

**AIG PERSONAL IDENTITY COVERAGE<sup>SM</sup>  
FOR KENTUCKY REAL ESTATE LICENSEES**

In consideration of the additional premium charged, and in reliance upon the statements in the application made a part hereof, it is hereby understood and agreed that this policy shall provide **AIG PERSONAL IDENTITY COVERAGE<sup>SM</sup>** pursuant to the terms and conditions contained in this endorsement.

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**I. POLICY PROVISIONS INCORPORATED**

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All the terms and conditions of the policy are incorporated herein and shall apply to coverage as is afforded by this endorsement unless specifically stated otherwise herein or in an endorsement(s) attached hereto.

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**II. DECLARATIONS**

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Solely with respect to the coverage provided by this endorsement, the Declarations are amended by adding the following:

**AIG PERSONAL IDENTITY COVERAGE<sup>SM</sup>**

**(a) Limits of Insurance**

Aggregate Limit of Insurance:	\$ 25,000
Sublimit for Initial Legal Consultation:	\$ 250
Sublimit for Lost Wages Per Week (For Up To 5 Weeks):	\$ 1,000
Sublimit for Travel Expenses:	\$ 500
Sublimit for Elder Care and Child Care:	\$ 1,000

<b>(b) Deductible</b>	\$ 0
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**III. INSURING AGREEMENT**

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Solely with respect to the coverage provided by this endorsement, the **Insuring Agreements** subsection of **Section I - COVERAGES** is deleted in its entirety and replaced with the following:

**Insuring Agreements**

**Coverage A**

We shall pay you for Loss, excess of any applicable deductible, resulting from Stolen Identity Events first occurring during the Policy Period and reported to us within six (6) months of a Stolen Identity Event.

## Coverage B

We shall provide you with Restoration Services after a Stolen Identity Event first occurring during the policy period and reported to us within six (6) months of a Stolen Identity Event.

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### **IV. WHO IS AN INSURED**

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Solely with respect to the coverage provided by this endorsement, **SECTION III - WHO IS AN INSURED** is deleted in its entirety and replaced with the following:

Each of the following is an "insured":

1. the real estate licensee who has paid the premium charged for the policy and this endorsement;
2. the spouse or domestic partner of the person(s) described in subparagraph (1) above; and
3. dependent children, under the age of twenty-three (23), who live in the same residence as the person(s) described in subparagraph (1) above.

Solely with respect to the coverage provided by this endorsement the words "you" and "your" refer to any insured as stated above.

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### **V. DEFINITIONS**

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Solely with respect to the coverage provided by this endorsement, **SECTION VI - DEFINITIONS** is amended to include the following at the end thereof the following:

- A. "Business" means any employment, trade, hobby, profession or occupation.
- B. "Costs" means the following reasonable and necessary costs incurred by the Insured as a result of a Stolen Identity Event:
  1. cost of re-filing rejected applications for loans, grants or other credit instruments;
  2. cost of notarizing affidavits or other similar documents, long distance telephone calls and postage solely as a result of the Insured's efforts to report a Stolen Identity Event and/or amend or rectify records as to the Insured's true name or identity;
  3. cost of up to six credit reports from established credit bureaus (with no more than two reports from any one credit bureau);
  4. costs approved by us, for providing periodic reports on changes, inquiries or activities of the Insured's personal information contained in credit reports or public databases (including, but not limited to credit monitoring services);

5. cost of travel within the United States incurred as a result of the Insured's efforts to amend or rectify records as to the Insured's true name or identity; and
  6. costs for elder care or child care expenses incurred as a result of the Insured's efforts to amend or rectify records as to the Insured's true name or identity.
- C. "Legal Defense Fees and Expenses" means the reasonable and necessary fees and expenses incurred by the Insured with the Insurer's consent for an attorney approved by the Insurer for:
1. An initial consultation with a lawyer to determine the severity of and appropriate response to a Stolen Identity Event,
  2. Defending any civil suit brought against the Insured by a creditor, collection agency or other entity acting on behalf of a creditor for non-payment for goods or services or default on a loan solely as a result of a Stolen Identity Event,
  3. Removing any civil judgment wrongfully entered against the Insured solely as a result of a Stolen Identity Event, and
  4. Defending criminal charges brought against the Insured as a result of the Stolen Identity Event. However, the Insurer will only pay for this after it has been established by acquittal or dropping of charges because the Insured was not in fact the perpetrator.
- D. "Loss" means the reasonable and necessary Costs, Lost Wages, Legal Defense Fees and Expenses incurred within twelve (12) months of your discovery of a Stolen Identity Event and incurred within the United States of America
- E. "Lost Wages" means actual Lost Wages that would have been earned in the United States, whether partial or whole days, for time reasonably and necessarily taken off work and away from the Insured's work premises solely as a result of the Insured's efforts to amend or rectify records as to the Insured's true name or identity as a result of a Stolen Identity Event. Actual Lost Wages includes remuneration for vacation days, discretionary days, floating holidays, and paid personal days. Computation of lost wages for self-employed persons must be supported by, and will be based on, the prior year tax returns, and will not include losses for business interruption or future earnings. Coverage is limited to wages lost within twelve (12) months after the Insured's discovery of a Stolen Identity Event.
- F. "Restoration Services" means the services described below. These services shall be performed on the Insured's behalf in response to a Stolen Identity Event, only after receipt of appropriate authorization from the Insured. Upon receipt of appropriate authorization, we shall:
1. provide you with a package of information which includes a description of the resolution process, educational articles, and guidance for avoiding future complications;

2. notify the three major credit bureaus and provide assistance with requesting that a fraud alert be placed on your credit files and affected credit accounts;
3. compile and organize the paperwork to help you document the Stolen Identity Event and providing information to appropriate government agencies.
4. review your credit files with you to determine the accuracy of the file and potential areas of fraud;
5. research and investigate potential damage to your identity;
6. notify as needed, your affected creditors, financial institutions, credit card companies, utility providers, and merchants of the identity fraud;
7. provide information to the Federal Trade Commission (FTC), and to other government agencies as appropriate;
8. when appropriate, provide assistance with obtaining and reviewing your Social Security Personal Earnings and Benefits Statement;
9. create and maintain a case file to document the identity fraud; and
10. when appropriate, provide other assistance we might reasonably be able to offer to you on a case by case basis, as determined in our sole and absolute discretion.

**G.** "Stolen Identity Event" means the theft of your personal identification, social security number, or other method of identifying you, which has or could reasonably result in the wrongful use of such information. All Loss resulting from Stolen Identity Event(s) and arising from the same, continuous, related or repeated acts shall be treated as arising out of a single Stolen Identity Event occurring at the time of the first such Stolen Identity Event. Stolen Identity Event shall not include the theft or wrongful use of your Business name, d/b/a or any other method of identifying any Business activity.

**H.** "Suit" means a civil proceeding seeking money damages that is commenced by the service of a complaint or similar pleading.

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**VI. OBLIGATIONS OF THE INSURED**

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Solely with respect to the coverage provided by this endorsement, the following Clause is added to the policy:

**OBLIGATIONS OF THE INSURED**

As a condition precedent to coverage under this policy, you shall have the following duties and obligations at all times:

- A.** If a Stolen Identity Event occurs, you shall promptly, but no later than six 6 months after a Stolen Identity Event occurs, notify us of a Stolen Identity Event by contacting us at AIG Domestic Claims, Inc., Attn: C-Claim Department, 175 Water Street - 9<sup>th</sup> Floor, New York, NY 10038. You shall also follow our written instructions to mitigate potential Loss, which will be provided to you in a claims kit and which will include the prompt notification of the major credit bureaus, the Federal Trade Commission's Identity Theft Hotline and appropriate law enforcement agencies.
- B.** If a Loss occurs, you shall also:
1. promptly notify us of the Loss, submit to us the written proof of Loss provided to you in a claims kit, and provide any other reasonable information or documentation that we may request;
  2. take all reasonable steps to mitigate Loss resulting from a Stolen Identity Event including, but not limited to, requesting a waiver for any applicable fees, loan application fees or credit bureau fees;
  3. file a report with the appropriate police authority; and
  4. provide all assistance and cooperation we may require in the investigation and determination of any Loss, including but not limited to:
    - a. Immediately forwarding to us any notices, summons or legal papers received by you in connection with a Loss or the identity theft;
    - b. Authorizing us to obtain records and other information with regard to any Loss;
    - c. Cooperating with and helping us to enforce any legal rights you or we may have against anyone who may be liable to you;
    - d. Attending depositions, hearings and trials, securing and giving evidence, and obtaining the attendance of witnesses with regard to any Loss; or
    - e. Answering our questions under oath at such times as may be reasonably required about any matter relating to this insurance or the Insured's Loss, as well as permitting us to inspect your books and records. In such event, your answers under oath shall be signed.

REIMBURSEMENT OF LEGAL EXPENSES ARE SUBJECT TO THE TERMS OF THE POLICY. Additionally, we reserve the right to refuse or terminate cases where the Insured is deemed to be committing fraud or other illegal acts, making untrue statements, or failing to perform his/her obligations.

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## **VII. EXCLUSIONS**

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Solely in regard to the coverage provided by this endorsement, the following **Exclusions** are added to the policy:

This policy shall not apply to any Loss arising directly or indirectly out of the following:

**A. Dishonest Acts**

Any dishonest, criminal, malicious or fraudulent acts if you personally participated in, directed, or had knowledge of such acts.

## **B. Bodily Injury**

Any physical injury, sickness, disease, disability, shock, mental anguish, and mental injury, including, required care, Loss of services or death at any time resulting there from.

## **C. War**

Strikes or similar labor action, war (whether declared or not), or any act or condition incident to war. War includes civil war, insurrection, act of foreign enemy, civil commotion, factional civil commotion, military or usurped power, rebellion, revolution, invasion, hostilities or warlike operations or mutiny.

## **D. Pollution**

Claims alleging or arising out of the presence of or the actual, alleged or threatened discharge, dispersal, release or escape of pollutants (including nuclear materials), or any direction or request to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize pollutants, or in any way respond to or assess the effects of pollutants.

## **E. Late Reporting**

Any Loss reported to us more than six (6) months after a Stolen Identity Event occurs.

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## **VIII. LIMITS OF INSURANCE**

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Solely in regard to the coverage provided by this endorsement, **SECTION IV - LIMIT OF LIABILITY AND DEDUCTIBLES** is deleted in its entirety and replaced with the following:

- A.** The aggregate Limit of Insurance stated in Clause II. **DECLARATIONS** of this endorsement is the most we shall pay you for Loss, excess of any applicable deductible, resulting from all Stolen Identity Events combined first occurring during the Policy Period.
- B.** The aggregate Limit of Insurance stated in Clause II. **DECLARATIONS** of this endorsement is solely for the coverage provided under this endorsement for **AIG PERSONAL IDENTITY COVERAGE<sup>SM</sup>**, and is IN ADDITION TO the Limits of Liability stated in the policy Declarations.
- C.** All Loss arising out of the same, continuous, related or repeated Stolen Identity Events shall be subject to the terms, conditions, exclusions and single aggregate Limit of Insurance in effect at the time the first such Stolen Identity Event occurs.
- D.** The maximum the Insurer shall pay you for an initial consultation with a lawyer shall not exceed the amount for Initial Legal Consultation as specified in Clause II. **DECLARATIONS** of this endorsement. ALL LEGAL DEFENSE FEES AND EXPENSES ARE PART OF, AND NOT IN ADDITION TO, THE AGGREGATE LIMIT OF INSURANCE FOR EACH INSURED.
- E.** The maximum the Insurer shall pay per Insured for Lost Wages shall not exceed the amount per week for Lost Wages and the maximum number of weeks as specified in

Clause II. **DECLARATIONS** of this endorsement. The amount per week for Lost Wages is a sublimit of the aggregate Limit of Insurance for each Insured and, as such, is part of, and not in addition, to the aggregate Limit of Insurance for each Insured.

- F. The maximum the Insurer shall pay per Insured for travel shall not exceed the amount for Travel Expenses as specified in Clause II. **DECLARATIONS** of this endorsement. The amount for travel is a sublimit of the aggregate Limit of Insurance for each Insured and, as such, is part of and not in addition, to the aggregate Limit of Insurance for each Insured.
- G. The maximum the Insurer shall pay per Insured for elder care and child care shall not exceed the amount for elder care and child care as specified in Clause II. **DECLARATIONS** of this endorsement. This amount is a sublimit of the Aggregate Limit of Insurance for each Insured and, as such, is part of and not in addition, to the Aggregated Limit of Insurance for each Insured.
- H. The Insured shall be responsible for the applicable Deductible amount shown in Clause II. **DECLARATIONS** of this endorsement and the Insured may not insure against it.
- I. Regardless of the number of covered Stolen Identity Events first occurring during the Policy Period each Insured shall be responsible for only a single Deductible during any one Policy Period.

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**IX. CANCELLATION**

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Solely with respect to the coverage provided by this endorsement, Subsection **1. Cancellation** of **SECTION V - CONDITIONS** is amended by adding the following to the end thereof:

There shall be no coverage for any Stolen Identity Event occurring after the effective date and time of any cancellation or non-renewal. Termination of this policy shall not reduce or eliminate the six (6) month period in which an Insured must report to us a Stolen Identity Event.

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**X. LEGAL ACTION AGAINST US**

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Solely with respect to the coverage provided by this endorsement, Subsection **10. Legal Action Against Us** of **SECTION V - CONDITIONS** is deleted in its entirety and replaced with the following:

**10. Legal Action Against Us**

No legal action may be brought or made against us under this policy unless:

1. There has been full compliance with all of the terms of this policy; and
2. The action is brought within two (2) years after the date on which a Stolen Identity Event occurred.

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**XII. POLICY CONDITIONS**

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Solely with respect to the coverage provided by this endorsement, the following Clause is added to the policy:

**POLICY CONDITIONS****A. Coverage Territory**

Subject to its terms, conditions and exclusions, this policy applies to a Stolen Identity Event occurring anywhere in the world, but the Insurer shall only pay for Loss incurred in the United States.

**B. Concealment, Misrepresentation or Fraud**

This policy shall be void if you intentionally conceal or misrepresent a material fact relating to:

1. A Stolen Identity Event;
2. The Insured's interest in any property involved in a Loss; or
3. A Loss under this policy.

**C. Bankruptcy**

The bankruptcy or insolvency of you or your estate shall not relieve us of any obligation under this policy.

**D. Duplicate Coverages**

Should you be insured by us or any of our affiliates, subject to the applicable deductibles and limits of insurance, we will reimburse you under each coverage, but in no event shall the total amount reimbursed to you under all insurance exceed the actual amount of Loss.

**E. Conformance to Statute**

To the extent a term of this Policy conflicts with a statute of the State within which this Policy is issued, the term shall be deemed amended so as to conform to the statute.

**F. Changes**

Changes to the provisions of this policy shall be made only by endorsement issued by us and made a part of this policy.

**G. Litigation**

You shall promptly advise us of the material facts of any pending or threatened litigation against you, or the existence of any criminal indictment or conviction against you, which in each case could adversely affect the policy or our ability to perform obligations under this policy.

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**XVII. DELETED CLAUSES**

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Solely with respect to the coverage provided by this endorsement, the following Sections are deleted from the policy in their entirety:

**SECTION VII - DEFENSE AND CLAIM EXPENSES**

**SECTION VIII - EXTENDED REPORTING PERIOD**

The following Subsections of **SECTION V - CONDITIONS**:

- 6. Duties In the Event of a Proceeding, "Claim" or "Suit"; and**
- 7. Reporting of "Wrongful Acts" or "Occurrences" That May Give Rise to a Claim**