

WARRANTY, SUBSCRIBER'S AGREEMENT and POWER OF ATTORNEY

Warranty

On behalf of Applicant and all firm members and employees of Applicant, I hereby warrant and declare that the foregoing statements and particulars are true and that I have not suppressed or misstated any material facts and that I agree this application shall be the basis of the contract with the Association. I agree that all representations contained herein are deemed material and continuous as a matter of law, and that I will immediately notify the Association of any change in answers to this application.

On behalf of the Applicant and all firm members and employees of the Applicant(s), I hereby authorize release to the Association or its authorized representative, by any State Bar association, our present and prior professional liability insurance carriers, or any other sources, any claims, underwriting, or other information having a bearing upon our acceptability as a professional liability insurance risk. It is understood that this is an application for insurance and not an insurance binder. Any misstatements made in this application could invalidate any policy issued on the basis of this application.

Subscriber's Agreement and Power of Attorney

The undersigned hereafter known as the Subscriber, agrees with other Subscribers at an Exchange known as the TEXAS LAWYERS' INSURANCE EXCHANGE, hereinafter referred to as the Association, located in Austin, Texas, to exchange private contracts of indemnity. To that end, I hereby appoint the President of the Association and/or such person or persons as may be designated by the Board of Directors in accordance with Article VIII, Section 8 of the Bylaws, and licensed by the Commissioner of Insurance of the State of Texas, with full powers of substitution and revocation, and with authority to act jointly and severally, as my Attorney-in-Fact, in my name, place and stead, to represent me in the following matters:

1. To exchange with other Subscribers at such Exchange, insurance coverages as now or hereafter authorized by the Board of Directors; to subscribe and deliver all proper contracts of insurance; to take any action in furtherance of the exchange of such contracts of insurance; to do and perform every other thing that I could do in respect to such contracts so exchanged, including the appearance and defense in my name in actions and proceedings; and to manage and conduct the business, affairs and property of the Exchange under the supervision of the Board of Directors.
2. The powers hereby vested in my said attorney shall be exercised only in accord with the decisions of the Board of Directors of the Association, provided that the said attorney may deputize such person or persons as may be appointed therefor by the Board of Directors of the Association, to authenticate the policy contracts now applied for or those that I may hereafter apply for, and all papers pertaining thereto. It is understood that the Subscribers reserve unto themselves the right to govern the Association according to the decision of a majority of Subscribers present in person or by proxy at any meeting.
3. I adopt as a part of this agreement the Bylaws of the Exchange now or hereafter effective.
4. I agree that this Power of Attorney shall have application to all insurance applied for by me, including such modifications or changes in any of my insurance as may be made at my request, and the representations made by me in connection with each policy shall have the same force and effect as if contained in this instrument.
5. I agree that to the fullest extent now or hereafter permitted by law, no director of the Exchange shall be personally liable to the Exchange or to its Subscribers for monetary damages for any act or omission in the director's capacity as a director except liability for (i) a breach of a director's duty of loyalty to the Exchange or its Subscribers, (ii) an act or omission not in good faith or that involves intentional misconduct or a knowing violation of the law, (iii) a transaction from which a director received an improper benefit, whether or not the benefit resulted from an action taken within the scope of the director's office, (iv) an act or omission for which the liability of a director is expressly provided for by statute, or (v) an act related to an unlawful stock repurchase or payment of a dividend. Any repeal or modification of the foregoing paragraph by the Subscribers of the Exchange shall not adversely affect any right or protection of a director of the Exchange existing at the time of such repeal or modification. The effective date of the limitation of liability provided by this paragraph shall be the due date of member approval of this Paragraph 5.
6. I agree further that this Power of Attorney shall be and become effective on the date hereof, and shall remain in force and effect only as long as I have a contract of insurance with the Exchange. This power of attorney shall not terminate on disability of the principal. This agreement is strictly limited to the use and the purpose herein expressed and to no other purpose.

Firm Name _____

Authorized Signature: _____ Date: _____

Printed Name and Position: _____