LAWYERS' PROFESSIONAL LIABILITY INSURANCE
GROUP POLICY

Canadian Lawyers Insurance Association

Association d'Assurances des Juristes Canadiens

Head Office:

700 333 11th Avenue SW Calgary, AB T2R 1L9

Canadian Lawyers Insurance Association
Association d'Assurances des Juristes Canadiens
Head Office: 700, 333 - 11th Avenue South West
Calgary, Alberta T2R 1L9

LAWYERS' PROFESSIONAL LIABILITY INSURANCE GROUP POLICY

D E C L A R A T I O N S

This policy contains a clause which may limit the amount payable.

1.	POLICY NO.: Replacing Policy No.:	39004 38004
2.	INSURER:	Canadian Lawyers Insurance Association
3.	LOCAL ADMINISTRATIVE OFFICE AND ADDRESS FOR SERVICE:	Canadian Lawyers Insurance Association c/o Saskatchewan Lawyers' Insurance Association 1110 – 2002 Victoria Avenue Regina, Saskatchewan S4P 0R7
4.	PRINCIPAL ATTORNEY FOR THE INSURER:	David Jackson

5. PART A - BASIC INSURANCE

(a) INSURED PARTIES:
- (i) Law Society of Saskatchewan ("**Law Society**") and its eligible members
- (ii) Saskatchewan Lawyers' Insurance Association Inc. ("**SLIA**")
- (iii) others identified as **Insureds** in the Policy

(b) POLICY PERIOD: July 1, 2026 to July 1, 2027, both days at 12:01 a.m. local time at address for service shown in the Declarations

(c) LIMITS OF LIABILITY:

Occurrence limit - $1,000,000
Aggregate limit - $2,000,000

(d) INDIVIDUAL DEDUCTIBLE: $5,000 per **Occurrence**, except for **Claims** arising as a result of:

- (i) missed limitation periods or the handling of a real estate matter, in which case the deductible is $7,500 per **Occurrence**; or
- (ii) an **Insured**'s representation of two or more parties adverse in interest, in which case the deductible is $10,000 per **Occurrence**; or

(iii) an **Insured**'s compliance with the Western Conveyancing Protocol, in which case the deductible is $0 per **Occurrence**.

(e) GROUP DEDUCTIBLE: $300,000 per **Occurrence** including **individual deductible**

(f) PREMIUM: As agreed between **SLIA** and the **Insurer** based on number of **Law Society** members at beginning of **Policy Period**

6. PART B - EXCESS INSURANCE

(a) INSURED PARTIES:

(i) The **Law Society** if it has elected to carry excess insurance and is holding a valid **Certificate of Excess Insurance** issued by the **Insurer**

(ii) Eligible law firms that have elected to carry excess insurance and that are holding valid **Certificates of Excess Insurance** issued by the **Insurer**

(b) POLICY PERIOD: July 1, 2026 (or a later date elected by the Insured Parties named in 6(a) above and stated in the **Certificate of Excess Insurance**) to July 1, 2027, both days at 12:01 a.m. local time at address for service shown in the Declarations

(c) LIMITS OF LIABILITY: The following limits in excess of the limits under "Part A - Basic Insurance" are available:

(i) Excess Limit A **Occurrence limit -** $1,000,000
Aggregate limit - $1,000,000

(ii) Excess Limit B **Occurrence limit -** $2,000,000
Aggregate limit - $2,000,000

(iii) Excess Limit C **Occurrence limit -** $3,000,000
Aggregate limit - $3,000,000

(iv) Excess Limit D **Occurrence limit -** $4,000,000
Aggregate limit - $4,000,000

(v) Excess Limit E **Occurrence limit -** $6,500,000
Aggregate limit - $6,500,000

(vi) Excess Limit F **Occurrence limit -** $9,000,000
Aggregate limit - $9,000,000

(vii) Excess Limit G **Occurrence limit -** $14,000,000
Aggregate limit - $14,000,000

(viii) Excess Limit H **Occurrence limit -** $19,000,000
Aggregate limit - $19,000,000

(ix) Excess Limit I **Occurrence limit -** $24,000,000
Aggregate limit - $24,000,000

(x) Excess Limit J **Occurrence limit -** $29,000,000
Aggregate limit - $29,000,000

(xi) Excess Limit K **Occurrence limit -** $34,000,000
Aggregate limit - $34,000,000

The excess limits applying to the Insured Parties shall be those elected by the Insured Parties and stated in the **Certificate of Excess Insurance**.

(d) PREMIUM: Based on number of **Law Society** members with the Insured Parties at beginning of **Policy Period**:

(i) Excess Limit A - $510 per member
(ii) Excess Limit B - $747 per member
(iii) Excess Limit C - $873 per member
(iv) Excess Limit D - $926 per member
(v) Excess Limit E - $1,173 per member
(vi) Excess Limit F - $1,296 per member
(vii) Excess Limit G - $1,707 per member
(viii) Excess Limit H - $1,912 per member
(ix) Excess Limit I - $2,020 per member
(x) Excess Limit J - $2,200 per member
(xi) Excess Limit K - $2,376 per member

subject to proration if **Policy Period** is less than 12 months.

(e) SCHEDULE OF UNDERLYING INSURANCE:

As provided by the Insured Parties named in Item 5(a) of the Declarations.

OR

If applicable, any other compulsory policy provided by the members of the Canadian Lawyers Insurance Association or the Lawyers' Professional Indemnity Company or the LSBC Captive Insurance Company Ltd. or Barreau du Québec.

OR

With respect to each **Claim** not covered by any Underlying Insurance: $1,000,000 self-insured retention

OR

With respect to each **Claim** not covered by any Underlying Insurance due to its exhaustion: $10,000 self-insured retention

7. PART C - TRUST PROTECTION INDEMNIFICATION POLICY

(a)	INSURED PARTY:	Law Society of Saskatchewan
(b)	POLICY PERIOD:	July 1, 2026 to July 1, 2027, both days at 12:01 a.m. local time at the address for service shown in the Declarations
(c)	LIMITS OF LIABILITY:	(i) Per **Loss** - $10,000,000 (ii) Aggregate Limit - $10,000,000
(d)	GROUP DEDUCTIBLE:	(i) $100,000 per **Loss** (ii) $500,000 in the Aggregate for the **Policy Period**
(e)	PREMIUM:	As agreed between the **Insured** and the **Insurer** based on number of **Members** of the **Insured** at beginning of **Policy Period**

PART A - BASIC INSURANCE

I. DEFINITIONS

In this Part A:

Additional Insured means, with respect to a particular **Individual Insured**:

(a) a present or former partner of the **Individual Insured**;

(b) any **Law Firm** through which the **Individual Insured** has practised law, whether as partner, associate, employee, counsel, contract lawyer or otherwise; and

(c) a present or former partner of any **Law Firm** through which the **Individual Insured** has practised law

Administrative Costs means:

(a) **costs** incurred by the **Insurer** or **SLIA** in managing a **Claim**, including **costs** of coverage determinations, recovery and subrogation, and adjusters' fees incurred in managing a **Claim**;

(b) post-judgment interest on that portion of a **Claim** for which the **Insurer** is responsible under this Part A; and

(c) **costs** of an **Insured** in connection with a **Claim,** as authorized in advance by the **Insurer** in writing, including reasonable travel **costs** to attend trial

Administrative Employee means a present or former employee, director, officer, manager, volunteer or committee member of **SLIA** or the **Law Society** or a member of its governing body; or an independent contractor retained by **SLIA** or the **Law Society** to perform administrative functions; to the extent that a **person** so described is acting within the scope of his or her duties in the identified capacity

aggregate limit has the meaning given by clause 2.4(d)

Ancillary Activities means activities of a quasi-legal or non-legal nature (including, without limiting the generality of the foregoing, financial, investment and accounting services, brokerage services, and real estate development and appraisal) that are ancillary to or independent of the practice of law and are provided by an **Insured** for compensation or personal benefit referable specifically to those activities

Claim means an allegation of an **Occurrence** or a demand for money, property or services arising out of an actual or alleged **Occurrence**, including the threat or institution of a suit or other legal proceeding, that is made against one or more **Insureds**

costs includes costs, charges and expenses

Damages means compensatory damages and includes:

(a) **repair costs**;

(b) pre-judgment interest; and

(c) **costs** of a claimant that are taxed or fixed by a court,

but does not include:

(i) fines or penalties;

(ii) punitive or exemplary damages; or

(iii) unpaid or unbilled legal fees or disbursements, or those that have been paid but that an **Insured** is asked to return, even if claimed as general damages

Defence Costs means **costs** incurred by the **Insurer** or **SLIA** in defending or settling a **Claim**, including legal fees and disbursements of counsel appointed by the **Insurer**; the fees and disbursements of experts, appraisers and witnesses; **costs** of alternative dispute resolution; and adjusters' fees incurred on the instructions of counsel in defending or settling a **Claim**

Enterprise means any proprietorship, partnership, co-operative, society, business, association, joint venture, syndicate, company, corporation, firm or other legal or commercial entity

error means an error by act or omission, or a failure to act at all, and includes an alleged error

group deductible has the meaning given by clause 2.4(b)

Incidental Services means services that are connected with and incidental to the practice of law, including services as an executor, administrator, trustee, personal representative, committee, guardian, or patent or trademark agent

individual deductible has the meaning given by clause 2.4(a)

Individual Insured means a **person** who has caused or is alleged to have caused an **Occurrence** and who is a member or former member of the **Law Society** who:

(a) was required to be insured by mandatory insurance at the time the **Occurrence** took place or is alleged to have taken place; or

(b) was not required to be insured by mandatory insurance at the time the **Occurrence** took place or is alleged to have taken place only because the **Occurrence** took place or is alleged to have taken place before the date of commencement of mandatoryinsurance

In this definition, "mandatory insurance" means professional liability insurance required by legislation or the rules of the **Law Society** to insure members of the **Law Society**, in the form that was required at the relevant time

"**Individual Insured**" includes a **Professional Corporation** through which the **Individual Insured** was practising law at the time of the **Occurrence**

Ineligible Costs means:

(a) **costs** incurred by an **Insured** in defending or settling a **Claim**, or in co-operating with the **Insurer** or counsel appointed by the **Insurer** in the defence or settlement of a **Claim**, including those associated with:

- preparing for court and testifying;
- retaining independent counsel;
- expending time and effort;
- generally participating in the defence or settlement; and
- photocopying documents

except as authorized for reimbursement by the **Insurer**, in advance, or as set out in 2.2 Defence and Payment of Costs;

(b) earnings lost by an **Insured** in defending or settling or in co-operating with the **Insurer** or counsel appointed by the **Insurer** in the defence or settlement of a **Claim**; and

(c) **costs** awarded personally against an **Insured** as a result of the **Insured**'s conduct in litigation, whether or not connected with an **Occurrence**

Insured means:

(a) an **Individual Insured**;

(b) an **Additional Insured**;

(c) **SLIA**;

(d) the **Law Society**; or

(e) an **Administrative Employee**

Insurer means the Canadian Lawyers Insurance Association

Law Firm means:

(a) a sole proprietorship through which an **Individual Insured** practises law; or

(b) two or more **Individual Insureds** who are, or appear to be, holding themselves out to the public as practising law together, whether or not a partnership exists in fact and regardless of the form or forms of business organization through which the practice is conducted

Law Society means the Law Society of Saskatchewan

law society means a law society, barristers' society or similar organization of a jurisdiction other than Saskatchewan

limits of liability means the **occurrence limit** and **aggregate limit**

Mobility Rules means those rules of a **law society** that govern the ability of members of other Canadian **law societies** to provide **Professional Services** in that jurisdiction on a temporary or permanent basis

Occurrence means an **error** in the rendering of **Professional Services** to others (or, where the **Insured** is **SLIA,** the **Law Society** or an **Administrative Employee**, an **error** in the actual or intended discharge of that **Insured**'s duties, exercise of its rights or conduct of its authorized activities), provided in either case that:

(a) a sole **error** shall be considered one **Occurrence** regardless of the number of claimants or **Claims** arising out of the **error**; and

(b) two or more **errors** that are substantially related shall be considered a single **Occurrence**, even if arising from more than one retainer and regardless of:

(i) the number of claimants or **Claims** arising out of the **errors**; or

(ii) the number of **Insureds** against whom **Claims** are made in connection with the **errors**

occurrence limit has the meaning given by clause 2.4(c)

Office means a place of business established by or for the benefit or use of an **Insured** or that **person**'s **Law Firm** and from which services are provided or are intended to be provided to the public on an ongoing, but not necessarily regular or full-time, basis

person includes an individual and/or **Enterprise** that is indicated in the Declarations

policy period is that indicated in the Declarations

Professional Corporation means a corporation to which a permit has been issued pursuant to Part 18 of the *Law Society of Saskatchewan Rules*

Professional Services means the practice from an **Office** in Canada, of the laws of Canada, its Provinces and Territories, where conducted by or on behalf of an **Individual Insured** in such **Individual Insured's** capacity as a member in good standing of the **Law Society** or the **law society** of a **Reciprocal Jurisdiction**, and shall include:

(a) services normally provided or supervised by a lawyer within the scope of a usual lawyer-client relationship;

(b) services rendered in alternative dispute resolution as an arbitrator or a mediator or in an equivalent role; and

(c) **Incidental Services** that are substantially related to services described in paragraph (a), but does not include **Ancillary Activities**

Reciprocal Jurisdiction means a Canadian jurisdiction, other than Québec, the **law society** of which has adopted **Mobility Rules** that are not substantially more restrictive than the **Mobility Rules** of the **Law Society**

Reciprocal Jurisdiction's Policy means the mandatory professional liability insurance program policy for lawyers of the **law society** of a **Reciprocal Jurisdiction**

repair costs means **costs** incurred to correct an **error** in the rendering of **Professional Services** as reasonably necessary to prevent or attempt to prevent the advancement of a **Claim**

SLIA means Saskatchewan Lawyers' Insurance Association Inc.

II. INSURING AGREEMENTS

In consideration of payment of the premium when due, and subject to the **limits of liability**, deductibles, exclusions, conditions and all other terms of this Part A, the **Insurer** agrees with each **Insured** as follows:

2.1 Damages

The **Insurer** will pay on behalf of each **Insured** the **Damages** that that **Insured** becomes legally obligated to pay arising out of an **Occurrence**.

2.2 Defence and Payment of Costs

In respect of the insurance coverage given by this Part A, the **Insurer** will:

(a) defend any **Claim** against an **Insured** alleging an **Occurrence** and seeking **Damages** that would fall within the coverage provided by this Part A;

(b) pay all **Administrative Costs** incurred by the **Insurer** in connection with the **Claim**, it being understood that the payment of **Administrative Costs** by the **Insurer** or **SLIA** will not erode the **limits of liability** provided in this Part A;

(c) pay all **Defence Costs** incurred by the **Insurer** in connection with the **Claim**, it being understood that the payment of **Defence Costs** by the **Insurer** or **SLIA** will erode the **limits of liability** provided in this Part A; and

(d) pay all premiums on appeal bonds and on bonds to release attachments in connection with the **Claim** that have been authorized in advance by the **Insurer**, it being understood that the payment of such premiums will erode the **limits of liability** provided in this Part A and that the **Insurer** will have no obligation to furnish, apply for or give security for any such bonds.

(e) notwithstanding Exclusions 3.6, 3.6.1, 3.6.2 and 3.6.3 reimburse to the **Insured** all reasonable defence costs incurred by independent counsel retained by the **Insured** in the successful defence of:

i. any malicious act or omission, or any malicious prosecution;
ii. any prosecution of an offence under s.163.2 of the *Income Tax Act;*
iii. any prosecution under the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act;*
iv. any fine or penalty assessed against an **Insured** under the *Personal Information Protection and Electronic Documents Act (PIPEDA).*

2.3 Limits on Defence and Payment of Costs

(a) ***Claim*** *within exclusion*. The **Insurer** has no duty to defend an **Insured** against a **Claim** or a part of a **Claim** that falls within an Exclusion of this Part A or that otherwise is not covered by this Part A.

(b) ***Ineligible costs***. The **Insurer** is not responsible for and will not pay any **Ineligible Costs**.

2.4 Coverage Limits

(a) ***Individual deductible***.

(i) Each **Insured** against whom one or more **Claims** are made in respect of an **Occurrence** shall pay the **Damages** covered by this Part A for that **Occurrence** up to the applicable amount set forth in paragraph 5(d) of the Declarations (the **individual deductible**).

(ii) The **individual deductible** shall be applied only to **Damages** and not to **Defence Costs**.

(iii) Neither **SLIA** nor the **Insurer** has any liability to a claimant for payment of an **individual deductible**.

(iv) If a **Claim** is made against more than one **Insured** from the same **Law Firm** in respect of the same **Occurrence**, only one **individual deductible** will be charged against that **Law Firm** for that **Occurrence**.

(b) ***Group deductible***. For each **Occurrence**, **SLIA** is liable for **Damages** and **Defence Costs** up to a maximum amount of $300,000.00 (the **group deductible**) less any **individual deductibles** referable to that **Occurrence**.

(c) ***Occurrence limit***. For each **Occurrence**, the maximum amount payable by the **Insurer** on account of **Damages** and **Defence Costs** combined is $1,000,000.00 (the **occurrence limit**) less the **group deductible**.

(d) ***Aggregate limit***. The maximum amount payable by **SLIA** and the **Insurer** collectively for **Damages** and **Defence Costs** combined on behalf of any **Individual Insured**, including all **Additional Insureds**, for all **Claims** made during the **policy period**, regardless of the number of **Occurrences**, is $2,000,000.00 (the **aggregate limit**). The **aggregate limit** does not apply to **SLIA,** the **Law Society** and their **Administrative Employees**.

The **aggregate limit** applicable to an **Individual Insured** shall not be eroded by **Claims** made against that **person** in his or her role as an **Additional Insured**.

(e) *Exhaustion of **limits of liability***. Neither the **Insurer** nor **SLIA** is obliged to pay any **Damages** or **Defence Costs** or to undertake or continue the defence of any proceeding after their respective **limits of liability** have been exhausted by the payment of **Defence Costs**, judgments and/or settlements or after deposit of the applicable **limits of liability** in a court of competent jurisdiction. In such a case, the **Insurer** and **SLIA** have the right to withdraw from further defence by tendering control of the defence to the **Insured**.

III. EXCLUSIONS

The insurance coverage given by this Part A does not apply to a **Claim** that is based upon, arises out of, is in consequence of, or is in any manner related to:

3.1. **Professional Services** provided from an **Office** located outside Canada;

3.2. the practice of laws of a non-Canadian jurisdiction or the rendering of advice that involves, in whole or in part and directly or indirectly, the laws of a non-Canadian jurisdiction;

3.3. **Professional Services** provided in an **Insured**'s capacity as a member of the Barreau du Québec or a member of a non-Canadian **law society**;

3.4. the theft or misappropriation of trust funds or property or in any way related to such theft or misappropriation;

3.5. a dishonest, fraudulent or criminal act or omission that does not fall within Exclusion 3.4;

3.6. a malicious act or omission, or any malicious prosecution;

3.6.1 a penalty assessed against an **Insured** under Section 163.2 of the *Income Tax Act*;

3.6.2 a fine or penalty assessed against an **Insured** under the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act;*

3.6.3 a fine or penalty assessed against an **Insured** under the *Personal Information Protection and Electronic Documents Act (PIPEDA)*;

3.7. the bodily injury, sickness, disease or death of any **person** (other than mental illness or emotional distress or humiliation of a claimant that is the direct result of an **Occurrence**);

3.8. physical damage to tangible property, including physical damage that results in the loss of use of the property, unless such damage is the direct result of an **Occurrence**;

3.9. an **Insured** acting in the capacity of director or officer of any **Enterprise** other than **SLIA** or the **Law Society**;

3.9.1 damage to or loss of use of tangible or intangible property, loss of data, disclosure of confidential information, or any other loss which is directly or indirectly connected with the receipt or transmission of a computer virus or other damaging program via the internet or in any other electronic manner, or through unauthorized interference with an internet connection, network, computer or telecommunication device;

3.9.2 an **Occurrence** to which Part C of this Policy responds regardless of the limits of liability in Part C.

In addition, the insurance coverage given by this Part A does not apply to:

3.10. a **Claim** against an **Insured** made by the **Insured**'s employer for any alleged damages to the goodwill or reputation of the employer;

3.11. a **Claim** against an **Insured** made by the **Insured**'s **Law Firm**;

3.12. a **Claim** of which proper notice has not been given in accordance with paragraphs (a) and (b) of Condition 4.3;

3.13. a **Claim** excluded under the *Nuclear Incident Exclusion Clause* (attached);

3.14. the ineligible portion of any payment resulting from a **Claim** against an **Insured** by an **Enterprise** in which the **Insured** at the time of the **Occurrence** held a direct or indirect beneficial interest of at least five percent (5%). For the purposes of this exclusion:

a. an **Insured** is considered to have an indirect interest if the interest in the **Enterprise** is held by:

- a relative of the **Insured** (which means the spouse, child, sibling, parent, grandchild or grandparent of the **Insured** or any member of the **Insured**'s household); or
- a corporation or other entity that is controlled by the **Insured**, one or more relatives of the **Insured**, the **Insured**'s **Law Firm**, or any combination of the foregoing, control being determined by *de facto* dominion or control regardless of legal title or ownership; and

b. "ineligible portion" means that portion of the payment equal to the proportionate beneficial interest held by the **Insured** in the **Enterprise** which, as noted above, will be five percent (5%) or greater.

IV. CONDITIONS

The coverage afforded by this Part A is subject to the following conditions:

4.1 Multiple Insureds, Claims or Claimants

The maximum liability of the **Insurer** and **SLIA** for each **Occurrence** and for **Claims** made during the entire **policy period** is as set forth in clause 2.4 above regardless of the number of **Claims** arising out of a particular **Occurrence**, the number of claimants in respect of the **Occurrence** or the number of **Insureds** against whom **Claims** are made in respect of the **Occurrence**. Multiple **Claims**, claimants or **Insureds** involved in a single **Occurrence** will not increase or cumulate the **occurrence limit** or the **aggregate limit**.

However, if one or more **Claims** arising out of the same **Occurrence** are made jointly or severally against two or more **Law Firms**, then the **individual and group deductibles** and the **occurrence and aggregate limits** shall apply separately to each **Law Firm** unless the involvement of more than one **Law Firm** is attributable solely to the fact that the **Individual Insured** causing the **Occurrence** has relocated from one **Law Firm** to another.

4.2 Claims Made

This Part A gives the described coverage to an **Insured** for any **Occurrence** in respect of which:

(a) the initial **Claim** is made during the **policy period** and reported in writing to the **Insurer** during the **policy period**; or

(b) a potential **Claim** is reported in writing to the **Insurer** during the **policy period**, which shall be considered a **Claim** made during the **policy period**;

provided that the **Insured** had no knowledge before commencement of the **policy period** of the **Claim** or potential **Claim** and could not reasonably have foreseen before commencement of the **policy period** that a **Claim** might arise.

When the **policy period** expires, the **Insurer** shall be free of liability for **Occurrences** except for those in respect of which a **Claim** has been made or is considered to have been made during the **policy period** under paragraph (a) or (b) above.

4.3 Notice Requirements

(a) *Written notice.* An **Insured** shall, as soon as practicable after learning of a **Claim** or becoming aware of circumstances that might constitute an **Occurrence** or give rise to a **Claim**, however unmeritorious, give written notice to the **Insurer** at the local address for service shown in the Declarations. This is a condition precedent to the **Insurer**'s liability for the **Claim** or **Occurrence** under this Part A.

(b) *Information.* After notification, the **Insured** shall submit promptly to the **person(s)** designated by the **Insurer** all information reasonably required by the **Insurer** that the **Insured** is reasonably capable of providing. In addition, the **Insured** shall immediately forward to the **person(s)** designated by the **Insurer** any demand, notice, summons or other process received by the **Insured** in connection with the **Claim** or **Occurrence**.

(c) *Failure to notify.* If the **Insured** fails or refuses to give notice in accordance with paragraphs (a) and (b) of this Condition 4.3, **SLIA** may, at its sole discretion, assume the **Insured**'s responsibility for provision of notice and information. Coverage with respect to any **Claim** reported in the first instance by **SLIA** shall apply to protect the **Insured** only to the extent that the position of the **Insurer** or **SLIA** has not been prejudiced by the **Insured**'s failure to give notice.

4.4 Defence of Claims

(a) *Conduct of defence.* The **Insurer** and **SLIA** shall have complete and exclusive control over the conduct of the defence of a **Claim**, including appointment and instruction of counsel.

(b) *Co-operation.* The **Insured** shall co-operate fully with the **Insurer** and **SLIA** and, upon request, shall:

- assist in settlement attempts;
- attend at questioning and other interlocutory proceedings;
- attend at alternative dispute resolution;
- assist in enforcing any right of contribution or indemnity against any third party;
- attend at hearings and trials;
- assist in securing the attendance of witnesses; and
- assist in conduct of the defence in all other reasonable respects.

(c) *Non-compliance.* If an **Insured** is unable or unwilling to comply with paragraph (b), **SLIA** may, at its option, take the place of the **Insured** to ensure compliance but is not obliged to do so.

(d) *Admission of liability.* The **Insured** shall not make any admission nor take any other action that might reasonably be expected to prejudice conduct of the defence unless the **Insurer** is aware of and consents to the admission or action in advance.

(e) *Payments, etc.* Any payment, obligation or expense in connection with a **Claim** that is made, assumed or incurred unilaterally by the **Insured**, without obtaining the prior concurrence of the **Insurer**, shall be the sole responsibility of the **Insured**.

(f) *Compromise or settlement.* The decision to settle or compromise a **Claim** is within the sole discretion of the **Insurer** and **SLIA**, who have the exclusive right and authority to enter into a compromise or settlement without the consent or knowledge of the **Insured**. The **Insurer** may inform the **Insured** of a planned compromise or settlement and in such case if the **Insured** objects to a compromise or settlement, the **Insured** may request permission to contest or continue legal proceedings in connection with the **Claim**. The **Insurer** has no obligation to grant such permission, but may do so in its sole discretion. Any permission so granted:

(i) is subject to the condition that the amount payable under this Part A in respect of the relevant **Claim** shall not exceed the amount for which the **Claim** could have been settled, including **Defence Costs** up to the date of the **Insured**'s objection, subject to the other Conditions of this Part A; and

(ii) is conditional on the **Insured** providing security, in an amount and form determined by the **Insurer** in its sole discretion, for any amounts for which the **Insured** may be liable in excess of the amount referred to in subclause (i) above.

4.5 <u>Innocent Insured Provisions</u>

(a) *Fraud or malice.* If coverage under this Part A is excluded, suspended or lost for an **Individual Insured** due to the operation of Exclusion 3.5 or 3.6 (that is, a dishonest, fraudulent, criminal or malicious act or omission by the **Individual Insured** other than one relating in any way to theft or misappropriation of trust funds or property), coverage shall continue to apply for the benefit of any **Additional Insured** against whom a **Claim** is made arising out of the **Occurrence** caused by the **Individual Insured**.

(b) *Failure to notify.* If coverage under this Part A is excluded, suspended or lost for an **Individual Insured** due to that **Individual Insured**'s failure to notify the **Insurer** of the **Claim** or **Occurrence** as required by paragraphs (a) and (b) of Condition 4.3, coverage

shall continue to apply for the benefit of any **Additional Insured** against whom the **Claim** in question, or a **Claim** arising out of the **Occurrence** in question, is made.

(c) *Misappropriation outside Saskatchewan.* If coverage under this Part A is excluded, suspended or lost for an **Individual Insured** under Exclusion 3.4 because the **Individual Insured** has misappropriated trust funds or property, but the misappropriation has occurred in the course of providing **Professional Services** in a **Reciprocal Jurisdiction** and in the **Insured**'s capacity as a member in good standing of the **Law Society**, then coverage under this Part A shall continue to apply for the benefit of any **Additional Insured** against whom a **Claim** is made arising out of the misappropriation, subject to Conditions 4.6 and 4.7 below.

(d) *Condition of coverage.* It is a condition of the coverage referred to in this Condition 4.5 that the relevant **Additional Insured** not have concealed or acquiesced or participated in the conduct that has disqualified the **Individual Insured**, nor failed to notify the **Insurer** of such conduct after becoming aware of it, nor been guilty of any other breach of this Part A.

4.6 Other Insurance

(a) *With a **Reciprocal Jurisdiction**.* If an **Insured** has or had at any time insurance (other than excess insurance) under a **Reciprocal Jurisdiction's Policy** (or **Reciprocal Jurisdictions' Policies**) that applies to a **Claim** covered by this Part A, the total amount of insurance provided under these policies together will not exceed the total value of the **Claim** or the most that is available under either (any one) of these policies alone, whichever is less. The decision as to which of these policies will respond, or as to any allocation between (or amongst) the policies, will be made by the **Law Society** together with the **Reciprocal Jurisdiction**'s **law society** and/or insurers (or, if more than one, with the **Reciprocal Jurisdictions**' **law societies** and/or insurers) and the **Insured** agrees to be bound by that decision. However, the aggregate coverage provided under all applicable policies will not exceed the **occurrence limit** of $1,000,000.00, regardless of the number of policies involved.

(b) *With another insurer.* Except to the extent that Condition 4.6(a) applies, if an **Insured** has or had at any time insurance (other than excess insurance) placed with another insurer that applies to a **Claim** covered by this Part A, this Part A will apply only as excess insurance over the other insurance to the extent that the other insurance is valid and collectible, and will not be called upon in contribution.

4.7 Interjurisdictional Coverage

(a) If a **Claim** is made against an **Insured** in a **Reciprocal Jurisdiction** in connection with **Professional Services** rendered in that jurisdiction, and the professional liability insurance carried by the **Insured** is narrower in scope than that required of the members of the **law society** of the **Reciprocal Jurisdiction**, then the **Insurer** shall provide coverage for the **Insured**, inclusive of **Defence Costs** and interest, up to the level required by the **Reciprocal Jurisdiction** subject to an **occurrence limit** of $1,000,000.00 and an **aggregate limit** of $2,000,000.00. This condition applies for the benefit only of an **Insured** who was a member in good standing of the **Law Society** at the time the **Professional Services** were rendered.

(b) For clarity, if a member of the **Law Society** has obtained an exemption under the rules of the **Law Society** from the professional liability insurance requirements of the **Law Society**, whether pursuant to the **Mobility Rules** or otherwise, this Part A will not respond or be applicable to a **Claim** arising out of an **Occurrence** taking place during the period of exemption.

4.8 Cancellation

(a) *For all **Insureds**.* This Part A may be cancelled at any time by agreement between the **Insurer** and **SLIA,** terminating the coverage provided to all **Insureds** without prior notice to any **Insured**.

(b) *For any **Insured**.* The **Insurer** may, with the consent of the **Law Society**, terminate the coverage provided by this Part A to a particular **Insured** on 60 days' written notice to that **Insured** delivered by registered mail to the last address of the **Insured** shown on the records of the **Law Society**.

(c) *No return of premium.* There shall be no return of premium to any **Insured** on the cancellation or termination of this Part A.

4.9 Subrogation

(a) *General.* If any payment is made under this Part A on behalf of an **Insured** or **SLIA,** the **Insurer** shall be subrogated to all of that party's rights of recovery against any person in respect of the payment.

(b) *Exercise against **Insured**.* The **Insurer** will not exercise its subrogation rights against any **Insured** except an **Individual Insured** whose conduct has caused payments to be made on behalf of one or more **Additional Insureds** by virtue of the operation of Condition 4.5(a), (b) or (c) of this Part A.

(c) *Preservation of rights.* The **Insured** or **SLIA,** as the case may be, shall do nothing to prejudice the **Insurer**'s subrogation rights and, in addition, shall execute and deliver all documents and take any other action that the **Insurer** considers necessary or appropriate, acting reasonably, to secure those subrogation rights.

(d) *Application of amounts recovered.* Any amounts recovered through exercise of the **Insurer**'s subrogation rights, net of recovery **costs**, shall be applied as follows:

- first, to repay an **Insured** or an excess insurer who, pursuant to an agreement with the **Insurer**, has paid an amount on the **Insured**'s behalf in respect of the **Claim** over and above payments under this Part A;

- second, to reimburse the **Insurer** (and, on a *pro rata* basis, any other insurers who have contributed to the **Claim** pursuant to an agreement with the **Insurer**, except for those referred to in Condition 4.6(b)) for **Damages** and **Defence Costs** paid in respect of the **Claim**;

- third, to reimburse **SLIA** for **Damages** and **Defence Costs** paid in respect of the **Claim**; and

- fourth, to reimburse the **Insured** for deductibles paid that are referable to the **Claim**.

4.10 Miscellaneous Conditions

(a) *Effect of bankruptcy or insolvency.* The bankruptcy or insolvency of an **Insured** shall not affect the obligations of the **Insurer** under this Part A and shall not relieve an **Insured** of personal responsibility for his or her obligations under this Part A.

(b) *Effect of death or incapacity.* The death or incapacity of an **Insured** shall not affect the obligations of the **Insurer** under this Part A with respect to **Occurrences** before the death or incapacity. The legal or personal representatives of the **Insured** shall be entitled to enforce any coverage provided by this Part A for the benefit of the **Insured**, but shall be bound by the conduct of the **Insured** in connection with the **Occurrence(s)** in question.

(c) *Notice of changes.* Notice of matters relevant to the **Insurer** must be given to the **Insurer** at the local address for service shown in the Declarations. Notice to any other **person** (including the **Law Society**), or knowledge by that **person**, of such matters does not affect the **Insurer** or its rights under this Part A or the applicability of the terms and conditions of this Part A. Any waiver of or change to the terms and conditions of this Part A must be made by written endorsement forming part of this Part A and signed by a duly authorized representative of the **Insurer**.

(d) *Action against **Insurer**.* The following are conditions precedent to an action against the **Insurer** or **SLIA** by an **Insured**:

(i) the **Insured** must have complied in all respects with the terms and conditions of this Part A; and

(ii) the amount payable in respect of the **Claim** must have been finally determined by a court of competent jurisdiction or by written agreement or settlement.

Every action or proceeding against an insurer for the recovery of insurance money payable under the contract is absolutely barred unless commenced within the time set out in *The Insurance Act* (Saskatchewan).

(e) *Arbitration.* This provision applies to any dispute as to:

(i) the interpretation of this Part A;

(ii) the apportionment of liability; or

(iii) the payment of **individual or group deductibles**,

that arises between the **Insurer** and **SLIA,** or between an **Insured** and one or more of the following:

(A) **SLIA**;

(B) the **Insurer**; or

(C) another **Insured** who is not presently at the same **Law Firm** as the **Insured** and was not at the same **Law Firm** at the time of the **Occurrence**.

Such a dispute shall be adjudicated by arbitration. The arbitration shall be conducted in accordance with the provisions of *The Arbitration Act, 1992* (Saskatchewan) by a single arbitrator and may be initiated by any party to the dispute on written notice to all other parties at any time after the expiration of 90 days from the date the dispute arose and subject to applicable limitation periods.

(f) *Assignment.* The rights of an **Insured** under this Part A that are exercisable against the **Insurer** or **SLIA** cannot be assigned to any other **person**.

(g) *Service.* Service of any action to enforce the obligations of the **Insurer** under this Part A shall be made on the **Insurer** at the local address for service shown in the Declarations.

(h) *Currency.* All **limits of liability** and deductibles under this Policy are stated in lawful currency of Canada and all payments under this Policy shall be made in the same currency.

(i) *Governing law.* This Part A shall be governed by and construed in accordance with the laws of the Province of Saskatchewan.

PART B - EXCESS INSURANCE

I. DEFINITIONS

In this Part B:

Additional Insured means, with respect to a particular **Insured Law Firm**:

(a) any service company associated with the **Law Firm** that has been named in the **Law Firm**'s **Application** and accepted by the **Insurer**;

(b) any **person** who, at any time before or during the policy period, is:

(i) a partner, an associate or an employed lawyer of the **Law Firm**; or

(ii) a **Professional Corporation**, the voting shareholders of which are members of the **Law Firm** or shareholders of a service company described in paragraph (a);

(c) any **person** who, at any time before or during the policy period, is an officer, director or stockholder of the **Law Firm** or of a service company described in paragraph (a);

(d) any **person** who, at any time before or during the policy period, is designated "counsel" or "of counsel" of the **Law Firm**

Administrative Costs means:

(a) **costs** incurred by the **Insurer** or **SLIA** in managing a **Claim**, including **costs** of coverage determinations, recovery and subrogation, and adjusters' fees incurred in managing a **Claim**;

(b) post-judgment interest on that portion of a **Claim** for which the **Insurer** is responsible under this Part B; and

(c) **costs** of an **Insured** in connection with a **Claim**, as authorized in advance by the **Insurer** in writing, including reasonable travel **costs** to attendtrial

Administrative Employee means a present or former employee, director, officer, manager, volunteer or committee member of **SLIA** or the **Law Society** which is an **Insured Law Society** or a member of its governing body; or an independent contractor retained by **SLIA** or the **Law Society** which is an **Insured Law Society** to perform administrative functions; to the extent that a **person** so described is acting within the scope of his or her duties in the identified capacity

aggregate limit has the meaning given by clause 2.4(b)

Ancillary Activities means activities of a quasi-legal or non-legal nature (including, without limiting the generality of the foregoing, financial, investment and accounting services, brokerage services, and real estate development and appraisal) that are ancillary to or independent of the practice of law and are provided by an **Insured** for compensation or personal benefit referable specifically to those activities

Application means the form required to be completed and executed annually by each **Law Firm** that wishes to have **limits of liability** in excess of the **occurrence limit** and the **aggregate limit** set forth in paragraph 5(c) of the Declarations

Association means:

(a) a group of two or more law firms that holds itself out to the public as being in association;

(b) an international partnership of law firms; or

(c) a joint partnership of law firms

constituted for the purpose of rendering **Professional Services**, marketing **Professional Services**, client referrals, staff development and education, or any combination of the foregoing and including at least one law firm that is not insured under this Policy

Certificate of Excess Insurance means the certificate issued or to be issued to a particular **Insured Law Firm** by the **Insurer** pursuant to Condition 4.11 of this Part B

Claim means an allegation of an **Occurrence** or a demand for money, property or services arising out of an actual or alleged **Occurrence**, including the threat or institution of a suit or other legal proceeding, that is made against one or more **Insureds**

costs includes costs, charges and expenses

Damages means compensatory damages and includes:

(a) **repair costs**;

(b) pre-judgment interest; and

(c) **costs** of a claimant that are taxed or fixed by a court,

but does not include:

(i) fines or penalties;

(ii) punitive or exemplary damages; or

(iii) unpaid or unbilled legal fees or disbursements, or those that have been paid but that an **Insured** is asked to return, even if claimed as general damages

Defence Costs means **costs** incurred by the **Insurer** or **SLIA** in defending or settling a **Claim**, including legal fees and disbursements of counsel appointed by the **Insurer**; the fees and disbursements of experts, appraisers and witnesses; **costs** of alternative dispute resolution; and adjusters' fees incurred on the instructions of counsel in defending or settling a **Claim**

Enterprise means any proprietorship, partnership, co-operative, society, business, association, joint venture, syndicate, company, corporation, firm or other legal or commercial entity

error means an error by act or omission, or a failure to act at all, and includes an alleged error

Incidental Services means services that are connected with and incidental to the practice of law, including services as an executor, administrator, trustee, personal representative, committee, guardian, or patent or trademark agent

Ineligible Costs means:

(a) **costs** incurred by an **Insured** in defending or settling a **Claim**, or in co-operating with the **Insurer** or counsel appointed by the **Insurer** in the defence or settlement of a **Claim**, including those associated with:

- preparing for court and testifying;
- retaining independent counsel;
- expending time and effort;
- generally participating in the defence or settlement; and
- photocopying documents

except as authorized for reimbursement by the **Insurer**, in advance, or as set out in 2.2 Defence and Payment of Costs;

(b) earnings lost by an **Insured** in defending or settling or in co-operating with the **Insurer** or counsel appointed by the **Insurer** in the defence or settlement of a **Claim**; and

(c) **costs** awarded personally against an **Insured** as a result of the **Insured**'s conduct in litigation, whether or not connected with an **Occurrence**

Insured means:

(a) an **Insured Law Firm**;

(b) an **Additional Insured**;

(c) an **Insured Law Society**; or

(d) an **Administrative Employee**

Insured Law Firm means a **Law Firm** that has applied for insurance under this Part B and been accepted by the **Insurer** in accordance with Condition 4.11

Insured Law Society means the **Law Society** if it has applied for insurance under this Part B and has been accepted by the **Insurer** in accordance with Condition 4.11

Insurer means the Canadian Lawyers Insurance Association

Law Firm means:

(a) a sole proprietorship through which a member of the **Law Society** who is insured under Part A practises law; or

(b) two or more members of the **Law Society** who are insured under Part A and who are, or appear to be, holding themselves out to the public as practising law together, whether or not a partnership exists in fact; or

(c) any predecessor firm of (b) above. A predecessor firm is a partnership: a) which has undergone dissolution and b) in which at least 50% of the partners and employed lawyers are now partners and employed lawyers of the above

Law Society means the Law Society of Saskatchewan

law society means a law society, barristers' society or similar organization of a jurisdiction other than Saskatchewan

limits of liability means the **occurrence limit** and **aggregate limit**

Mobility Rules means those rules of a **law society** that govern the ability of members of other Canadian **law societies** to provide **Professional Services** in that jurisdiction on a temporary or permanent basis

Occurrence means an **error** in the rendering of **Professional Services** to others (or, where the **Insured** is the **Law Society** or an **Administrative Employee**, an **error** in the actual or intended discharge of that **Insured**'s duties, exercise of its rights or conduct of its authorized activities), provided in either case that:

(a) a sole **error** shall be considered one **Occurrence** regardless of the number of claimants or **Claims** arising out of the **error**; and

(b) two or more **errors** that are substantially related shall be considered a single **Occurrence**, even if arising from more than one retainer and regardless of:

(i) the number of claimants or **Claims** arising out of the **errors**; or

(ii) the number of **Insureds** against whom **Claims** are made in connection with the **errors**

occurrence limit has the meaning given by clause 2.4(a)

Office means a place of business established by or for the benefit or use of an **Insured** or that **person**'s **Law Firm** and from which services are provided or are intended to be provided to the public on an ongoing, but not necessarily regular or full-time, basis

person includes an individual and/or **Enterprise** that is indicated in the Declarations

Policy Period means, with respect to a particular **Insured**, the period from the effective date shown in the **Certificate of Excess Insurance** for that **Insured** until the expiration date shown in the Declarations or the date of cancellation of coverage under Condition 4.8 of this Part B, whichever occurs first. However, if there is an Extended Reporting Period under Condition 4.10, the **Policy Period** shall, for the purposes of that Condition, expire at the end of the Extended Reporting Period

Professional Corporation means a corporation to which a permit has been issued pursuant to Part 18 of the *Law Society of Saskatchewan Rules*

Professional Services means the practice from an **Office** in Canada, of the laws of Canada, its Provinces and Territories, where conducted by or on behalf of an **Individual Insured** in such **Individual Insured's** capacity as a member in good standing of the **Law Society** or the **law society** of a **Reciprocal Jurisdiction**, and shall include:

(a) services normally provided or supervised by a lawyer within the scope of a usual lawyer-client relationship;

(b) services rendered in alternative dispute resolution as an arbitrator or a mediator or in an equivalent role; and

(c) **Incidental Services** that are substantially related to services described in paragraph (a), but does not include **Ancillary Activities**

Reciprocal Jurisdiction means a Canadian jurisdiction, other than Québec, the **law society** of which has adopted **Mobility Rules** that are not substantially more restrictive than the **Mobility Rules** of the **Law Society**

repair costs means **costs** incurred to correct an **error** in the rendering of **Professional Services** as reasonably necessary to prevent or attempt to prevent the advancement of a **Claim**

Retention means, with respect to a particular **Claim**, the limit imposed on the **Claim** under the coverage provided by Part A (whether the **occurrence limit** or a portion of the **aggregate limit** set forth in paragraph 5(c) of the Declarations). In determining whether the limit has been reached, there shall be deducted the recoveries made with respect to that **Claim** under Part A or under any other insurance program or policy of the **law society** of a Canadian jurisdiction

SLIA means Saskatchewan Lawyers' Insurance Association Inc.

II. INSURING AGREEMENTS

In consideration of payment of the premium when due, and in reliance on the statements in the applicable **Application**, and subject to the **limits of liability** contained in paragraph 6(c) of the Declarations and the applicable **Certificate of Excess Insurance**, and subject to the exclusions, conditions and all other terms of this Part B, the **Insurer** agrees with each **Insured** as follows:

2.1 Damages

The **Insurer** will pay on behalf of the **Insured** any **Damages** in excess of the **Retention** that that **Insured** becomes legally obligated to pay arising out of an **Occurrence**.

2.2 Defence and Payment of Costs

In respect of the insurance coverage given by this Part B, the **Insurer** will:

(a) defend any **Claim** against an **Insured** alleging an **Occurrence** and seeking **Damages** that would fall within the coverage provided by this Part B;

(b) pay all **Administrative Costs** incurred by the **Insurer** in connection with the **Claim**, it being understood that the payment of **Administrative Costs** by the **Insurer** or **SLIA** will not erode the **limits of liability** applying under this Part B for that **Insured**;

(c) pay all **Defence Costs** incurred by the **Insurer** in connection with the **Claim**, it being understood that the payment of **Defence Costs** by the **Insurer** or **SLIA** will erode the **limits of liability** applying under this Part B for that **Insured**; and

(d) pay all premiums on appeal bonds and on bonds to release attachments in connection with the **Claim** that have been authorized in advance by the **Insurer**, it being understood that the payment of such premiums will erode the **limits of liability** applying under this Part B for that **Insured** and that the **Insurer** will have no obligation to furnish, apply for or give security for any such bonds.

(e) notwithstanding Exclusions 3.6, 3.6.1, 3.6.2 and 3.6.3 reimburse to the **Insured** all reasonable defence costs incurred by independent counsel retained by the **Insured** in the successful defence of:

i. any malicious act or omission, or any malicious prosecution;
ii. any prosecution of an offence under s.163.2 of the *Income Tax Act;*
iii. any prosecution under the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act;*
iv. any fine or penalty assessed against an **Insured** under the *Personal Information Protection and Electronic Documents Act (PIPEDA).*

2.3 Limits on Defence and Payment of Costs

(a) *Excess of **Retention**.* The **Insurer**'s liability to pay the **costs** described in clause 2.2 above is limited to the portion of those **costs** that are in excess of the **Retention**.

(b) *Other policies.* If the **Claim** is covered by another insurance policy under which the limit of liability is exclusive of such **costs**, the **costs** described in clause 2.2 above will be excluded unless otherwise specifically agreed in writing by the **Insurer**.

(c) ***Claim** within exclusion.* The **Insurer** has no duty to defend an **Insured** against a **Claim** or a part of a **Claim** that falls within an Exclusion of this Part B or that otherwise is not covered by this Part B.

(d) ***Ineligible costs**.* The **Insurer** is not responsible for and will not pay any **Ineligible Costs**.

2.4 Coverage Limits

(a) ***Occurrence limit**.* For each **Occurrence**, the maximum amount payable by the **Insurer** on account of **Damages** and **Defence Costs** combined in excess of the **Retention** is the **occurrence limit** shown in the **Certificate of Excess Insurance** for the relevant **Insured**.

(b) ***Aggregate limit**.* The maximum amount payable by the **Insurer** for **Damages** and **Defence Costs** combined in excess of the **Retention** on behalf of any **Insured**, including all **Additional Insureds**, for all **Claims** made during the **Policy Period**, regardless of the number of **Occurrences**, is the **aggregate limit** shown in the **Certificate of Excess Insurance** for the relevant **Insured**.

(c) *Exhaustion of **limits of liability**.* The **Insurer** is not obliged to pay any **Damages** or **Defence Costs** or to undertake or continue the defence of any proceeding after its **limits of liability** have been exhausted by the payment of **Defence Costs**, judgments and/or settlements or after deposit of the applicable **limits of liability** in a court of competent jurisdiction. In such a case, the **Insurer** has the right to withdraw from further defence by tendering control of the defence to the **Insured**.

III. EXCLUSIONS

The insurance coverage given by this Part B does not apply to a **Claim** that is based upon, arises out of, is in consequence of, or is in any manner related to:

3.1. **Professional Services** provided from an **Office** located outside Canada;

3.2. the practice of laws of a non-Canadian jurisdiction or the rendering of advice that involves, in whole or in part and directly or indirectly, the laws of a non-Canadian jurisdiction;

3.3. **Professional Services** provided in an **Insured**'s capacity as a member of a non-Canadian **law society**;

3.4. the theft or misappropriation of trust funds or property or in any way related to such theft or misappropriation;

3.5. a dishonest, fraudulent or criminal act or omission that does not fall within Exclusion 3.4;

3.6. a malicious act or omission, or any malicious prosecution;

3.6.1 a penalty assessed against an **Insured** under Section 163.2 of the *Income Tax Act*;

3.6.2 a fine or penalty assessed against an **Insured** under the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act;*

3.6.3 a fine or penalty assessed against an **Insured** under the *Personal Information Protection and Electronic Documents Act (PIPEDA)*;

3.7. the bodily injury, sickness, disease or death of any **person** (other than mental illness or emotional distress or humiliation of a claimant that is the direct result of an **Occurrence**);

3.8. physical damage to tangible property, including physical damage that results in the loss of use of the property, unless such damage is the direct result of an **Occurrence**;

3.9. an **Insured** acting in the capacity of director or officer of any **Enterprise** other than the **Law Society**;

3.9.1 damage to or loss of use of tangible or intangible property, loss of data, disclosure of confidential information, or any other loss which is directly or indirectly connected with the receipt or transmission of a computer virus or other damaging program via the internet or in any other electronic manner, or through unauthorized interference with an internet connection, network, computer or telecommunication device;

3.10. an **Occurrence** caused by any **Additional Insured** while not acting solely on behalf of and in the name of the **Insured Law Firm** with which the **Insured** is associated at the time the **Claim** is made or a potential **Claim** is reported in writing to the **Insurer**;

3.11. unless otherwise endorsed on this Policy, an **Occurrence** caused, in whole or in part, by an **Association** or by one or more members of an **Association** other than the **Insured Law Firm**;

3.12. an **Occurrence** that took place before the **Policy Period** provided that, prior to the **Policy Period**, the **Insured** first became aware, or should have reasonably foreseen, that the **Occurrence** might give rise to a **Claim**;

3.12.1 an **Occurrence** to which Part C of this Policy responds regardless of the limits of liability in Part C.

In addition, the insurance coverage given by this Part B does not apply to:

3.13. a **Claim** against an **Insured** made by the **Insured**'s employer for any alleged damages to the goodwill or reputation of the employer;

3.14. a **Claim** against an **Insured** made by the **Insured**'s **Law Firm;**

3.15. a **Claim** of which proper notice has not been given in accordance with paragraphs (a) and (b) of Condition 4.3;

3.16. a **Claim** excluded under the *Nuclear Incident Exclusion Clause* (attached);

3.17. the ineligible portion of any payment resulting from a **Claim** against an **Insured** by an **Enterprise** in which the **Insured** at the time of the **Occurrence** held a direct or indirect beneficial interest of at least five percent (5%). For the purposes of this exclusion:

a. an **Insured** is considered to have an indirect interest if the interest in the **Enterprise** is held by:
   - a relative of an **Additional Insured** (which means the spouse, child, sibling, parent, grandchild or grandparent of that **Insured** or any member of that **Insured**'s household); or
   - a corporation or other entity that is controlled by an **Additional Insured**, one or more relatives of an **Additional Insured**, the **Insured Law Firm**, or any combination of the foregoing, control being determined by *de facto* dominion or control regardless of legal title or ownership; and

b. "ineligible portion" means that portion of the payment equal to the proportionate beneficial interest held by the **Insured** in the **Enterprise** which, as noted above, will be five percent (5%) or greater;

3.18. a **Claim** excluded under the *War and Terrorism Exclusion Clause* (attached);

3.19. circumstances described under the *Sanctions Exclusion Clause* (attached).

IV. CONDITIONS

The coverage afforded by this Part B is subject to the following conditions:

4.1 Multiple Insureds, Claims or Claimants

The maximum liability of the **Insurer** and **SLIA** for each **Occurrence** and for **Claims** made during the entire **Policy Period** is as set forth in clause 2.4 above regardless of the number of **Claims** arising out of a particular **Occurrence**, the number of claimants in respect of the **Occurrence** or the number of **Insureds** against whom **Claims** are made in respect of the **Occurrence**. Multiple **Claims**, claimants or **Insureds** involved in a single **Occurrence** will not increase or cumulate the **occurrence limit** or the **aggregate limit**.

However, if one or more **Claims** arising out of the same **Occurrence** are made jointly or severally against two or more **Law Firms**, then the **occurrence and aggregate limits** as set forth in the **Certificates of Excess Insurance** for those **Law Firms** shall apply separately for the benefit of each respective **Law Firm**, subject to Condition 4.6(b).

4.2 Claims Made

This Part B gives the described coverage to an **Insured** for any **Occurrence** in respect of which:

(a) the initial **Claim** is made during the **Policy Period** and reported in writing to the **Insurer** during the **Policy Period**; or

(b) a potential **Claim** is reported in writing to the **Insurer** under either Part A or Part B during the **Policy Period**, which shall be considered a **Claim** made during the **Policy Period**

provided that the **Insured** had no knowledge before commencement of the **Policy Period** of the **Claim** or potential **Claim** and could not reasonably have foreseen before commencement of the **Policy Period** that a **Claim** might arise.

When the **Policy Period** expires, the **Insurer** shall be free of liability for **Occurrences** except for those in respect of which a **Claim** has been made or is considered to have been made during the **Policy Period** under paragraph (a) or (b) above.

4.3 Notice Requirements

(a) *Written notice.* An **Insured** shall, as soon as practicable after learning of a **Claim** or becoming aware of circumstances that might constitute an **Occurrence** or give rise to a **Claim**, however unmeritorious, give written notice to the **Insurer** at the local address for service shown in the Declarations. This is a condition precedent to the **Insurer**'s liability for the **Claim** or **Occurrence** under this Part B.

(b) *Information.* After notification, the **Insured** shall submit promptly to the **person(s)** designated by the **Insurer** all information reasonably required by the **Insurer** that the **Insured** is reasonably capable of providing. In addition, the **Insured** shall immediately forward to the **person(s)** designated by the **Insurer** any demand, notice, summons or other process received by the **Insured** in connection with the **Claim** or **Occurrence**.

(c) *Failure to notify.* If the **Insured** fails or refuses to give notice in accordance with paragraphs (a) and (b) of this Condition 4.3, **SLIA** may, at its sole discretion, assume the **Insured**'s responsibility for provision of notice and information. Coverage with respect to any **Claim** reported in the first instance by **SLIA** shall apply to protect the **Insured** only to the extent that the position of the **Insurer** or **SLIA** has not been prejudiced by the **Insured**'s failure to give notice.

4.4 Defence of Claims

(a) *Conduct of defence.* The **Insurer** and **SLIA** shall have complete and exclusive control over the conduct of the defence of a **Claim**, including appointment and instruction of counsel.

(b) *Co-operation.* The **Insured** shall co-operate fully with the **Insurer** and **SLIA** and, upon request, shall:

- assist in settlement attempts;
- attend at questioning and other interlocutory proceedings;
- attend at alternative dispute resolution;
- assist in enforcing any right of contribution or indemnity against any third party;
- attend at hearings and trials;
- assist in securing the attendance of witnesses; and
- assist in conduct of the defence in all other reasonable respects.

(c) *Non-compliance.* If an **Insured** is unable or unwilling to comply with paragraph (b), **SLIA** may, at its option, take the place of the **Insured** to ensure compliance but is not obliged to do so.

(d) *Admission of liability.* The **Insured** shall not make any admission nor take any other action that might reasonably be expected to prejudice conduct of the defence unless the **Insurer** is aware of and consents to the admission or action in advance.

(e) *Payments, etc.* Any payment, obligation or expense in connection with a **Claim** that is made, assumed or incurred unilaterally by the **Insured**, without obtaining the prior concurrence of the **Insurer**, shall be the sole responsibility of the **Insured**.

(f) *Compromise or settlement.* The decision to settle or compromise a **Claim** is within the sole discretion of the **Insurer** and **SLIA**, who have the exclusive right and authority to enter into a compromise or settlement without the consent or knowledge of the **Insured**. The **Insurer** may inform the **Insured** of a planned compromise or settlement and in such case if the **Insured** objects to a compromise or settlement, the **Insured** may request permission to contest or continue legal proceedings in connection with the **Claim**. The **Insurer** has no obligation to grant such permission, but may do so in its sole discretion. Any permission so granted:

(i) is subject to the condition that the amount payable under this Part B in respect of the relevant **Claim** shall not exceed the amount for which the **Claim** could have been settled, including **Defence Costs** up to the date of the **Insured**'s objection, subject to the other Conditions of this Part B; and

(ii) is conditional on the **Insured** providing security, in an amount and form determined by the **Insurer** in its sole discretion, for any amounts for which the **Insured** may be liable in excess of the amount referred to in subclause (i) above.

4.5 Innocent Insured Provisions

(a) *Fraud or malice.* If coverage under this Part B is excluded, suspended or lost for a particular **Insured** due to the operation of Exclusion 3.5 or 3.6 (that is, a dishonest, fraudulent, criminal or malicious act or omission by the **Insured** other than one relating in any way to theft or misappropriation of trust funds or property), coverage shall continue to apply for the benefit of any other **Insured** against whom a **Claim** is made arising out of the **Occurrence** caused by the first-referenced **Insured**.

(b) *Failure to notify.* If coverage under this Part B is excluded, suspended or lost for a particular **Insured** due to that **Insured**'s failure to notify the **Insurer** of the **Claim** or **Occurrence** as required by paragraphs (a) and (b) of Condition 4.3, coverage shall continue to apply for the benefit of any other **Insured** against whom the **Claim** in question, or a **Claim** arising out of the **Occurrence** in question, is made.

(c) *Misappropriation outside Saskatchewan.* If coverage under this Part B is excluded, suspended or lost for a particular **Insured** under Exclusion 3.4 because the **Insured** has misappropriated trust funds or property, but the misappropriation has occurred in the course of providing **Professional Services** in a **Reciprocal Jurisdiction** and in the **Insured**'s capacity as a member in good standing of the **Law Society**, then coverage under this Part B shall continue to apply for the benefit of any other **Insured** against whom a **Claim** is made arising out of the misappropriation, but subject to Condition 4.6 below.

(d) *Condition of coverage.* It is a condition of the coverage referred to in this Condition 4.5 that the relevant other **Insured** not have concealed or acquiesced or participated in the conduct that has disqualified the **Insured**, nor failed to notify the **Insurer** of such conduct after becoming aware of it, nor been guilty of any other breach of this Part B.

4.6 Other Insurance

(a) *Excess coverage.* If an **Insured** has or had at any time other insurance against a **Claim** covered by this Part B (except insurance specifically arranged to apply as excess over the insurance provided by this Part B), the insurance under this Part B will apply only as excess insurance over the other insurance to the extent that the other insurance is valid and collectible, and will not be called upon in contribution.

(b) *Change of firms.* If a lawyer changes **Law Firms** after causing an **Occurrence**, and if two or more **Law Firms** concerned are **Insured Law Firms** at the time the **Claim** is made, then the liability of the **Insurer** shall be limited to the **occurrence limit** and **aggregate limit** reflected in the **Certificate of Excess Insurance** of the **Insured Law Firm** (if any) where the lawyer is located at the time the **Claim** is made, which limits shall not be increased or cumulated by virtue of the lawyer's connection with two or more **Insured Law Firms**.

4.7 Maintenance of Part A Insurance

It is a condition of this Part B that the mandatory insurance established by the **Law Society** and effected under Part A with respect to a particular **Insured** be maintained in effect during the **Policy Period**. Failure to comply shall not invalidate this Part B, but the **Insurer** shall be liable

to the **Insured** only to the extent that it would have been had the insurance under Part A been maintained.

If the Part A insurance is reduced or exhausted by the payment of **Claims** with respect to any **Insured**, then this Part B:

(a) shall, in the case of reduction, continue in force for the benefit of the **Insured** as excess of the reduced Part A insurance; and

(b) shall, in the case of exhaustion, continue in force for the benefit of the **Insured** as primary insurance, subject to the **Insured**'s deductible obligations under Part A.

4.8 Cancellation

(a) *Failure to pay premium.* If a **Law Firm** fails to pay the premium under this Part B when due, this Part B shall be cancelled by the **Insurer** with respect to that **Law Firm** as of the effective date of this Part B for that **Law Firm**.

(b) *By **Insurer**.* The **Insurer** or **SLIA** may cancel the coverage of all **Insured Law Firms** or of any particular **Insured Law Firm** under this Part B by delivering or mailing by registered mail to each affected **Law Firm** at its address shown on its **Certificate of Excess Insurance** at least 60 days' written notice of such cancellation. The **Insurer** shall reimburse to any affected **Law Firm** the *pro rata* unearned portion of the premium paid for such coverage.

(c) *By **Insured**.* An **Insured Law Firm** may cancel its coverage under this Part B by delivering or mailing by registered mail written notice of cancellation to the **Insurer** at the local address for service shown in the Declarations. The **Insurer** shall reimburse to any such **Law Firm** the *pro rata* unearned portion of the premium paid for such coverage in accordance with the customary short rate table and according to the cancellation date specified in the notice or the date of the **Insurer**'s receipt of the notice, whichever is later.

(d) *Cancellation of Part A.* If coverage under this Part B is in force for a **Law Firm** when coverage under Part A has been cancelled with respect to any **Insured** having Part B coverage through that **Law Firm**, the **Insurer**'s liability under this Part B with respect to that **Insured** shall be limited to **Damages** and **Defence Costs** incurred by the **Insured** in excess of the **Retention**, up to the **limits of liability** set out in the **Certificate of Excess Insurance** held by that **Law Firm** and subject to Condition 4.1.

4.9 Subrogation

(a) *General.* If any payment is made under this Part B on behalf of an **Insured** or **SLIA**, the **Insurer** shall be subrogated to all of that party's rights of recovery against any person in respect of the payment.

(b) *Exercise against **Insured**.* The **Insurer** will not exercise its subrogation rights against any **Insured** except an **Insured** whose conduct has caused payments to be made on behalf of one or more other **Insureds** by virtue of the operation of Condition 4.5(a), (b) or (c) of this Part B.

(c) *Preservation of rights.* The **Insured** or **SLIA**, as the case may be, shall do nothing to prejudice the **Insurer**'s subrogation rights and, in addition, shall execute and deliver all documents and take any other action that the **Insurer** considers necessary or appropriate, acting reasonably, to secure those subrogation rights.

(d) *Application of amounts recovered.* Any amounts recovered through exercise of the **Insurer**'s subrogation rights, net of recovery **costs**, shall be applied as follows:

- first, to repay an **Insured** or an excess insurer who, pursuant to an agreement with the **Insurer**, has paid an amount on the **Insured**'s behalf in respect of the **Claim** over and above payments under this Part B;

- second, to reimburse the **Insurer** (and, on a *pro rata* basis, any other insurers who have contributed to the **Claim** pursuant to an agreement with the **Insurer**) for **Damages** and **Defence Costs** paid in respect of the **Claim**;

- third, to reimburse **SLIA** for **Damages** and **Defence Costs** paid in respect of the **Claim**; and

- fourth, to reimburse the **Insured** for deductibles paid that are referable to the **Claim**.

4.10 Extended Reporting Period

If:

(a) an **Insured Law Firm** dissolves or an individual whose sole proprietorship is an **Insured Law Firm** retires or dies during the **Policy Period**; or

(b) the **Insurer** cancels or refuses to renew coverage under this Part B for any **Law Firm**

then, upon notification to the **Insurer** in accordance with this Condition 4.10 and payment of the additional premium set forth below, the affected **Law Firm** shall have the right to request an extended reporting period during which the **Law Firm** shall be entitled to report any **Claims** or **Occurrences** arising during the **Policy Period** before the happening of an event described in paragraph (a) or (b).

In the case of dissolution, retirement or death [paragraph (a)], the **Insured Law Firm** may elect an extended reporting period of 12 months for an additional premium equal to 100% of its last annual premium, or 24 months for an additional premium equal to 175% of its last annual premium.

In the case of cancellation or refusal to renew [paragraph (b)], the **Insured Law Firm** may elect an extended reporting period of 12 months for an additional premium equal to 100% of its last annual premium, or 24 months for an additional premium equal to 175% of its last annual premium.

To exercise the right provided by this Condition 4.10, the **Law Firm** must notify the **Insurer** in writing by registered mail sent to the local address for service shown in the Declarations within 30 days of the dissolution or retirement, cancellation or expiry or, in the case of death, on or

before the expiry date of the **Policy Period** or the 30th day following the death, whichever is later. Payment of the additional premium must accompany the notice. No extension of the time limits provided by this paragraph will be granted.

4.11 Certificate of Excess Insurance

(a) ***Certificate of Excess Insurance***. Each **Law Firm** and the **Law Society**, if applicable, which completes and submits an **Application** for a **Policy Period** and whose **Application** is accepted by the **Insurer** shall become an **Insured** under this Part B for the **Policy Period**. The **Insurer** shall issue a **Certificate of Excess Insurance** in such form and containing such information as the **Insurer** considers appropriate but including, among other things, the name and address of the **Law Firm** or the **Law Society** and any associated service company or companies, the **Policy Period**, the **occurrence limit** and **aggregate limit** applicable to the **Law Firm** or the **Law Society**, and the premium payable by or on behalf of the **Law Firm** or the **Law Society**.

(b) *Effective date.* The effective date of the Policy under this Part B for an **Insured Law Firm** shall be the later of the effective date specified in the **Application** and the date the **Application** is delivered to the **Insurer** or its representative. Upon acceptance of an **Application** by the **Insurer**, the **Application** shall become part of the Policy.

(c) *Statements in **Application***. The statements, agreements and representations made in the **Application** of each **Law Firm** shall be declared by the signatory to be true to the best of that **person**'s knowledge, and each of the **Insureds** acknowledges that this insurance is issued by the **Insurer** in consideration of and in reliance upon such statements, agreements and representations. However, the **Insurer** will not exercise its right to refuse the coverage provided by this Part B where it is alleged that there has been non-disclosure or misrepresentation of facts or any untrue statement in the **Application** if the **Insured** is able to establish to the **Insurer**'s satisfaction that such alleged non-disclosure, misrepresentation or untrue statement was innocent and free of any fraudulent conduct or intent to deceive.

4.12 Miscellaneous Conditions

(a) *Effect of death, etc. and firm changes.*

(i) The bankruptcy or insolvency of an **Insured** shall not affect the obligations of the **Insurer** under this Part B and shall not relieve an **Insured** of personal responsibility for his or her obligations under this Part B.

(ii) The death or incapacity of an **Insured** shall not affect the obligations of the **Insurer** under this Part B with respect to **Occurrences** before the death or incapacity. The legal or personal representatives of the **Insured** shall be entitled to enforce any coverage provided by this Part B for the benefit of the **Insured**, but shall be bound by the conduct of the **Insured** in connection with the **Occurrence(s)** in question.

(iii) Any change among the partners or stockholders of an **Insured** during the **Policy Period**, even though it results in a change in the name or business style of an **Insured Law Firm**, shall not affect the coverage afforded by this Part B.

However, any such changes shall be reported to the **Insurer** promptly and, in any event, before the expiration of the **Policy Period** in accordance with paragraph (b) below.

(b) *Notice of changes.* Notice of matters relevant to the **Insurer** must be given to the **Insurer** at the local address for service shown in the Declarations. Notice to any other **person** (including the **Law Society**), or knowledge by that **person**, of such matters does not affect the **Insurer** or its rights under this Part B or the applicability of the terms and conditions of this Part B. Any waiver of or change to the terms and conditions of this Part B must be made by written endorsement forming part of this Part B and signed by a duly authorized representative of the **Insurer**.

(c) *Action against **Insurer**.* The following are conditions precedent to an action against the **Insurer** or **SLIA** by an **Insured**:

(i) the **Insured** must have complied in all respects with the terms and conditions of this Part B; and

(ii) the amount payable in respect of the **Claim** must have been finally determined by a court of competent jurisdiction or by written agreement or settlement.

Every action or proceeding against an insurer for the recovery of insurance money payable under the contract is absolutely barred unless commenced within the time set out in *The Insurance Act* (Saskatchewan).

(d) *Arbitration.* This provision applies to any dispute as to:

(i) the interpretation of this Part B; or

(ii) the apportionment of liability,

that arises between the **Insurer** and **SLIA**, or between an **Insured** and one or more of the following:

(A) **SLIA**;

(B) the **Insurer**; or

(C) another **Insured** who is not presently at the same **Law Firm** as the **Insured** and was not at the same **Law Firm** at the time of the **Occurrence**.

Such a dispute shall be adjudicated by arbitration. The arbitration shall be conducted in accordance with the provisions of *The Arbitration Act, 1992* (Saskatchewan) by a single arbitrator and may be initiated by any party to the dispute on written notice to all other parties at any time after the expiration of 90 days from the date the dispute arose and subject to applicable limitation periods.

(e) *Assignment.* The rights of an **Insured** under this Part B that are exercisable against the **Insurer** or **SLIA** cannot be assigned to any other **person**.

(f) *Service.* Service of any action to enforce the obligations of the **Insurer** under this Part B shall be made on the **Insurer** at the local address for service shown in the Declarations.

(g) *Currency.* All **limits of liability** and deductibles under this Policy are stated in lawful currency of Canada and all payments under this Policy shall be made in the same currency.

(h) *Governing law.* This Part B shall be governed by and construed in accordance with the laws of the Province of Saskatchewan.

PART C - TRUST PROTECTION INDEMNIFICATION POLICY

I. DEFINITIONS

In this Part C:

Compensation Program, for the purposes of this Policy, means the Special Fund as provided under *The Legal Profession Act, 1990*

compensation program means:

(i) any statutory compensation program, as provided for by any legislative act which is similar to the Act governing the **Compensation Program**;

(ii) similar funds as established by a **law society** to pay for **Losses** from any misappropriation, wrongful conversion or dishonesty by members of a **law society** as may now or subsequently be established; and

(iii) any substantially similar compensation programs established by any government

Enterprise means any proprietorship, partnership, co-operative, society, business, association, joint venture, syndicate, company, corporation, firm or other legal or commercial entity

Expenses means any and all costs incurred by the **Member**, the **Insured** and/or the **Insurer** in investigating, adjusting or resolving a **Notice of Loss**

Insured means the Law Society of Saskatchewan

Insurer means the Canadian Lawyers Insurance Association

law society means a law society, barristers' society or similar organization of a jurisdiction other than Saskatchewan

limits of liability means the **Occurrence** limit and aggregate limit

Loss means direct financial loss sustained by a **person** of no more than the value of **Money** or the equivalent cash value of **Securities and Property** that is the subject of an **Occurrence** by a **Member**, but does not include:

(a) any amount for which the claimant or **Member** has or is entitled to claim indemnity under any other policy or form of insurance, including Part A and Part B of this Policy, title insurance, or any **compensation program** other than the **Compensation Program**; or

(b) **Expenses**

Member means a **person** who, at the date of the **Occurrence**, had a licence as defined under the *Legal Profession Act, 1990* and, at all relevant times, was acting in the **Member's** professional capacity

Money, Securities or Property means:

(a) Money including currency, coins, and bank notes having a face value and in current use;

(b) Securities including all negotiable and non-negotiable instruments or contracts representing **Money** and includes revenue and other stamps, tokens and tickets in current use;

(c) Property including trust **Money**, in cash or on deposit, and chattels, which have been entrusted

Notice of Loss means the receipt by the **Insured** of a completed application for compensation, in a form approved by the **Insured** from time to time, alleging an **Occurrence** and seeking reimbursement or compensation

Occurrence means the misappropriation or wrongful conversion by a **Member** of **Money, Securities or Property** entrusted to or received by a **Member** in the **Member**'s professional capacity regardless of the form or forms of business organization through which the practice is conducted

person includes an individual and an **Enterprise**

Policy Period means the period that is indicated in the Declarations

II. INSURING AGREEMENTS

In consideration of payment of the premiums when due, and subject to the **limits of liability**, deductibles, exclusions, conditions and all other terms of this Part C, the **Insurer** agrees to reimburse the **Insured** for **Losses** paid by the **Insured** through the **Compensation Program** resulting from **Occurrences** discovered during the **Policy Period**.

III. EXCLUSIONS

The insurance coverage given by this Part C does not apply to any payment made for:

3.1 an **Occurrence** to which Part A and/or Part B of this Policy responds, regardless of the limits of liability of Part A and/or Part B of this Policy; compliance, or lack thereof, with the notice and/or reporting requirements of Part A and/or Part B of this Policy; and whether Part A and/or Part B of this Policy have been cancelled;

3.2 bodily injury, sickness, disease or death of any **person**;

3.3 physical damage to tangible property, including physical damage that results in the loss of use of the property;

3.4 a claim against a **Member** made by or on behalf of the **Member**'s law firm or its partners unless the **Loss** would have been insured under this Part C in the absence of such claim;

3.5 a **Loss** sustained by a **person** who committed, participated in committing, consented to expressly, or implicitly, acquiesced in the misappropriation or wrongful conversion, or was reckless or willfully blind to the misappropriation, wrongful conversion or dishonesty of the **Member**;

3.6 a **Loss** sustained by a **person** or **persons** who had unlawfully obtained the **Money, Securities or Property** that were the subject of the **Occurrence**;

3.7 a **Loss** that an officer of the **Compensation Program** knew or reasonably ought to have known that could form or did form the basis of an **Occurrence** under a **compensation program** prior to March 31, 2006;

3.8 a **Loss** that could form the basis of an **Occurrence** that an officer of the **CompensationProgram** knew about prior to the inception date of this Part C;

3.9 a claim excluded under the *Nuclear Incident Exclusion Clause* (attached);

3.10 a claim excluded under the *War and Terrorism Exclusion Clause* (attached).

IV. CONDITIONS

The coverage afforded by this Part C is subject to the following conditions:

4.1 Limits of Liability

(a) **Occurrence** Limit: The limit of liability of the **Insurer** for all payments made in respect of an **Occurrence** is as shown in Item 7(c)(i) of the Declarations, regardless of the number of **Losses** arising out of the **Occurrence**, the number of **Notices of Loss** in respect of the **Occurrence** or the number of **Members** involved or alleged to be involved in the **Occurrence**.

(b) Aggregate Limit: The limit of liability of the **Insurer** for all payments made during the **Policy Period**, regardless of the number of **Occurrences** in respect of all **Members** of the **Insured**, shall not exceed the amount shown in Item 7(c)(ii) of the Declarations.

(c) Multiple **Losses**, **Notices of Loss**, claimants or **Members** involved in a single **Occurrence** will not increase or cumulate the limits shown in Items 7(c)(i) and (ii) of the Declarations.

4.2 Discovery and Notice

(a) An **Occurrence** will be deemed to have been discovered on the date on which a **Notice of Loss** relating to the **Occurrence** is received by the **Insured** or, if earlier, the date on which an officer of the **Compensation Program** receives sufficient information indicating that a **Member** may be responsible for the **Occurrence**.

(b) The **Insured** will give notice to the **Insurer** by quarterly loss summary reports of all **Occurrences** discovered during the preceding quarter and all known **Losses** related thereto. In all events, notice by the **Insured** must be given to the **Insurer** no later than three months after the end of the **Policy Period**.

4.3 Proof of Loss/Information

Detailed loss information, in a form prescribed by the **Insurer**, must be submitted by the **Insured** to the **Insurer** on any payments made in excess of $50,000. Upon the **Insurer**'s request, detailed loss information, in a form prescribed by the **Insurer**, must be submitted by the **Insured** to the **Insurer** on any payments made equal to or less than $50,000. Upon the **Insurer**'s request, the **Insured** will produce for the **Insurer**'s examination all pertinent records relating to such payments at the offices of the **Insured**.

4.4 Group Deductible

For each **Loss** covered under this Part C, the **Insured** shall retain all payments up to the maximum set out in Item 7(d)(i) of the Declarations, however, the **Insured** shall not be required to retain more than the aggregate amount specified in Item 7(d)(ii) of the Declarations.

4.5 Other Insurance

(a) *With **Insurer***. If a **compensation program** (or programs) provided by another Canadian **law society** (or Canadian **law societies**) other than the **Insured** applies to a **Loss** covered by this Part C, the total amount of insurance provided under these policies together will not exceed the total value of the **Loss** or the most that is available under either (any one) of these policies alone, whichever is less. The decision as to which of these policies will respond, or as to any allocation between (or amongst) the policies, will be made by the **Insured** together with that other **law society** (or, if more than one, with those other **law societies**) and the **Insured** agrees to be bound by that decision. However, the aggregate coverage provided under all applicable policies will not exceed the **Occurrence** limit of $10,000,000, regardless of the number of policies involved.

(b) Except to the extent that Condition 4.5(a) applies, if there is available to the **Insured** or **Member** any other insurance or indemnity (other than excess insurance), this Part C will apply only as excess insurance over the amount recoverable or recovered under such other insurance or indemnity and will not be called upon in contribution.

4.6 Cancellation

This Part C may be cancelled at any time by agreement between the **Insured** and the **Insurer**.

4.7 Subrogation and Salvage

(a) In the event of any payment under this Part C, the **Insurer** shall be subrogated to all of the **Insured**'s rights of recovery therefor against any **person**, including **Member(s)**, in respect of said payment and the **Insured** shall execute and deliver instruments and papers and render assistance to secure such rights. The **Insured** shall do nothing after loss to prejudice such rights.

(b) The amounts recovered through the exercise of subrogation and/or salvage, by or on behalf of the **Insured** and the **Insurer**, shall be applied net of the expense of such recoveries as follows:

(i) First to the satisfaction of the **Losses** which would have been paid but for the fact that it is in excess of the **limits of liability** under this Part C;

(ii) Second to reimburse the **Insurer** for payments under this Part C;

(iii) Third to reimburse the **Insured** for payments made within the deductible set out in Item 7(d) of the Declarations.

(c) It is expressly agreed between the **Insured** and the **Insurer** that the **Insurer** shall be subrogated to all of the **Insured**'s rights of recovery, including the value of any dishonest **Member**'s interest in any partnership or firm as determined by closing said partnership's or firm's books as of the date of the discovery of the **Loss** by the **Insured**, including any amounts owing to such dishonest **Member** by said partnership or firm, but in no event for more than the amount of coverage applicable to the Insuring Agreements of this Part C. The **Insurer** expressly acknowledges that it waives all rights of recovery against any **Member** having a financial interest in the partnership or firm in question who were neither the author, accomplice, nor acting in collusion with the dishonest **Member** in respect of the **Occurrence** resulting in any **Loss** paid under this Part C.

4.8 <u>Miscellaneous Conditions</u>

(a) *Effect of bankruptcy or insolvency.* The bankruptcy or insolvency of the **Insured** or a **Member** will not affect the obligations of the **Insurer** under this Part C and will not relieve the **Insured** of responsibility for its obligations under this Part C.

(b) *Effect of death or incapacity.* The death or incapacity of a **Member** will not affect the obligations of the **Insurer** under this Part C with respect to **Occurrences** before the death or incapacity.

(c) *Notice of changes.* Notice of matters relevant to the **Insurer** must be given to the **Insurer** at the local address for service shown in the Declarations. Notice to any other **person**, or knowledge by that **person**, of such matters does not affect the **Insurer** or its rights under this Part C or the applicability of the terms and conditions of this Part C. Any waiver of or change to the terms and conditions of this Part C must be made by written endorsement forming part of this Part C and signed by a duly authorized representative of the **Insurer**.

(d) *Action against **Insurer**.* The following are conditions precedent to an action against the **Insurer** by the **Insured**:

(i) the **Insured** must have complied in all respects with the terms and conditions of this Part C; and

(ii) the amount payable in respect of the claim must have been finally determined by a court of competent jurisdiction or by written agreement or settlement.

Every action or proceeding against an insurer for the recovery of insurance money payable under the contract is absolutely barred unless commenced within the time set out in *The Insurance Act* (Saskatchewan).

(e) *Arbitration.* This provision applies to any dispute that arises between the **Insurer** and the **Insured**. Such a dispute shall be adjudicated by arbitration. The arbitration shall be conducted in accordance with the provisions of *The Arbitration Act, 1992* (Saskatchewan) by a single arbitrator and may be initiated by any party to the dispute on written notice to the other party at any time after the expiration of 90 days from the date the dispute arose.

(f) *Assignment.* The rights of the **Insured** under this Part C that are exercisable against the **Insurer** cannot be assigned to any other **person**.

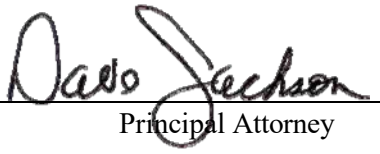
(g) *Service.* Service of any action to enforce the obligations of the **Insurer** under this Part C shall be made on the Principal Attorney for the **Insurer** at the local address for service shown in the Declarations.

(h) *Currency.* All **limits of liability** and deductibles under this Policy are stated in lawful currency of Canada and all payments under this Policy shall be made in the same currency.

(i) *Governing law.* This Part C shall be governed by and construed in accordance with the laws of the Province of Saskatchewan.

In Witness Whereof the **Insurer** has caused this Policy to be executed the 1st day of July, 2026 by its Principal Attorney.

CANADIAN LAWYERS INSURANCE ASSOCIATION

Per: 

Principal Attorney

NUCLEAR INCIDENT EXCLUSION CLAUSE-LIABILITY-DIRECT (BROAD)-CANADA
(For use with all Public Liability Policies except Personal, Farmers' and Storekeepers')

It is agreed that this Policy does not apply:

(a) to liability imposed by or arising from any nuclear liability act, law or statute, or any law amendatory thereof; nor

(b) to bodily injury or property damage with respect to which an **Insured** under this Policy is also insured under a contract of nuclear energy liability insurance (whether the **Insured** is unnamed in such contract and whether or not it is legally enforceable by the **Insured**) issued by the Nuclear Insurance Association of Canada or any other insurer or group or pool of insurers or would be an **Insured** under any such policy but for its termination upon exhaustion of its limit of liability; nor

(c) to bodily injury or property damage resulting directly or indirectly from the nuclear energy hazard arising from:

(i) the ownership, maintenance, operation or use of a nuclear facility by or on behalf of an **Insured**;

(ii) the furnishing by an **Insured** of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any nuclear facility; and

(iii) the possession, consumption, use, handling, disposal or transportation of fissionable substances, or of other radioactive material (except radioactive isotopes, away from a nuclear facility, which have reached the final stage of fabrication so as to be usable for any scientific, medical, agricultural, commercial or industrial purpose) used, distributed, handled or sold by an **Insured**.

As used in this Policy:

1. The term ''nuclear energy hazard'' means the radioactive, toxic, explosive, or other hazardous properties of radioactive material.

2. The term ''radioactive material'' means uranium, thorium, plutonium, neptunium, their respective derivatives and compounds, radioactive isotopes of other elements and any other substances which may be designated by or pursuant to any law, act or statute, or law amendatory thereof as being prescribed substances capable of releasing atomic energy, or as being requisite for the production, use or application of atomic energy.

3. The term ''nuclear facility'' means:

(a) any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of plutonium, thorium and uranium or any one or more of them;

(b) any equipment or device designed or used for (i) separating the isotopes of plutonium, thorium and uranium or any one or more of them, (ii) processing or utilising spent fuel, or (iii) handling, processing or packaging waste;

(c) any equipment or device used for the processing, fabricating or alloying of plutonium, thorium or uranium enriched in the isotope uranium 233 or in the isotope uranium 235, or any one or more of them if, at any time, the total amount of such material in the custody of the **Insured** at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;

(d) any structure, basin, excavation, premises or place prepared or used for the storage or disposal of waste radioactive material;

and includes the site on which any of the foregoing is located, together with all operations conducted thereon and all premises used for such operations.

4. The term ‘‘fissionable substance’’ means any prescribed substance that is, or from which can be obtained, a substance capable of releasing atomic energy by nuclear fission.

5. With respect to property, loss of use of such property shall be deemed to be property damage.

It is understood and agreed that, except as specifically provided in the foregoing to the contrary, this Clause is subject to the terms, exclusions, conditions and limitations of the Policy to which it is attached.

WAR AND TERRORISM EXCLUSION

(Applies to Parts B & C Only)

Notwithstanding any provision to the contrary within this Policy or any endorsement thereto, it is agreed that this Policy excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss:

(1) war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power; or

(2) any act of terrorism.

For the purpose of this endorsement, an act of terrorism means an act, including, but not limited to, the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organization(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

This endorsement also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to (1) and/or (2) above.

If the **Insurer** alleges that by reason of this exclusion, any loss, damage, cost or expense is not covered by this Policy, the burden of proving the contrary shall be upon the **Insured**.

In the event any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

SANCTIONS EXCLUSION

(Applies to Part B Only)

Notwithstanding any provision to the contrary within this Policy or any endorsement thereto, it is agreed that the **Insurer** shall not be liable under this Policy in respect of any trade or activity which is subject to any applicable economic, political or trade sanction, prohibition or restriction. The **Insurer** shall not be deemed to provide cover and the **Insurer** shall not be liable to pay any Claim or provide any 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 applicable economic, political or trade sanction, prohibition or restriction.

ENDORSEMENT NO. 1

(Applies to Part A Only)

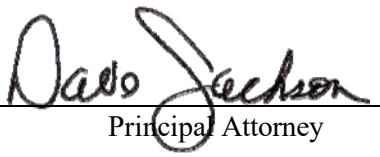
It is understood and agreed that, for the purposes of Condition 4.7(a), coverage provided under a) "Part B: Trust Protection" of the Law Society of British Columbia's professional liability insurance policy; and b) "Part B – Trust Safety Insurance" of the Alberta Lawyers Insurance Exchange's professional liability and trust safety insurance policy shall not be considered to be insurance required of the members of the Law Societies of British Columbia and Alberta respectively. For greater certainty, it is understood and agreed that Condition 4.7(a) shall not apply to broaden coverage under Part A as a result of the provisions of a) "Part B: Trust Protection" in the Law Society of British Columbia's professional liability insurance policy; and b) "Part B – Trust Safety Insurance" in the Alberta Lawyers Insurance Exchange's professional liability and trust safety insurancepolicy.

All other terms, conditions, exclusions and limitations remain unchanged.

Attaching to and forming part of Master Policy Number 39004 of the Canadian Lawyers Insurance Association.

This endorsement shall be effective from July 1, 2026 at 12:01 a.m. Local Time at Regina, Saskatchewan.

CANADIAN LAWYERS INSURANCE ASSOCIATION

Per: 

Principal Attorney

ENDORSEMENT NO. 2

(Applies to Part A Only)

It is understood and agreed that coverage under this policy is extended to members of the **Law Society,** excepting students-at-law, who are exempt from insurance coverage pursuant to the Rules of the **Law Society** for an **Occurrence** arising out of **Professional Services** which they are entitled pursuant to the rules of the **Law Society** to perform and that are performed on a pro bono basis through a pro bono organization approved by the Law Society of Saskatchewan.

It is further understood and agreed that a lawyer referred to in the foregoing paragraph will not, for the sole reason of performing **Professional Services** on a pro bono basis as described above, be included in determining the number of lawyers for the purpose of the Premium set out as Item 5(f) of the Declarations.

All other terms, conditions, exclusions and limitations remain unchanged.

Attaching to and forming part of Master Policy Number 39004 of the Canadian Lawyers Insurance Association.

This endorsement shall be effective from July 1, 2026 at 12:01 a.m. Local Time at Regina, Saskatchewan.

CANADIAN LAWYERS INSURANCE ASSOCIATION

Per: 

Principal Attorney

ENDORSEMENT NO. 3
(Applies to Part A Only)

It is understood and agreed that coverage under this policy is extended to all members of the Law Society of Saskatchewan who volunteer and or participate in the education of Articling Students through the Canadian Center for Professional Legal Education (CPLED) .

It is further understood and agreed that a member referred to in the foregoing paragraph will not, for the sole reason of performing volunteer services to CPLED, be included in determining the number of lawyers for the purpose of the Premium set out as Item 5(f) of the Declarations.

All other terms, conditions, exclusions, and limitations remain unchanged.

Attaching to and forming part of Master Policy Number 39004 of the Canadian Lawyers Insurance Association.

This endorsement shall be effective from July 1, 2026 at 12:01 a.m. local time at Regina, Saskatchewan.

CANADIAN LAWYERS INSURANCE ASSOCIATION

Per: 

Principal Attorney

Canadian Lawyers Insurance Association IL'Association d'Assurance des Juristes Canadiens
Office of the CEO, 1530-2002 Victoria Avenue, Regina, SK S4P OR?
Tel: 306.347.3056 Cell: 306.531.4603 Email: djackson@clia.ca

APPENDIX "A"

ENDORSEMENT NO. 4
(Applies to Part A Only)

It is understood and agreed that coverage under this policy is extended to each member of the Law Society of Saskatchewan who is permitted to practise law in Saskatchewan as a Limited Licensee.

It is understood and agreed that **I. DEFINITIONS**, as it applies to Limited Licensees, is amended to include as follows:

> **Limited Licence** means a licence issued to a person to perform permitted services pursuant to section 24.1 of *The Legal Profession Act, 1990* entitling the person to engage in the limited practice of law in Saskatchewan.
>
> **Limited Licensee** means a person who has been issued a Limited Licence to perform permitted services.

It is understood and agreed that **I. DEFINITIONS**, **Professional Services** as it applies to Limited Licensees is amended to read as follows:

> **Professional Services** means the practice from an office in Canada, of the laws of Canada, its Provinces and Territories, conducted by an **Individual Insured** in such **Individual Insured**'s capacity as a member in good standing of the **Law Society** and shall be limited to permitted services provided by a **Limited Licensee** in accordance with the Limited Licence issued by the Law Society to the **Limited Licensee**.
> but does not include **Incidental Services** or **Ancillary Activities**.

All other terms, conditions, exclusions, and limitations remain unchanged.

Attaching to and forming part of Master Policy Number 39004 of the Canadian Lawyers Insurance Association.

This endorsement shall be effective from July 1, 2026, at 12:01 a.m. local time at Regina, Saskatchewan.

CANADIAN LAWYERS INSURANCE ASSOCIATION

Per: _____
Principal Attorney

POLICY ENDORSEMENT
PATENT AGENTS AND TRADEMARK AGENTS
(Applies to Part A Only)

It is understood and agreed that:

Exclusion 3.2 and that part of the definition of **Professional Services** referring to the practice of the laws of Canada, its Provinces and Territories do not apply to an **Individual Insured** providing **Incidental Services** as a Patent Agent or Trademark Agent, or their **Additional Insured**, as long as the **Individual Insured** is, at the time these **Incidental Services** are provided:

(a) a licensee in good standing of the College of Patent Agents & Trademark Agents (CPATA);

(b) in compliance with CPATA's requirements; and

(c) not prohibited from practising as a Patent Agent or Trademark Agent in the non-Canadian jurisdiction.

This endorsement only applies to an **Error** that occurs on or after July 1, 2026. All other terms, conditions, exclusions and limitations remain unchanged.

Attaching to and forming part of Master Policy Number 39004 of the Canadian Lawyers Insurance Association. This endorsement shall be effective from July 1, 2026, at 12:01 am. Local time at Regina, Saskatchewan.

Canadian Lawyers Insurance Association

Per: 

Principal Attorney

POLICY ENDORSEMENT
PATENT AGENTS AND TRADEMARK AGENTS
(Applies to Part B Only)

It is understood and agreed that:

Exclusion 3.2 and that part of the definition of **Professional Services** referring to the practice of the laws of Canada, its Provinces and Territories do not apply to an **Insured law Firm** or their **Additional Insured** providing **Incidental Services** as a Patent Agent or Trademark Agent as long as the **Additional Insured** is, at the time these **Incidental Services** are provided:

(a) a member of the **Law Society** and is insured by mandatory insurance;

(b) a licensee in good standing of the College of Patent Agents & Trademark Agents (CPATA);

(c) in compliance with CPATA's requirements; and

(d) not prohibited from practising as a Patent Agent or Trademark Agent in the non-Canadian jurisdiction.

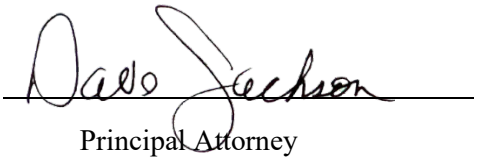
This endorsement only applies to an Error that occurs on or after July 1, 2026.

All other terms, conditions, exclusions and limitations remain unchanged.

Attaching to and forming part of Master Policy Number 39004 of the Canadian Lawyers Insurance Association.

This endorsement shall be effective from July 1, 2026 at 12:01 am local time at Regina, Saskatchewan.

Canadian Lawyers Insurance Association

Per: 

Principal Attorney