

# National Union Fire Insurance Company of Pittsburgh, Pa.®

A capital stock company

(This policy is issued only by the insurance company indicated above.)

## NEBRASKA REAL ESTATE LICENSEE PROFESSIONAL LIABILITY INSURANCE

**NOTICE:** This is a claims made policy. Except to such extent as may otherwise be provided herein, the coverage of this policy is limited to liability for only those claims that are first made against you and reported in writing to us during the policy period. Please read the policy carefully and discuss the coverage thereunder with your insurance agent or broker.

### PROGRAM DECLARATIONS

**Policy Number:** 11184888

**Policy Period:** Inception Date: January 1, 2011  
Expiration Date: January 1, 2012  
12:01 a.m. standard time at address of Policyholder.

**Policyholder:** AS PER INDIVIDUAL CERTIFICATE OF INSURANCE

**Program Administrator:** Williams Underwriting Group, A Division of Maverick Insurance, LLC  
P.O. Box 1086  
New Albany, Indiana 47151-1086  
Watts Line: 1-800-222-4035  
Phone: 812-941-4137  
Fax: 812-944-8010

<b>Limits of Liability</b>	<b>Deductibles</b>
<b>Coverage A: Real Estate Licensee Professional Liability</b>	
Each wrongful act limit \$ 100,000	Each wrongful act deductible: \$ 1,000
Aggregate limit: \$ 300,000	
<b>Coverage B: Personal Injury Liability</b>	
Each person limit: \$ 100,000	
Aggregate limit: \$ 300,000	
<b>Coverage C: Lock Box Property Damage Liability</b>	
Each occurrence limit: \$ 10,000	Each occurrence deductible: \$ 0
Aggregate limit: \$ 10,000	

### Forms Numbers of Policy Provisions and Endorsements forming a part of this policy at inception:

<b>Title</b>	<b>Form Number</b>
Nebraska Real Estate Licensee Professional Liability Insurance Policy	86544 (10/10)
Conformity to Other State's Mandatory Program Endorsement – AS PER INDIVIDUAL CERTIFICATE OF INSURANCE	86546 (10/10)
Increased Limits of Liability - Specified Insureds Only Endorsement – AS PER INDIVIDUAL CERTIFICATE OF INSURANCE	86545 (8/06)
Claims-Made Disclosure Statement – Nebraska	86554 (8/04)
Extended Reporting Period Endorsement – AS PER INDIVIDUAL CERTIFICATE OF INSURANCE	86553 (8/04)
Pollution Exclusion Amendatory Endorsement - AS PER INDIVIDUAL CERTIFICATE OF INSURANCE	106963 (10/10)
Regulatory Complaint Endorsement - AS PER INDIVIDUAL CERTIFICATE OF INSURANCE	106964 (10/10)
Personal Identity Coverage – AS PER INDIVIDUAL CERTIFICATE OF INSURANCE	95919 (9/07)

**IN WITNESS WHEREOF**, the Insurer has caused this policy to be signed on the Declarations by its President, a Secretary and its duly authorized representative.

*Andrew N. Holland*

SECRETARY

*John J. Dyle*

PRESIDENT

*John J. Dyle*

AUTHORIZED REPRESENTATIVE

COUNTERSIGNATURE

DATE

COUNTERSIGNED AT

# Nebraska Real Estate Licensee Professional Liability Insurance Policy (Claims Made)

**THIS IS A "CLAIMS MADE" POLICY. PLEASE READ ALL PROVISIONS AND CONTACT YOUR PROGRAM ADMINISTRATOR IF YOU HAVE ANY QUESTIONS. THE POLICY APPLIES ONLY TO WRONGFUL ACTS, PERSONAL INJURY OFFENSES AND LOCK BOX PROPERTY DAMAGE OCCURRENCES THAT OCCUR BETWEEN YOUR RETROACTIVE DATE AND THE END OF THE POLICY PERIOD. THE POLICY APPLIES ONLY TO CLAIMS FIRST MADE AGAINST AN INSURED AND REPORTED TO US ON OR AFTER THE INCEPTION DATE AND BEFORE THE END OF THE POLICY PERIOD. UPON TERMINATION OF YOUR POLICY, AN EXTENDED REPORTING PERIOD MAY BE AVAILABLE.**

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and what is not covered.

Throughout this policy the words "you" and "your" refer to any real estate licensee or a "Real Estate Firm" who has paid the premium charged for this policy and holds a valid real estate salesperson or broker license issued by or is registered with, the Nebraska Real Estate Commission. The words "we," "us" and "our" refer to National Union Fire Insurance Company of Pittsburgh, Pa. The word "insured" means any person or organization qualifying as such under **WHO IS AN INSURED (SECTION II)**.

Other words and phrases that appear in quotation marks are defined in **DEFINITIONS (SECTION V)** of this policy.

In consideration of the payment of the premium when due, and:

- a. In reliance upon the statements made in the Declarations; and
- b. Subject to the Limits of Liability, Deductibles, Exclusions, Definitions, Conditions and all other terms of this policy, including those modified, replaced or added by endorsements that we issue forming a part of this policy, we agree with you as follows:

## **SECTION I - COVERAGES**

### **Insuring Agreements**

1. We will pay on behalf of the insured all sums which the insured shall become legally obligated to pay as "damages" because of:

#### **A. REAL ESTATE LICENSEE PROFESSIONAL LIABILITY**

A "wrongful act" in the rendering or failure to render "real estate services;"

#### **B. PERSONAL INJURY LIABILITY**

"Personal injury" caused by an "offense" committed in the performance of your "real estate services;" or

#### **C. LOCK BOX PROPERTY DAMAGE LIABILITY**

"Lock box property damage" which occurs in the performance of your "real estate services;"  
to which this policy applies.

2. We will have the right and duty to defend any "claim" or "suit" seeking "damages" in 1. above, even if such "claim" or "suit" is groundless, false or fraudulent. We have no duty to defend any "claim" not covered by this policy. We shall have the right to appoint counsel and to make such investigation and defense of any "claim" as we deem necessary. In the event that a "claim" shall be subject to arbitration or mediation, we shall be entitled to exercise all of the insured's rights in the choice of arbitrators or mediators and in the conduct of any arbitration or mediation proceeding.
3. We will not settle any "claim" without the prior consent of the insured. If, however, the insured refuses to consent to a settlement or compromise recommended by us and which is acceptable to the claimant, or continues legal, arbitration or mediation proceedings, or otherwise contests such "claim," then our liability shall be limited to the amount for which the "claim" could have been settled, including all expenses incurred up to the time of such refusal or continuation of proceedings. In such event, we shall have the right to withdraw from the further investigation, defense, or settlement of such "claim" by tendering control of said investigation, defense or settlement to the insured.
4. The amount we will pay for "damages" is limited as described in **LIMITS OF LIABILITY AND DEDUCTIBLE (SECTION III)**. We have no other obligation to pay anything unless explicitly provided for under **DEFENSE AND ADDITIONAL EXPENSES (SECTION VI)**.

5. Our right and duty to defend will end when we have used up the applicable limit of liability in the payment of judgments or settlements to which this policy applies.
6. This policy applies to a "wrongful act," "personal injury" or "lock box property damage" only if:
  - (a) (1) The "wrongful act" takes place,
  - (2) The "personal injury" is caused by an "offense" committed,
  - (3) The "Lock box property damage" is caused by an "occurrence" that takes place in the "coverage territory" and
  - (b) Did not occur before "your retroactive date" if any or after the end of the "policy period," and
  - (c) Prior to the inception date of this policy, the insured had no knowledge of:
    - (1) The "wrongful act," "offense," "occurrence" or any resulting "claim" or "suit;" or
    - (2) Any "wrongful act," "offense" or "occurrence," which would result, or could have reasonably been expected to result in a "claim" or "suit"
 Whether or not notice of any such "claim" or "suit" was furnished to any other insurer; and
  - (d) A "claim" for "damages" because of the "wrongful act," "offense" or "occurrence" is first made against any insured and reported by the licensee indicated in the Certificate of Insurance to us or our program administrator while your coverage is in effect or during any Extended Reporting Period we provide to you under **EXTENDED REPORTING PERIODS (SECTION VII)**.
7. A "claim" by a person or organization seeking "damages" will be deemed to have been made when notice of such "claim" is provided by the licensee indicated on the Certificate of Insurance and is received by us or our program administrator.

### Exclusions

This policy does not apply to any "claim" or "suit" arising out of or in any way connected to:

- a. "Bodily injury," "property damage," or "advertising injury." However, this exclusion does not apply to "lock box property damage."
- b. (1) Dishonest, fraudulent, criminal, or malicious acts (except malicious prosecution under item 12. b. in the definition of "personal injury") or omissions including concealment or intentional misrepresentation (except "fair housing discrimination" as provided under item 7. in **DEFENSE AND ADDITIONAL EXPENSES SECTION VI**); or
  - (2) Unfair competition, piracy, or any theft or wrongful taking of concepts or other intellectual property.
 This exclusion does not apply to any insured that did not personally commit, acquiesce in, or remain passive after having knowledge of the actions giving rise to any "claim" or "suit."
- c. Any:
  - (1) Conversion, misappropriation, commingling, or defalcation of funds or other property;
  - (2) Failure to pay fees or commissions, including finder's fees or commissions;
  - (3) Inability or failure to pay money held for others; or
  - (4) Failure to collect money to be held for others.
- d. Any actual or alleged violations of
  - (1) The Employee Retirement Income Security Act of 1974, Public Law 93-406, commonly referred to as the Pension Reform Act of 1974, or any similar federal, state, or local statute, law, or common law, or any of their amendments;
  - (2) The Securities Act of 1933;
  - (3) The Securities Exchange Act of 1934; or
  - (4) Any state Blue Sky or Securities law;
 or any rules, regulations, or amendments issued in relation to such acts, or any similar state or federal statutes or regulations, including any "claim" based upon common law principles of liability if made in connection with an actual or alleged violation of any such statute or regulations.
- e. The failure to purchase or maintain any insurance or bonds.

- f. (1) Unlawful discrimination, humiliation, harassment, or misconduct because of, but not limited to, race, creed, color, age, sex, national origin, religion, handicap, or marital status (except "fair housing discrimination" as provided under item 7. in **DEFENSE AND ADDITIONAL EXPENSES (SECTION VI)**).
- (2) Employment related practices, policies, acts or omissions such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation or discrimination, including, but not limited to a refusal to employ a person, or termination of any person's employment.

This exclusion also applies:

- (a) To the spouse, child, parent, brother or sister of a person as a consequence of any "damages" to a person at whom any of the employment related practices described in paragraph (2) above is directed;
- (b) Whether the insured may be held liable as an employer or in any other capacity; and
- (c) To any obligation to share "damages" with or repay someone else who must pay "damages" because of the injury.
- g. Any loss, cost or expense arising out of or resulting, directly or indirectly, from the presence of or the actual, alleged or threatened discharge, dispersal, release or escape of "pollutants", 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".
- h. Any "claim" based upon or arising out of the formation, syndication, operation or administration of any corporation, general or limited partnership, joint venture or real estate investment trust.
- i. Any "claim" arising out of liability assumed under any indemnity, hold harmless or similar provision or agreement, but this exclusion does not apply to liability you would have in the absence of such agreements.
- j. Any "claim" made by an insured under this policy against any other insured.
- k. Any "claim" arising from the appraisal, management or sale of property in which:
- (1) You or your spouse have more than a twenty five percent (25%) financial or ownership interest; or
- (2) Any entity, corporation, partnership, or trust in which You or your spouse have more than a twenty five percent (25%) financial or ownership interest; or
- (3) Any "claim" arising from the appraisal, management or sale of property that is developed, constructed or owned by any entity, corporation or partnership in which You or your spouse has more than a twenty five percent (25%) financial or ownership interest.

This exclusion does not apply to "claims" arising:

- (a.) from the management or sale of property acquired by you under a "Guaranteed Sale Listing Contract" within the first year you acquire such property provided the property is listed for sale during the entire year; or
- (b.) from the sale or listing of your primary or principle residence provided the sale or listing is performed under the real estate license laws of Nebraska.
- (c.) from the sale of residential property not included in (b) above if such residential property is owned by you for more than 180 days, the sale is performed under the real estate license laws of Nebraska and all of the following conditions are met in connection with the sale:
- (i). a written Home Inspection Report is issued by an ASHI or CREIA member inspector;
- (ii) a home warranty policy was purchased prior to closing;
- (iii) a seller disclosure form was signed by you and acknowledged by the buyer prior to closing; and
- (iiii) a standard sales contract was utilized.

## **SECTION II - WHO IS AN INSURED**

Each of the following is an insured, but only with respect to "real estate services:"

1. You if you:
- a. Are a resident of the State of Nebraska or a non-resident of the State of Nebraska working for or representing a real estate firm licensed and located in Nebraska or a "Real Estate Firm" registered with the Nebraska Real Estate Commission;
- b. Hold a valid Nebraska real estate license issued under the laws of the State of Nebraska or are registered with the Nebraska Real Estate Commission; and
- c. Have paid the premium charged for this coverage.

2. You if you:
  - a. Are not a resident of the State of Nebraska and do not work for or represent a real estate firm licensed and located in Nebraska;
  - b. Hold a valid Nebraska real estate license issued under the laws of the State of Nebraska; and
  - c. Have paid the premium charged for this coverage.
3. Your employees and assistants who are not required to be licensed under Nebraska real estate licensing law, while acting on your behalf.
4. The organization you work for or represent, including any Franchise grantor, but only with respect to the conduct of your "real estate services."
5. Your estate, heirs, executors, administrators, and legal representatives, in the event of your death, disablement, incapacity, insolvency, or bankruptcy, but only as respects liability arising out of "real estate services" rendered prior to your death, disablement, incapacity, insolvency, or bankruptcy.

### SECTION III - LIMITS OF LIABILITY AND DEDUCTIBLES

1. The Limits of Liability shown in the Program Declarations, expenses with respect to item 7. in **DEFENSE AND ADDITIONAL EXPENSES (SECTION VI)** and the rules below are the most we will pay regardless of the number of:
  - a. "Claims" made or "suits" brought; or
  - b. Persons or organizations making "claims," "suits," or initiating proceedings.
2. Each of the limits applies separately to each real estate licensee described as an insured in item 1. of **WHO IS AN INSURED (SECTION II)**. However, all persons or organizations qualifying as an insured under **WHO IS AN INSURED (SECTION II)** share in a single limit with such real estate licensee regardless of the number of:
  - a. "Claims" made or "suits" brought; or
  - b. Persons or organizations making "claims," "suits," or initiating proceedings.
3. The **Real Estate Licensee Professional Liability Aggregate Limit** is the most we will pay for the sum of all "damages" arising out of "wrongful acts" in the rendering or failure to render "real estate services" and the expenses with respect to item 7. in **DEFENSE AND ADDITIONAL EXPENSES (SECTION VI)** for any one "policy period" including any applicable Extended Reporting Period.
4. Subject to 3. above, the **Each Wrongful Act Limit** is the most we will pay for any "wrongful act" for the sum of all "damages" arising out of any one "claim."
 

Two or more "claims" arising out of a single "wrongful act" or a series of related "wrongful acts" shall be considered one "claim." Any such "claim(s)," whenever made and reported to us:

  - a. Shall be considered as first made and reported to us as soon as the earliest "claim" arising out of such "wrongful acts" was first made and reported to us or our program administrator:
  - b. Shall be subject to the **Each Wrongful Act Limit**; and
  - c. Shall be subject to the **Each Wrongful Act Deductible**.
5. The **Personal Injury Liability Aggregate Limit** is the most we will pay for all "damages" arising out of "personal injury" "claims" for any one "policy period" including any applicable Extended Reporting Period.
6. Subject to 5. above, the **Each Person Limit** is the most we will pay for "damages" arising out of all "personal injury" sustained by any one person or organization.
 

Any such "claim(s)," whenever made and reported to us:

  - a. Shall be considered as first made and reported to us as soon as the earliest "claim" arising out of such "offense" was first made and reported to us or our program administrator:
  - b. Shall be subject to the applicable **Each Person Limit**.
7. The **Lock Box Property Damage Liability Aggregate Limit** is the most we will pay for all "damages" arising out of "lock box property damage " for any one "policy period" including any applicable Extended Reporting Period.
8. Subject to 7. above, the **Each Occurrence Limit** is the most we will pay for any "lock box property damage" for all "damages" arising out of any one "occurrence."
 

Any such "claim(s)," whenever made and reported to us:

  - a. Shall be considered as first made and reported to us as soon as the earliest "claim" arising out of such "occurrence" was first made and reported to us or our program administrator:

- b. Shall be subject to the **Each Occurrence Limit**; and
  - c. Shall be subject to the **Each Occurrence Deductible**.
9. Subject to the Limits of Liability and all other terms and conditions of this policy, our obligation to pay "damages" on your behalf applies only to the amount of "damages" in excess of the **Each Wrongful Act Deductible** and the **Each Occurrence Deductible** amount stated in the Program Declarations.

You shall pay the full amount of the **Each Wrongful Act Deductible** and **Each Occurrence Deductible** for each "claim" made against an insured. You shall make direct payments of "damages" within the deductible amount to appropriate parties as designated by us. If we advance any such payments, you shall promptly reimburse us. If you fail to make direct payments or to reimburse us as described above, all insureds against whom the "claim" has been made are jointly and severally liable for such amounts.

If a "claim" for "damages" involves two or more insureds who are affiliated with the same real estate firm, only one **Each Wrongful Act Deductible** or **Each Occurrence Deductible** will apply.

## SECTION IV - CONDITIONS

### 1. Cancellation

- a. You may cancel your coverage under this policy by:
  - (1) Mailing or delivering to us advance written notice of cancellation; or
  - (2) Surrendering your Certificate of Insurance to us or to our program administrator sixty (60) days prior to the effective date of cancellation.
- b. We may cancel your coverage under this policy by mailing to you a written notice of cancellation sixty (60) days prior to the effective date of cancellation. We can only cancel your coverage under this policy for the following reasons:
  - (1) Any insured has submitted a fraudulent "claim;"
  - (2) Any insured violates any of the terms or conditions of this policy;
  - (3) The risk originally accepted has substantially increased;
  - (4) Certification to the Director of Insurance of our loss of reinsurance which provided coverage to us for all or a substantial part of the risk insured under this policy; or
  - (5) The determination by the Director of Insurance that continuation of the policy could place us in violation of Nebraska Insurance laws.
- c. We will mail our notice by first class mail to the last mailing address known to us for you. A United States Postal Service Certificate of Mailing shall be sufficient proof of receipt of notice on the third calendar day after the date of the certificate of mailing.
- d. Notice of cancellation by us will state the effective date of the cancellation. The "policy period" will end on the effective date of the cancellation.
- e. If your coverage under this policy is canceled by us, our program administrator will send you any premium refund due. The refund will be the pro-rata unearned premium.
- f. Premium adjustment may be made either at the time cancellation is effected or as soon as practicable after cancellation becomes effective, but payment or tender of unearned premium is not a condition of cancellation.

### 2. When We Do Not Renew

- a. If we decide not to renew your coverage under this policy, we will mail written notice of non-renewal to you at least one hundred twenty (120) days prior to the end of the "policy period."
- b. Any notice of nonrenewal will be mailed by first class mail to your last mailing address known to us. A United States Postal Service Certificate of Mailing shall be sufficient proof of receipt of notice on the third calendar day after the date of the certificate of mailing.
- c. If we offer to renew your coverage under this policy and you do not accept our offer during the current "policy period," your coverage under this policy will expire at the end of such "policy period."

### 3. Changes

This policy contains all the agreements between you and us concerning the insurance afforded hereunder.

You and we may make changes in the terms of the policy upon mutual consent.

If the terms are changed, the changes will be demonstrated in an endorsement issued by us and made a part of this policy.

#### 4. Duties In The Event Of Proceeding, "Claim" or "Suit"

- a. You must notify us or our program administrator as soon as practicable of a "wrongful act," "offense" or "occurrence" that results in a "claim" under this policy.

To the extent possible, notice should include:

- (1) How, when and where the "wrongful act," "offense" or "occurrence" took place;
  - (2) The names and addresses of any injured persons and witnesses; and
  - (3) The nature and location of any "damages" arising out of the "wrongful act," "offense" or "occurrence."
- b. If a "claim" is made or "suit" is brought against any insured, you must:
    - (1) Immediately record the specifics of the "claim" or "suit" and the date received; and
    - (2) Notify us or our program administrator in writing as soon as practicable.
  - c. You and any other insured must:
    - (1) Immediately send us or our program administrator copies of any demands, notices, summons or legal papers received in connection with the "claim" or "suit;"
    - (2) Authorize us to obtain records and other information;
    - (3) Cooperate with us in the investigation, settlement or defense of the "claim" or "suit;" and
    - (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of "damages" to which this policy may also apply.
  - d. No insureds will, except at their own cost, make a payment, assume any obligation, or incur any expense without our consent, such consent shall not be unreasonably withheld.

#### 5. Reporting of "Wrongful Acts," "Offenses" or "Occurrences" That May Give Rise to a Claim

- a. If during the "policy period" you become aware of a specific "wrongful act," "offense" or "occurrence" that may reasonably be expected to give rise to a "claim" against you, you must report such specific "wrongful act," "offense" or "occurrence" to the Company during the "policy period" in writing, then any "claim" subsequently arising from such specific "wrongful act," "offense" or "occurrence" duly reported in accordance with this paragraph shall be deemed under this Policy to be a "claim" made during the "policy period". Such written notice to the Company shall include:
  - (1) particulars as to the reasons for anticipating such a "claim"; and
  - (2) the nature and dates of the alleged "wrongful act," "offense" or "occurrence;" and
  - (3) the alleged "damages" sustained; and
  - (4) the names of potential claimants, if available; and
  - (5) the manner in which you first became aware of the specific "wrongful act," "offense" or "occurrence."

#### 6. Fraud and Misrepresentation

No misrepresentations or warranty made by the insured or on his behalf in the negotiation or application of this policy or contract of insurance shall defeat or void the policy or contract or affect the company's obligation under the policy or contract unless such misrepresentation or warranty:

- 1) Was material;
- 2) Was made knowingly with the intent to deceive;
- 3) Was relied and acted upon by the Company; and,
- 4) Deceived the Company to its injury.

The breach of a warranty or condition in any contract or policy of insurance shall not void the policy or allow the Company to avoid liability unless such breach exists at the time of the loss and contributes to the loss.

#### 7. Legal Action Against Us

No person or organization has a right under this policy:

- a. To join us as a party or otherwise bring us into a "suit" asking for "damages" from an insured; or
- b. To sue us on this policy unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured obtained after an actual trial; but we will not be liable for "damages" that are not payable under the terms of this policy or that are in excess of the limit of liability.

An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

## 8. Other Insurance

This insurance is primary insurance except if the "claim" or "suit" is brought when the **EXTENDED REPORTING PERIOD (SECTION VII)** applies. If this insurance is primary and there is other valid and collectible insurance, we will pay the portion of "damages," in excess of the Each Wrongful Act Deductible or the Each Occurrence Deductible, which equals our percentage of the total of all limits that apply.

All insurance afforded by the **EXTENDED REPORTING PERIOD (SECTION VII)** is excess over any other insurance, whether primary, excess, contingent or on any other basis, (except when purchased specifically to apply in excess of this insurance); including insurance that is effective prior to the beginning of the "policy period" shown in the Program Declarations and applies to "wrongful acts," "offenses" or "occurrences" on other than a claims-made basis, if the other insurance has a policy period which continues after "your retroactive date."

When this insurance is excess over other insurance we have no duty to defend any "claim" or "suit." We will pay only our share of the amount of the loss, if any, that exceeds the sum of:

- a. The total amount that all such other insurance would pay for "damages" in the absence of this insurance; and
- b. The total of all applicable deductible and self-insured amounts under all that other insurance.

## 9. Responsibility Of Program Administrator

- a. The program administrator is responsible for the collection of premiums from all real estate licensees applying for coverage under this policy.

Real estate licensees that apply for coverage under this insurance after the beginning of the "policy period" will be charged a proportional premium amount. The premium for short term coverage will be calculated as of the 15th day of the month during which the real estate licensee becomes an insured, regardless of their actual effective date of coverage.

All premiums are considered fully earned unless this policy is canceled by us.

- b. The program administrator will notify us of the names, license number, effective date of coverage and retroactive date of all licensees covered under this insurance.

## 10. Separation Of Insureds

Except as provided in item 2. of **LIMITS OF LIABILITY AND DEDUCTIBLE (SECTION III)**, and any rights or duties specifically assigned in this policy to you, this insurance applies:

- a. As if each insured were the only insured; and
- b. Separately to each insured against whom "claim" is made or "suit" is brought.

## 11. Transfer Of Rights Of Recovery Against Others To Us.

If the insured has rights to recover all or a part of any payment we have made under this policy, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

We shall not exercise any such rights against any person, firms, or other entities included as insureds under **WHO IS AN INSURED (SECTION II)**. However, we reserve the right to exercise any rights of recovery against an insured with respect to any "claim" brought about by, or attributed to, the intentional, dishonest, fraudulent, criminal, or malicious act or omission of such insured.

## 12. Transfer Of Your Rights And Duties Under This Policy.

Your rights and duties under this policy may not be transferred without our written consent.

## SECTION V - DEFINITIONS

1. "Advertising injury" means injury arising out of one or more of the following "offenses" committed in the course of advertising your goods, products or services:
  - a. Oral or written publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
  - b. Oral or written publication of material that violates a person's right of privacy;
  - c. Misappropriation of advertising ideas or style of doing business; or
  - d. Infringement of copyright, title or slogan.
2. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including mental anguish or death resulting from any of these at any time.

3. "Claim" means a demand received by any insured for "damages," including the institution of a "suit" or arbitration proceeding against any insured. "Claim" does not include proceedings seeking injunctive relief, other non-monetary relief, rescission or administrative proceedings, except as provided under item 7. in **DEFENSE AND ADDITIONAL EXPENSES (SECTION VI)**.
4. a. "Coverage territory," as respects a resident licensee as described in item 1. of **WHO IS AN INSURED (SECTION II)**, means all parts of the world with the exception of any country or jurisdiction which is subject to trade or other economic sanction or embargo by the United States of America if the insured's responsibility to pay "damages" is determined in a "suit" on the merits in the United States of America (including its territories and possessions), Puerto Rico or Canada.  

We may, however, elect where permitted by law, at any time to investigate, settle, or defend "claims" made anywhere other than the United States of America, its territories, possessions, Puerto Rico or Canada. If we do not make such election, then the insured agrees to make, or cause to be made, under our supervision, such investigation and defense as is reasonably necessary.
- b. "Coverage territory," as respects a non-resident licensee as described in item 2. of **WHO IS AN INSURED (SECTION II)**, means real estate located in the State of Nebraska if the insured's responsibility to pay "damages" is determined in a "suit" on the merits in the United States of America (including its territories and possessions), Puerto Rico or Canada.
5. "Damages" means monetary "damages" which an insured becomes legally obligated to pay. "Damages" does not include fines, sanctions or penalties against any insured, or the return or reimbursement of fees for "real estate services."
6. "Fair housing discrimination" means the violation of Title VIII of the Civil Rights Act of 1968 or the Fair Housing Amendment Act of 1998, and any similar federal, state or local law or ordinance.
7. "Guaranteed sale listing contract" means a written agreement between you and the seller of a property, in which you agree to purchase the property if it is not sold under the listing agreement in the time frame specified by the agreement.
8. "Lock box property damage" means "property damage" to tangible property arising out of your distribution, maintenance, operation or use of a lock box or keyless entry system on property not owned by you which:
  - a. Is in your care, custody and control;
  - b. You have shown or listed for sale: and
  - c. Is protected by a lock box, keyless entry system or similar device.
9. "Occurrence" means, with respect to "lock box property damage," an accident, including continuous or repeated exposure to substantially the same general harmful conditions.
10. "Offense" means, with respect to:
  - a. "Advertising injury," an offense described in the definition of "advertising injury;"
  - b. "Personal injury," an offense described in the definition of "personal injury;"

All "advertising injury" or "personal injury" arising out of the repeated publication of the same or similar material, regardless of the mode in which such material is communicated, shall be considered as arising solely out of one "offense."
11. "Personal injury" means injury, arising out of your "real estate services", other than "bodily injury" or "advertising injury," arising out of one or more of the following "offenses":
  - a. False arrest, detention or imprisonment;
  - b. Malicious prosecution;
  - c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies by or on behalf of its owner, landlord or lessor;
  - d. Oral or written publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services; or
  - e. Oral or written publication of material that violates a person's right of privacy.
12. "Policyholder" means Policyholder listed in the Program Declarations.
13. "Policy period" means the period beginning with the inception date shown in the Program Declarations and ending with the earlier of:
  - a. The date of cancellation of this policy;
  - b. The expiration date shown in the Program Declarations; or
  - c. The date your coverage ends under this policy if different from a. or b. above.

Licensees added to this policy after its inception date begin on the effective date of their coverage. If this policy is replacing a licensee's policy that ended at noon, instead of 12:01 a.m., coverage for the licensee begins at noon when their old policy expires. However coverage ends at 12:01 a.m. as stated in a., b. or c. above.

14. "Pollutants" means any substance exhibiting hazardous characteristics as, is or may be defined or identified on any list of hazardous substances issued by the United States Environmental Protection Agency or any state, local or foreign equivalent. "Pollutants" also means, but is not limited to, any solid, liquid, gaseous, biological, radiological or thermal irritant or contaminant, including smoke, vapor, dust, fibers, mold, spores, fungi, germs, soot, fumes, acids, alkalis, chemicals and "waste". "Waste" includes, but is not limited to, materials to be recycled, reconditioned or reclaimed and nuclear materials.
15. "Property damage" means:
  - a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
  - b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.
16. "Property improvement services" means any of the following services provided in connection with the renovation and reconstruction of real estate:
  - a. managing facility renovation and reconstruction plans;
  - b. developing and managing renovation and reconstruction contracts and subcontracts; and
  - c. developing loss control and risk management plans in connection with reconstruction or renovation.
17. "Property management services" means any of the following services provided in connection with the management of real property:
  - a. developing management plans and budgets;
  - b. overseeing the physical maintenance of real property;
  - c. tenant relation services, including the collection of rent and processing evictions;
  - d. soliciting and negotiating contracts for the sale or leasing of real property;
  - e. developing, implementing and managing contracts and subcontracts necessary to the daily functioning of real property; and
  - f. record keeping.

"Property management services" does not include and we will not cover:

  - a. "property improvement services";
  - b. analyzing, evaluating or making recommendations concerning environmental hazards or exposures; or
  - c. obtaining, maintaining or negotiating property and liability insurance contracts.
18. "Real estate firm" means a legal entity registered with the Nebraska Real Estate Commission with which salespersons and brokers as defined in the Nebraska Real Estate License Act are affiliated.
19. "Real estate services" means services performed by you as a real estate sales person or broker as defined in the Nebraska Real Estate License Act, including but not limited to, giving broker price opinion's, giving comparative market analysis and auctioning real estate. "Real Estate Services" also include:
  - a. Providing "property management services"; or
  - b. Appraising real estate.

Appraising real estate means the process of establishing market value, investment value or other defined value of a specific item of real estate when such services are conducted by a registered, licensed or certified real estate appraiser.

"Real estate services" include the following services performed or advice given by the insured in connection with the activities listed above:

- 1) Consultant or counselor;
- 2) Notary public, or
- 3) Escrow agent.

Escrow agent means handling funds for an escrow or trust account when such funds are:

- a) In the form of United States currency, certified check, guaranteed check or money order;
- b) Held separate from your funds; and
- c) Distributed in their entirety within twelve (12) months from the date received.

"Real estate services" does not include services performed or advice given by the insured in connection with activities as a:

- Mortgage banker or correspondent;
- Construction Manager;
- Property Developer;
- Lawyer; or
- Insurance Agent.

20. "Suit" means a civil proceeding in which "damages" to which this policy applies are alleged.

"Suit" includes:

- a. An arbitration proceeding in which such "damages" are claimed and to which you must submit or do submit with our consent; or
- b. Any other alternative dispute resolution proceeding in which such "damages" are claimed and to which you submit with our consent.

21. "Your retroactive date" means the retroactive date established for you. A retroactive date is established separately for each licensee. Your retroactive date will be the earliest of the following dates:

- a. The date your coverage began under this policy; or
- b. The date your coverage began under a previous claims made policy that provided coverage similar to this policy and has been continuously renewed until the date your coverage began under this policy.

22. "Wrongful act" means a negligent act, error or omission.

## SECTION VI - DEFENSE AND ADDITIONAL EXPENSES

We will pay, with respect to any "claim" or "suit" we defend:

- 1. All expenses we incur except as noted in 7. below.
- 2. The cost of bonds to release attachments including appeal bonds, but only for bond amounts within the applicable limit of liability. We do not have to furnish these bonds.
- 3. An insured's actual loss of earnings, up to \$250 per day, resulting from time off from work because of our request for assistance in the investigation or defense of a "claim" or "suit."
- 4. All costs taxed against the insured in the "suit."
- 5. All prejudgment interest awarded against an insured on that part of the judgment we pay. However, if we make a settlement offer to pay the available limit of liability, we will not pay the prejudgment interest that accumulates after the date of our offer.
- 6. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of liability. Any amounts paid under 1. through 6. above will not reduce the limits of liability and are not subject to a deductible. Our duty to make such payments ends, however, when we have used up the limits of coverage that apply with the payment of "damages".

We will also pay:

- 7. "Damages" and expenses, up to a maximum sum of \$25,000 per "claim," for "claims" arising from an act of "fair housing discrimination" even if deemed intentional by adjudication, not withstanding exclusions b. (1) and f. (1) in **(SECTION 1)**.

Two or more "claims" arising from a single act of "fair housing discrimination" or a series of related acts of "fair housing discrimination" shall be considered one "claim" and shall be considered as first made and reported to us as soon as the earliest "claim" was first made and reported to us or our program administrator.

The coverage provided under this item 7. is subject to the **Real Estate Licensee Professional Liability Aggregate Limit**; and all "damages" and expenses paid hereunder shall be included in such limit and shall be subject to the **Each Wrongful Act Deductible**.

We will not pay "damages" or expenses above the sum provided for in item 7 and our duty to defend will end when we have used up the above limit in the payment of judgment, settlements and expenses to which item 7 applies.

## SECTION VII - EXTENDED REPORTING PERIOD

1. Basic Extended Reporting Period
  - a. We will automatically provide a Basic Extended Reporting Period, at no additional charge, starting with the end of the "policy period," and lasting for a period of ninety (90) days if your coverage under this policy is canceled or non-renewed for any reason.
  - b. The Basic Extended Reporting Period does not apply to "claims" that are covered under any subsequent insurance you purchase, or that would be covered but for exhaustion of the amount of insurance applicable to such "claims."
  - c. The Basic Extended Reporting Period does not apply to "claims" if you purchase one of the Additional Extended Reporting Periods described in item 2. below.
2. Additional Extended Reporting Periods
  - a. If your coverage under this policy is canceled or non-renewed for any reason, you have the option to purchase, for an additional premium, an Additional Extended Reporting Period.
  - b. You may select an Additional Extended Reporting Period Option starting with the end of the "policy period" and lasting for three (3) or five (5) years.
  - c. The additional premium for the Additional Extended Reporting Period Options below shall be the following percentages of your full expiring annual premium:
    - (1) 200% for the Three (3) Years Option, or
    - (2) 300% for the Five (5) Years Option.
  - d. We will issue an Additional Extended Reporting Period endorsement only if:
    - (1) You request it within ninety (90) days of the end of the "policy period;"
    - (2) You have paid all premiums due for this policy at the time you request an Additional Extended Reporting Period Endorsement; and
    - (3) You promptly pay when due the additional premium for the endorsement.
  - e. During the Additional Extended Reporting Period, coverage under this policy applies as excess over any valid and collectible insurance available under policies in force after such Extended Reporting Period starts.
3. All Extended Reporting Periods

The Basic Extended Reporting Period or the Additional Extended Reporting Periods:

  - a. Do not extend the "policy period" or change the scope of coverage provided. They only apply to "claims" for "wrongful acts," "personal injury" "offenses" and "lock box property damage" "occurrences" committed before the end of the "policy period" but not before "your retroactive date;"
  - b. Do not reinstate or increase the Limits of Liability. The Limits of Liability for any Extended Reporting Period shall be a part of, and not in addition to, the Limits of Liability listed on the Program Declarations. This applies regardless of the number and type of Extended Reporting Periods issued, the number of involved insureds, or any other factors;
  - c. Are not renewable; and
  - d. Cannot, once in effect, be canceled. We need not return any part of the premium paid for any reason whatsoever.

We have caused this policy to be signed by our President and a Secretary, but it shall not be binding unless countersigned on the Declarations page by our duly authorized representative.



---

**PRESIDENT**



---

**SECRETARY**

# CONFORMITY TO OTHER STATE'S MANDATORY PROGRAM

It is agreed that:

1. Any part of this NEBRASKA REAL ESTATE LICENSEE PROFESSIONAL LIABILITY INSURANCE policy which conflicts with any law provided by an "other state's mandatory program" is automatically amended to conform with the law of the "other state's mandatory program."
2. Any real estate licensee who:
  - a. Has paid the additional premium to the program administrator for this endorsement;
  - b. Holds a valid real estate license issued under the laws of an "other state's mandated program;"
  - c. Is not a resident in the state of the "other state's mandated program;"
  - d. Is an insured under this NEBRASKA REAL ESTATE LICENSEE PROFESSIONAL LIABILITY INSURANCE policy; and
  - e. Conducts their "real estate services" in the state of the "other state's mandated program"is automatically granted the insurance coverage equivalent to that required by the "other state's mandated program."

For the purposes of this endorsement, "other state's mandatory program" means a program requiring the purchase of primary real estate licensee professional liability insurance or primary real estate licensee errors and omissions liability insurance as mandated by a state's, other than the state of Nebraska, statutes or regulations.

If this endorsement applies to Iowa, there is an additional annual premium of \$15.00 per licensee.

# INCREASED LIMITS OF LIABILITY SPECIFIED INSUREDS ONLY

In consideration of an additional annual premium , it is agreed that the Limits Of Liability shown on the Program Declarations are deleted and replaced by the Limits Of Liability shown below for any real estate licensee or real estate firm who has paid the additional premium to the program administrator and holds a valid real estate salesperson or broker license issued by, or is registered with, the Nebraska Real Estate Commission.

If this endorsement applies, the increased Limits of Liability will be shown on the Certificate of Insurance, Form No. 86547 (8/06), issued to the real estate licensee or real estate firm who has paid the additional premium.

Limits Of Liability	Deductibles
<b>Coverage A: Real Estate Licensee Professional Liability</b> Each wrongful act limit     \$ 250,000 Aggregate limit:                 \$ 750,000	Each wrongful act deductible:     \$ 1,000
<b>Coverage B: Personal Injury Liability</b> Each person limit:             \$ 250,000 Aggregate limit:                 \$ 750,000	
<b>Coverage C: Lock Box Property Damage Liability</b> Each occurrence limit:         \$ 10,000 Aggregate limit:                 \$ 10,000	Each occurrence deductible:     \$ 0

OR

Limits Of Liability	Deductibles
<b>Coverage A: Real Estate Licensee Professional Liability</b> Each wrongful act limit     \$ 500,000 Aggregate limit:                 \$ 1,000,000	Each wrongful act deductible:     \$ 1,000
<b>Coverage B: Personal Injury Liability</b> Each person limit:             \$ 500,000 Aggregate limit:                 \$ 1,000,000	
<b>Coverage C: Lock Box Property Damage Liability</b> Each occurrence limit:         \$ 10,000 Aggregate limit:                 \$ 10,000	Each occurrence deductible:     \$ 0

## CLAIMS-MADE DISCLOSURE STATEMENT – NEBRASKA

The insurance coverage provided by the group policy underwritten by National Union Fire Insurance Company of Pittsburgh, PA is claims-made professional liability coverage. It is important that you understand the differences between certain provisions of the group policy and your previous policy. Also, you should understand the following provisions and terms. **NOTE: THIS IS ONLY A BRIEF SUMMARY.**

**Coverage Trigger.** Usually, a claim is considered made when it is reported to us. But sometimes, a claim may be considered to have been made at an earlier time. This can happen when another claim for the same wrongful act, personal injury offense or event has already been made, or when the claim is reported during the extended reporting period as described later in this disclosure statement.

**Retroactive Date.** Your retroactive date is recorded on the Listing of Protected Licensees Quarterly Report, and it is also indicated on your Nebraska Real Estate Licensee Professional Liability Certificate Of Insurance. You do not have coverage for wrongful acts, personal injury offense or events that occurred before your retroactive date, even if a claim is first made while your coverage is in effect under the group policy.

**Prior Acts.** We'll cover claims resulting from wrongful acts, personal injury offenses or events that occurred before the effective date of the policy, and on or after your retroactive date only if all the following conditions are met:

- the claim is made against you or another insured while your coverage under the group policy is in effect or during the limited reporting period; and
- there is no other insurance applying to the wrongful act, personal injury offense or event; and
- neither you nor the insured involved had knowledge of the prior wrongful act, personal injury offense or event at the effective date of your coverage under the policy, nor any reasonable way to foresee that a claim might be brought.

**Extended Reporting Period Endorsement.** Your coverage may end under the group policy. If it does, you have the right to purchase an Extended Reporting Period Endorsement. This endorsement extends the time to report covered claims.

Coverage is extended to claims made during the extended period.

This extended reporting period applies only to covered claims that result from wrongful acts, personal injury offenses or events that occurred while your coverage under the group policy was in effect. The claim must first be made against you or an insured and reported to us after your coverage under the group policy ends and while your extended reporting period is in effect.

It is important that you buy an Extended Reporting Period Endorsement if for any reason you don't continue or renew your coverage under the group policy. This is especially true if you change insurers and the new insurer:

- Uses a later retroactive date than you had with the old insurers; or
- Provides "occurrence" rather than "claims-made" coverage.

If you don't buy the Extended Reporting Period Endorsement, you may be faced with a potentially serious gap in coverage between the protection that was provided by the old insurer and that which is afforded by the new insurer.

**Your signature on the reverse side of this form indicates that you have read and understand this disclosure statement. If you have any questions concerning any of the items discussed above, or any other provision of the group policy, please contact the program administrator at the address or telephone number listed below.**

**Williams Underwriting Group  
A Division of Maverick Insurance, LLC  
Post Office Box 1086  
New Albany, Indiana 47151-1086**

**Phone: (800) 222-4035**

**Fax: (812) 944-8010**



**POLLUTION EXCLUSION AMENDATORY ENDORSEMENT**

Named Insured		Endorsement Number
Policy Number	Policy Period From:                      To:	Effective Date of Endorsement 12:01 AM
Issued By (Name of Insurance Company) <b>National Union Fire Insurance Company of Pittsburgh, Pa.</b>		

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**  
This endorsement modifies insurance provided under the following:

**NEBRASKA REAL ESTATE LICENSEE  
PROFESSIONAL LIABILITY INSURANCE POLICY**

In consideration of the additional annual premium charged, it is hereby understood and agreed that Paragraph g. of **EXCLUSIONS** is deleted in its entirety and replaced with the following:

- g. Any loss, cost or expense arising out of or resulting, directly or indirectly, from the presence of or the actual, alleged or threatened discharge, dispersal, release, seepage, migration or escape of "pollutants," 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;" provided, however, that we will pay on behalf of the insured "claim expenses" (as defined herein) incurred in the defense of such "claims" or "suits" otherwise covered under the terms of this policy up to a maximum sum of \$5,000 for each such "claim" and \$10,000 for all such "claims" in the aggregate during the "policy period."

Solely for the purposes of the coverage provided by this endorsement, the following definition shall apply:

"claim expenses" means all reasonable and necessary fees charged by attorneys appointed by us and all other reasonable and necessary fees, costs and expenses resulting from the investigation, adjustment, defense and appeal of a "claim" if incurred by us or by you with our prior written consent; provided, however, that "claim expenses" shall not include salary, charges or expenses incurred by you or salary, charges, or expenses of our employees or officials.

**ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.**

© Chartis Inc. All rights reserved.

**REGULATORY COMPLAINT ENDORSEMENT**

Named Insured		Endorsement Number
Policy Number	Policy Period From:                      To:	Effective Date of Endorsement 12:01 AM
Issued By (Name of Insurance Company) <b>National Union Fire Insurance Company of Pittsburgh, Pa.</b>		

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**  
This endorsement modifies insurance provided under the following:

**NEBRASKA REAL ESTATE LICENSEE  
PROFESSIONAL LIABILITY INSURANCE POLICY**

In consideration of the additional premium charged, it is hereby understood and agreed that **SECTION VI - DEFENSE AND ADDITIONAL EXPENSES** is amended to include the following at the end thereof:

We will also pay:

8. "Claim expenses" (as defined herein), up to a maximum sum of \$2,500 per complaint, arising from the handling of a complaint made to the real estate regulatory board or commission, provided that such complaint arises from a "wrongful act" that would otherwise be covered under the terms of this policy. The maximum amount payable during the "policy period" for all such "claim expenses" in the aggregate is \$5,000. Notwithstanding the foregoing, we will not pay any "damages" arising from such complaints.

Solely for the purposes of the coverage provided by this endorsement, the following definition shall apply:

"claim expenses" means all reasonable and necessary fees charged by attorneys appointed by us and all other reasonable and necessary fees, costs and expenses resulting from the investigation, adjustment, defense and appeal of a "claim" if incurred by us or by you with our prior written consent; provided, however, that "claim expenses" shall not include salary, charges or expenses incurred by you or salary, charges, or expenses of our employees or officials.

**ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.**

© Chartis Inc. All rights reserved.

**ENDORSEMENT**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

This endorsement, effective 12:01 a.m. \_\_\_\_\_ forms a part of Policy

No. \_\_\_\_\_ issued to \_\_\_\_\_ by

**PERSONAL IDENTITY COVERAGE FOR NEBRASKA 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 **PERSONAL IDENTITY COVERAGE** pursuant to the terms and conditions contained in this endorsement.

---

**I. POLICY PROVISIONS INCORPORATED**

---

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.

---

**II. DECLARATIONS**

---

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

<b>PERSONAL IDENTITY COVERAGE</b>	
<b>(a) Limits of Insurance</b>	
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

---

**III. INSURING AGREEMENT**

---

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.

---

---

### IV. WHO IS AN INSURED

---

---

Solely with respect to the coverage provided by this endorsement, SECTION II - **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.

---

---

### V. DEFINITIONS

---

---

Solely with respect to the coverage provided by this endorsement, SECTION V - **DEFINITIONS** is amended to include 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.

---



---

## **VI. OBLIGATIONS OF THE INSURED**

---

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 Chartis Claims, Inc., 175 Water Street, 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.

---

## **VII. EXCLUSIONS**

---

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 months after a Stolen Identity Event occurs.

---

---

**VIII. LIMITS OF INSURANCE**

---

---

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

**5. LIMITS OF INSURANCE**

- 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 **PERSONAL IDENTITY COVERAGE**, 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.

---

---

**IX. CANCELLATION**

---

---

Solely with respect to the coverage provided by this endorsement, Subsection 1. **Cancellation of Section IV - 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.

---

---

**X. LEGAL ACTION AGAINST US**

---

---

Solely with respect to the coverage provided by this endorsement, Subsection 7. **Legal Action Against Us** of **Section IV - CONDITIONS** is deleted in its entirety and replaced with the following:

**7. 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.

---

---

**XII. POLICY CONDITIONS**

---

---

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.

---

---

**XVII. DELETED CLAUSES**

---

---

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

**SECTION VI - DEFENSE AND ADDITIONAL EXPENSES**

**SECTION VII - EXTENDED REPORTING PERIOD**

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

4. Duties in the Event of Proceeding, "Claim" or "Suit" and
5. Reporting of "Wrongful Acts," "Offenses" or "Occurrences" That May Give Rise to a Claim

---

AUTHORIZED REPRESENTATIVE