



(A RISK RETENTION GROUP)

**ADDENDUM NO. 3 TO SUBSCRIPTION AGREEMENT  
(Upgrade from Class “C” to Class “B” Stock)**

The following addendum to the Subscribers Agreement between \_\_\_\_\_ (Shareholder) and Claim Professionals Liability Insurance Company, RRG (The Company) is entered into between the parties as follows:

**WHEREAS** Shareholder entered into a Subscription Agreement with the company on \_\_\_\_\_ (date), 200\_\_\_\_, wherein shareholder initially agreed to purchase \_\_\_\_\_ (number of) shares of Class “C” stock;

**WHEREAS** Shareholder entered into a certain Shareholders Agreement with the Company dated \_\_\_\_\_ wherein Shareholder agreed to be bound by the Articles, By-Laws and policies of the company, inter-alia; and

**WHEREAS**, pursuant to the Articles, By-Laws and policies of the Company, upon payment of the required additional purchase price, a shareholder is entitled to convert Shareholder’s Class “C” stock into Class “B” stock;

**A. Agreement.**

IT IS UNDERSTOOD AND AGREED that the Company shall re-issue a stock certificate consisting of \_\_\_\_\_ (number of) Class “B” stock in favor of Shareholder pursuant to the following terms and conditions:

1. Upon surrender to the Company of Shareholder’s certificate for the Class “C” stock;
2. Shareholder shall have paid for in full Shareholder’s consideration for the Class “C” stock;
3. Shareholder shall have paid in full Shareholder’s additional purchase price for the upgraded stock in connection with Shareholder’s execution of this Agreement; or, in the alternative, if Shareholder elects to purchase said stock over a period of time as set forth in Schedule “A”;

4. Shareholder continues to be an active insured of the Company in accordance with the Company's underwriting guidelines; and
5. There remain no outstanding obligations which Shareholder owes to the Company for his/her/its purchase of stock or its payment of insurance premiums hereunder.

Upon completion with the foregoing conditions the company shall issue a new certificate of stock reflecting the total amount of shares owned by the Shareholder following payment in full.

**B. Shareholder Agreement to Remain in Full Force and Effect.**

This Addendum to the Subscriber Agreement between Shareholder and Company shall in no way change, modify, alter or amend the agreement which exists between Shareholder and the Company relative to the terms and conditions of the Shareholders Agreement entered into between the parties.

**C. All Other Terms and Condition Remain in Force.**

It is understood and agreed that this Addendum to the Subscriber Agreement only affects the Subscriber Agreement insofar as the foregoing terms and conditions are concerned and all other terms and conditions of the Subscriber Agreement remain in full force and effect.

**D. Voting Rights.**

In accordance with the Articles, By-Laws and Policies of the Company, as set forth in more detail in the Subscription and Shareholder's Agreements between Shareholder and Company, only those shares of stock which have been "paid for" as of the "record date" may be used for voting purposes, in accordance with company policy. The "record date" for the calculation of such voting right shall be in accordance with the Company's By-Laws.

**E. Effective Agreement Terms.**

It is understood and agreed that, notwithstanding the date of execution of the afore-described original Subscription and Shareholder's Agreement by Shareholder, in accordance with those said agreements, the terms and conditions which apply are those which are set forth in the most recent modified version of the Subscriber and Shareholders Agreement in effect as of the time that this Agreement is entered into.

**F. Amendments.**

Neither this Agreement nor the Shareholder or a Subscriber Agreement as aforesated shall be amended except by a writing executed by both a Shareholder and the Company.

**G. Authority.**

The person executing this agreement on behalf of Shareholder represents, warrants and declares that he, or she have the full authority of the Shareholder to enter into this agreement.

This Agreement entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_

SUBSCRIBER:

\_\_\_\_\_  
Full Name of Legal Entity

Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

ACCEPTANCE

The Company hereby accepts the subscription embodied in this Subscription Agreement, on all the terms and conditions set forth herein.

Claim Professionals Liability Insurance Company  
(A Risk Retention Group)

By: \_\_\_\_\_

Title: \_\_\_\_\_

SCHEDULE A

TOTAL STOCK PURCHASE PRICE: \_\_\_\_\_

<u>Installment Payment Amount</u>	<u>Due Date</u>
1.	
2.	
3.	
4.	
5.	