date of such cancellation or non-renewal in which to give written notice to the Company of **Claims** first made against the **Insured** during this Extended Reporting Period for any negligent act, error or omission occurring prior to the termination of the final **Policy Period**, subject to its terms, limitations, exclusions and conditions. This right shall terminate, however, unless written notice of election is received by the Company or its authorized agent from the **Insured** within sixty (60) days after the effective date of such cancellation or non-renewal.

3. EXTENDED REPORTING PERIOD OPTION - TERMS

At the commencement of any Extended Reporting Period option, the entire premium for such Extended Reporting Period option shall be deemed earned and the Company shall not be liable to return to the **Named Insured** any portion of the premium for the Extended Reporting Period. The cost of the Extended Reporting Period option is based on the rates and rules in effect at the time the policy was issued or last renewed.

The fact that the period during which a **Claim** must be first made against the **Insured** under this policy is extended by virtue of any Extended Reporting Period option shall not in any way increase the Limit of Liability of this policy. The Limit of Liability under any Extended Reporting Period option shall be part of, and not in addition to, the Limit of Liability available under the last policy or renewal certificate issued to the **Named Insured**.

N. REIMBURSEMENT

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

1. Within the amount of the applicable Deductible; or
2. In excess of the applicable Limit of Liability

all **Insureds** shall be jointly and severally liable to the Company for such amounts. Upon written demand, the **Insured** shall repay such amounts to the Company with thirty (30) days thereof.

O. LIBERALIZATION CLAUSE

If the Company adopts any revision that would broaden the coverage under the policy without additional premium at any time during the **Policy Period**, the broadened coverage will immediately apply to this policy.

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P. PUNITIVE OR EXEMPLARY DAMAGES

Punitive and exemplary damages are excluded by this policy. However, if a covered **Claim** is brought against an **Insured** that seeks both compensatory, and punitive or exemplary damages, then the Company will nevertheless defend such **Claim** and waive its right to reimbursement for those **Claim Expenses** associated with the defense of the punitive or exemplary damages charge.

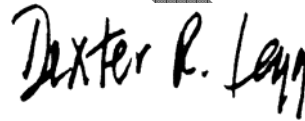
Q. COMPANY REIMBURSEMENT

Except with respect to Subsection P., PUNITIVE OR EXEMPLARY DAMAGES, above, with respect any covered **Claim** that contains an allegation for loss to which this policy does not apply, the Company reserves the right to seek reimbursement for any **Claim Expenses** incurred relative to such loss.

IN WITNESS WHEREOF, the Company has caused this policy to be signed by its president and secretary.



President



Secretary