

# **AIG** AMERICAN INTERNATIONAL COMPANIES®

70 Pine Street, New York, New York 10270  
(212) 770-7000

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| <input type="checkbox"/> AIU Insurance Company                             | <input type="checkbox"/> Illinois National Insurance Company                                 |
| <input type="checkbox"/> American International South Insurance Company    | <input checked="" type="checkbox"/> National Union Fire Insurance Company of Pittsburgh, Pa. |
| <input type="checkbox"/> Birmingham Fire Insurance Company of Pennsylvania | <input type="checkbox"/> National Union Fire Insurance Company of Louisiana                  |
| <input type="checkbox"/> Granite State Insurance Company                   | <input type="checkbox"/> New Hampshire Insurance Company                                     |

(each of the above being a capital stock company)

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

## WYOMING 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 provided under 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.

### DECLARATIONS

**Policy Number:** 10330275

**Policy Period:** **Inception Date:** January 1, 2009 **Expiration Date:** January 1, 2010  
12:01 a.m. standard time at the Policy Mailing Address stated below.

**Policy Mailing Address:** Wyoming Real Estate Commission  
2020 Carey Avenue, Suite 702  
Cheyenne, Wyoming 82002-0180

**Program Administrator:** Williams Underwriting Group, Inc  
P.O. Box 769  
Jeffersonville, Indiana 47131-0769  
Toll Free: 1-800-222-4035  
Phone: 812-284-2321  
Fax: 812-284-3252

Limits Of Liability		Deductibles	
<b>Coverage A: Real Estate Licensee Professional Liability</b>			
Each wrongful act limit	\$ 100,000	Each wrongful act deductible:	\$1,000
Aggregate limit:	\$ 500,000	Each claim expense deductible:	\$1,000
<b>Coverage B: Lock Box Property Damage Liability</b>			
Each occurrence limit:	\$ 10,000	Each occurrence deductible:	\$250
Aggregate limit:	\$ 10,000		

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

Title	Form Number
Wyoming Real Estate Licensee Professional Liability Insurance Policy	95923 (09/07)
Increased Limits of Liability - Specified Insureds Only Endorsement – AS PER CERTIFICATE OF INSURANCE	95924 (09/07)
Licensed Appraisal Endorsement – APPLIES IF SHOWN ON CERTIFICATE OF INSURANCE	95930 (09/07)
AIG Personal Identity Coverage – APPLIES IF SHOWN ON CERTIFICATE OF INSURANCE	95920 (09/07)
Extended Reporting Period Endorsement – APPLIES IF SHOWN ON CERTIFICATE OF INSURANCE	86553 (08/04)

This policy is issued to the Wyoming Real Estate Commission. However, no coverage is provided to the Wyoming Real Estate Commission. Coverage is provided to any any real estate broker, broker associate, salesperson, or real estate firm that (a) holds an active real estate broker, broker associate, salesperson, or real

95922 (9/07)

estate firm license issued by the State of Wyoming Real Estate Commission and (b) has paid the premium charged for this policy.

**PREMIUM IS \$150.00 PER LICENSEE.**

**Retroactive Date:** determined separately for each insured as defined in the policy.

**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.



\_\_\_\_\_  
PRESIDENT



\_\_\_\_\_  
SECRETARY



\_\_\_\_\_  
AUTHORIZED REPRESENTATIVE

\_\_\_\_\_  
COUNTERSIGNATURE

\_\_\_\_\_  
DATE

\_\_\_\_\_  
COUNTERSIGNED AT

# Wyoming Real Estate Licensee Professional Liability Insurance Policy

**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 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 THE 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" mean any real estate broker, broker associate, salesperson, or real estate firm that (a) holds a valid real estate broker, broker associate, salesperson, or real estate firm license issued by the State of Wyoming Real Estate Commission and (b) has paid the premium charged for this policy.

The word "insured" means any person or organization qualifying as such under **WHO IS AN INSURED (SECTION III)** of this policy.

The words "we," "us" and "our" mean National Union Fire Insurance Company of Pittsburgh, Pa.

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

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

- a. in reliance upon the statements made in the Program Declarations (the "Declarations"); and
- b. subject to the applicable Limits of Liability, Deductibles, Exclusions, Definitions, Conditions and all other terms of this policy, including those modified, replaced by or added by any endorsement(s) 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;" or
  - b. Lock Box Property Damage Liability  
"Lock box property damage" which occurs in the performance of your "real estate services."
2. We will have the right and duty to defend any "claim" or "suit" seeking "damages" in paragraph 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" is 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 "claim expenses" incurred up to the time of such refusal or continuation of proceedings.

In such event, we shall have the right to withdraw from any further investigation, defense, and/or settlement of such "claim" by tendering control of said investigation, defense and/or settlement to the insured.

4. The amount we will pay for "damages" and those "claim expenses" described in paragraphs 2 and 3 of **DEFENSE AND CLAIM EXPENSES (SECTION VII)** is set forth in **LIMITS OF LIABILITY AND DEDUCTIBLE (SECTION IV)** of this policy. We have no other obligations to pay anything unless explicitly provided for under **DEFENSE AND CLAIM EXPENSES (SECTION VII)** of this policy.
5. Our right and duty to defend will end when the applicable Limit of Liability is exhausted by the payment of judgments and/or settlements.
6. This policy applies to any "wrongful act" or "lock box property damage," but only if:
  - a. (1) the "wrongful act" takes place; or
  - (2) 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" 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," "occurrence" or any resulting "claim" or "suit;" or
    - (2) any "wrongful act" or "occurrence" which could have reasonably been expected to result in a "claim" or "suit"regardless of whether notice of any such "claim" or "suit" was furnished to any other insurer; and
  - d. A "claim" for "damages" because of the "wrongful act" or "occurrence" is first made against any insured and reported by you to us while your coverage is in effect or during any Extended Reporting Period we provide to you under **EXTENDED REPORTING PERIODS (SECTION VIII)**.
7. In the event that a judgment is rendered against more than one insured under this policy which exceeds the Aggregate Limit of Liability as stated in the Declarations, the amount of "damages" we will pay shall be calculated pro rata in relationship to that amount which is awarded against each such insured. In such case, the responsible real estate broker, as defined in W.S. 33-28-102(a)(iii), shall reimburse us for all amounts paid for such "damages," notwithstanding any agreement(s) that may exist between such responsible real estate broker and the real estate firm, the salespersons, and/or broker associates.

## **SECTION II - EXCLUSIONS**

This policy does not cover any "claim" or "suit":

1. based upon, arising out of, or in any way connected to, directly or indirectly "bodily injury," "property damage," "personal injury" or "advertising injury;" provided, however, that with respect to "property damage," this exclusion shall not apply to "lock box property damage;"
2. based upon, arising out of, or in any way connected to, directly or indirectly:
  - (a) dishonest, fraudulent, criminal, or malicious acts or omissions including concealment or intentional misrepresentation; provided, however, that this exclusion shall not apply to "fair housing discrimination" as provided under paragraph 2 of **DEFENSE AND CLAIM EXPENSES (SECTION VII)**; or
  - (b) unfair competition, piracy, or any theft or wrongful taking of concepts or other intellectual property;

provided, however, that (b)(1) and (b)(2) of this exclusion shall not apply to any insured who did not commit such acts, errors or omissions;

3. based upon, arising out of, or in any way connected to, directly or indirectly any:
  - (a) conversion, misappropriation, commingling, or defalcation of funds or other property;
  - (b) failure to pay fees or commissions, including finder's fees or commissions;
  - (c) inability or failure to pay money held for others; or
  - (d) failure to collect money to be held for others;
4. based upon, arising out of, or in any way connected to, directly or indirectly any actual or alleged violations of:
  - (a) the Employee Retirement Income Security Act of 1974, Public Law 93-406, commonly referred to as the Pension Reform Act of 1974;
  - (b) the Securities Act of 1933;
  - (c) the Securities Exchange Act of 1934; or
  - (d) any state Blue Sky or Securities law;including any rules, regulations, or amendments issued in relation to the foregoing 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, as well as any amendments thereof;
5. based upon, arising out of, or in any way connected to, directly or indirectly the failure to purchase or maintain any insurance or bonds;
6. based upon, arising out of, or in any way connected to, directly or indirectly:
  - (a) 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 paragraph 7 in DEFENSE AND CLAIM EXPENSES (SECTION VII)); or
  - (b) 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 shall also apply:

- (i) 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; and
- (ii) to any obligation to share "damages" with or repay someone else who must pay "damages" because of the injury;

without regard to whether the insured may be held liable as an employer or in any other capacity.

7. 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;"
8. based upon, arising out of, or in any way connected to, directly or indirectly, the formation, syndication, operation or administration of any corporation, general or limited partnership, joint venture or real estate investment trust;

9. based upon, arising out of, or in any way connected to, directly or indirectly, liability assumed under any indemnity, hold harmless or similar provision or agreement; provided, however, that this exclusion shall not apply to liability you would have in the absence of such agreements;
10. based upon, arising out of, or in any way connected to, directly or indirectly:
  - (a) "real estate services" relating to property in which you or your spouse or any entity, corporation, partnership, or trust which you or your spouse have more than a twenty five percent (25%) financial or ownership interest, including, but not limited to, For Sale by Owner sales or listings; or
  - (b) "real estate services" relating to property that is constructed or developed by you or your spouse or any entity, corporation, or partnership in which you or your spouse have more than a ten (10%) financial or ownership interest, including, but not limited to, For Sale by Owner sales or listings;provided, however, that this exclusion shall not apply to:
  - (i) 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;
  - (ii) the sale or listing of your primary or principle residence, provided the sale or listing is performed under the real estate license laws of the State of Wyoming; or
  - (iii) the sale of an insured's real property by an insured who is not the property owner, builder or developer of such real property provided that the property owner, builder or developer was not the selling, listing or closing agent;
11. based upon, arising out of, or in any way connected to, directly or indirectly, any insured notarizing, certifying or acknowledging any signature not signed before such insured at the time of such notarization, certification or acknowledgment; and
12. made by an insured under this policy against any other insured; provided, however, that this exclusion shall not apply if the "claim" arises solely from the "real estate services" one insured performs for another.

### SECTION III - WHO IS AN INSURED

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

1. You if you:
  - a. are a resident of the State of Wyoming or a non-resident of the State Wyoming working for or representing a "real estate firm" (i) actively licensed under Wyoming licensing law, W.S. 33-21-101 through 401 (hereinafter referred to as "Wyoming licensing law"), and (ii) located in the State of Wyoming;
  - b. hold an active Wyoming real estate license issued under Wyoming licensing law; and
  - c. have paid the premium charged for this policy.
2. You if you:
  - a. are not a resident of the State of Wyoming and do not work for or represent a "real estate firm" (i) actively licensed under Wyoming licensing law and (ii) located in the State of Wyoming;
  - b. hold an active Wyoming real estate license issued under Wyoming licensing law; and
  - c. have paid the premium charged for this policy.
3. Your employees and assistants who are not required to be licensed under Wyoming real estate licensing law, but only while acting in the scope of their employment and relating to the provision of "real estate services" performed 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 with respect to liability arising out of "real estate services" rendered prior to your death, disablement, incapacity, insolvency, or bankruptcy.

#### SECTION IV - LIMITS OF LIABILITY AND DEDUCTIBLES

1. The Limits of Liability shown in the Program Declarations (the "Declarations") are the most we shall pay under this policy for the sum of all "damages" and those "claim expenses" described in paragraphs 2 and 3 of **DEFENSE AND CLAIM EXPENSES (SECTION VII)**, 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 of Liability stated in the Declarations applies separately to each real estate licensee described as an insured in paragraphs 1 and 2 of **WHO IS AN INSURED (SECTION III)**. However, all persons or organizations qualifying as an insured in paragraphs 3, 4 and 5 of **WHO IS AN INSURED (SECTION III)** share in a single Limit of Liability 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 of Liability stated in the Declarations 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 those "claim expenses" described in paragraphs 2 and 3 of **DEFENSE AND CLAIM EXPENSES (SECTION VII)** for any one "policy period," including any applicable Extended Reporting Period.
4. Subject to paragraph 3 of this Section, the Each Wrongful Act Limit stated in the Declarations is the most we will pay for any "wrongful act" for the sum of all "damages" and those "claim expenses" described in paragraphs 2 and 3 of **DEFENSE AND CLAIM EXPENSES (SECTION VII)** 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;
  - b. shall be subject to the Each Wrongful Act Limit stated in the Declarations; and
  - c. shall be subject to the Each Wrongful Act Deductible stated in the Declarations.
5. The Lock Box Property Damage Liability Aggregate Limit of Liability stated in the Declarations 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.
  6. Subject to paragraph 5 of this Section, the Each Occurrence Limit of Liability stated in the Declarations is the most we will pay for any "lock box property damage" for all "claims" or "damages" based upon or 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;
- b. shall be subject to the Each Occurrence Limit stated in the Declarations; and
- c. shall be subject to the Each Occurrence Deductible stated in the Declarations.

7. Subject to the Limits of Liability and all other terms and conditions of this policy, our obligation to pay "damages" and "claim expenses" on your behalf applies only to the amount of "damages" and "claim expenses" in excess of the Each Wrongful Act Deductible, the Each Claim Expense Deductible and the Each Occurrence Deductible amounts stated in the Declarations.

You shall pay the full amount of the Each Wrongful Act Deductible, the Each Claim Expense Deductible and the Each Occurrence Deductible stated in the Declarations for each "claim" made against an insured. You shall make direct payments of "damages" and "claim expenses" within the applicable 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 required by this paragraph, all insureds against whom the "claim" has been made are jointly and severally liable for such amounts.

If a "claim" involves two or more insureds who are affiliated with the same "real estate firm", only one Each Wrongful Act deductible and one Each Claim Expense Deductible shall apply to such "claim."

## SECTION V - CONDITIONS

### 1. Cancellation

- a. We may cancel this policy by mailing to you written notice of cancellation at least ninety (90) days before the effective date of cancellation. We may only cancel this policy for the following reasons:
  - (1) nonpayment of premium due;
  - (2) an insured has submitted a fraudulent "claim;"
  - (3) an insured violates any of the terms or conditions of this policy;
  - (4) the risk originally accepted has substantially changed;
  - (5) 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
  - (6) the determination by the Director of Insurance that continuation of the policy could place us in violation of the Wyoming Insurance laws.
- b. We will mail or deliver our notice of cancellation to you at the last mailing address known to us.
- c. Notice of cancellation by us will state the effective date of the cancellation, at which time the "policy period" shall terminate.
- d. If this policy is canceled, we will send you any premium refund due. If we cancel this policy, the premium refund will be calculated pro rata.
- e. If our notice of cancellation is mailed, proof of mailing will be sufficient proof of notice.
- 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

If we decide not to renew this policy, we will mail through first-class mail to you written notice of the nonrenewal at least ninety (90) days before the expiration date of this policy or its anniversary date if this policy is written for a term of more than one (1) year or with no fixed expiration date.

If notice of nonrenewal is mailed, proof of mailing will be sufficient proof of notice.

If we offer to renew this policy and you do not accept our offer during the current "policy period," this policy shall expire at the end of such "policy period."

### 3. Changes

This policy contains all agreements between you and us concerning the insurance coverage afforded herein. The Wyoming Real Estate Commission is authorized on behalf of all insureds to agree with us to any changes in the terms and conditions of this policy.

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

### 4. Conformity to Other State's Mandatory Programs

Any part of this policy which conflicts with any law provided by an "other state's mandatory program" shall be automatically amended to conform with the law of such "other state's mandatory program," provided the insured:

- a. holds a valid real estate license issued under the laws of such "other state's mandatory program;"
- b. is not a resident in the state of such "other state's mandatory program;" and
- c. conducts his or her "real estate services" in the State of such "other state's mandated program."

The "other state's mandatory program" means a program requiring the purchase of primary real estate licensee professional liability or primary real estate licensee errors and omissions liability insurance as mandated by the statutes and/or regulations of a State other than the State of Wyoming.

### 5. Duties In the Event of a Proceeding, "Claim" or "Suit"

- a. If a "claim" is made or "suit" is brought against any insured, you must notify us in writing as soon as practicable of such "claim" or "suit." To the extent possible, such notice shall include:
  - (1) how, when and where the "wrongful act" 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" or "occurrence."
- b. If a "claim" is made or "suit" is brought against any insured, you must immediately record the specifics of the "claim" or "suit" and the date received; and
- c. If you give us notice of a "claim" made or a "suit" brought against any insured, you and any other insured must:
  - (1) immediately send us 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 and/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 insured may, except at his or her own cost, make a payment, assume any obligation, or incur any expense without our prior consent. Such consent shall not be unreasonably withheld.

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

a. If during the "policy period" you become aware of a specific "wrongful act" or "occurrence" that could reasonably be expected to give rise to a "claim" or "suit" against you, you must report such specific "wrongful act" or "occurrence" to us in writing during the "policy period," then any "claim" subsequently arising from such specific "wrongful act" 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 us shall include:

- (1) particulars as to the reasons for anticipating such a "claim;"
- (2) the nature and dates of the alleged "wrongful act" or "occurrence;"
- (3) the alleged "damages" sustained;
- (4) the names of potential claimants, if available; and
- (5) the manner in which you first became aware of the specific "wrongful act" or "occurrence."

## 7. Fraud and Misrepresentation

No oral or written misrepresentation or warranty made by you prior to the inception of this policy shall be deemed material or defeat or void this policy or prevent it attaching, unless the misrepresentation or warranty was made with the intent to deceive.

## 8. Legal Action Against Us

No person or organization has any rights under this policy to:

- a. join us as a party or otherwise bring us into a "suit" seeking "damages" from an insured; or
- b. 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; provided, however, that we will not be liable for "damages" that are not payable under the terms of this policy or that are in excess of any applicable Limit of Liability. For purposes of this paragraph, an agreed settlement means a settlement and release of liability signed by us, the insured, and the claimant or the claimant's legal representative.

## 9. Other Insurance

This insurance is primary insurance except if the "claim" or "suit" is brought when the **EXTENDED REPORTING PERIOD (SECTION VIII)** applies. If this insurance is primary and there is other valid and collectible insurance, we will pay the portion of "damages" and "claim expenses" in excess of the Each Wrongful Act Deductible and Claim Expense 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" or "occurrence" 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.

## 10. 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 1st day of the month during which the real estate licensee becomes an insured, regardless of their actual effective date of coverage.

- 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.

## 11. Separation of Insureds

Except as provided in paragraph 2 of **LIMITS OF LIABILITY AND DEDUCTIBLE (SECTION IV)**, and subject to any and all rights and duties provided herein, this policy applies:

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

## 12. Transfer of Rights of Recovery Against Others to Us

If the insured has rights to recover all or a part of any payment(s) 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 cooperate with us to 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 III)**; provided, however, that we may exercise any and all rights of recovery against an insured with respect to any "claim" based upon, arising out of, or attributable to the intentional, dishonest, fraudulent, criminal, or malicious act or omission of such insured.

## 13. Transfer of Your Rights and Duties Under This Policy

Your rights, interests, and duties under this policy may not be transferred or assigned without our prior written consent.

## 14. Premium Fully Earned

All premiums due are considered fully earned upon inception of the policy, unless the policy is cancelled by us.

## 15. Headings

The descriptions in the headings of this policy and any subsequent endorsements are solely for convenience, and form no part of the terms and conditions of coverage.

## SECTION VI - 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, but not limited to, mental anguish or death resulting from any of these at any time.
3. "Claim" means a demand received by any insured for "damages," including, but not limited to, the institution of a "suit" or arbitration proceeding against any insured; provided, however, that "claim" shall not include proceedings seeking injunctive relief, other non-monetary relief, or rescission or administrative proceedings, except as provided under paragraphs 7 and 8 in **DEFENSE AND CLAIM EXPENSES (SECTION VI)**.
4. "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.
5. a. "Coverage territory," as respects a resident licensee as described in paragraph 1 of **WHO IS AN INSURED (SECTION III)**, 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 paragraph 2 of **WHO IS AN INSURED (SECTION III)**, means real estate located in the State of Wyoming 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.
6. "Damages" means any monetary damages which an insured becomes legally obligated to pay because of judgments, settlements, arbitration awards or the like rendered against the insured; provided, however, that "damages" shall not include fines, sanctions or penalties against any insured, the return or reimbursement of fees for "real estate services" or punitive, exemplary and multiple damages.
7. "Fair housing discrimination" means the violation of Title VIII of the Civil Rights Act of 1968 (as amended), the Fair Housing Amendment Act of 1998 (as amended), or any other similar federal, state or local law or ordinance.
8. "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.
9. "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.
10. "Occurrence" means, with respect to "lock box property damage," an accident, including continuous or repeated exposure to substantially the same general harmful conditions.
11. "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;"

Any "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."

12. "Personal injury" means injury, other than "bodily injury" or "advertising injury," based upon or arising out of one or more of the following "offenses:"
- a. false arrest, detention or imprisonment;
  - b. malicious prosecution;
  - c. 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.

13. "Policy period" means each annual period beginning with the inception date shown in the Declarations and ending with the earlier of:
- a. the effective date of cancellation of this policy; or
  - b. the expiration date stated in the Declarations.

The "policy period" for licensees who become "insureds" under this policy after its inception date begins on the date on which they become "insureds." If this policy is replacing a licensee's policy that ended at 12:01 p.m. (instead of 12:01 a.m.), the "policy period" for such licensee begins at 12:01 p.m. of such licensee's expiring policy. Notwithstanding the foregoing, such licensee's policy period shall end in accordance with subparagraphs (a), (b), and (c) above, as applicable.

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 one or more of the following services provided in connection with the renovation and reconstruction of real property:
- 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 one or more 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.

Provided, however, that "property management services" shall 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. "Regulatory complaint claim" means a written complaint made to a real estate regulatory board, commission, or similar agency based upon or arising out of a "wrongful act" in the rendering or failure to render "real estate services" which did not occur before the insured's retroactive date or before the end of the "policy period."
19. "Real estate firm" means a legal entity licensed under the Wyoming Real Estate Broker License Act of 1971 (as amended).
20. "Real estate services" means services performed or advice given by the insured as defined in the Wyoming Real Estate Broker License Act of 1971 (as amended), including, but limited to, "property management services," as well as the following services performed or advice given by the insured in connection with such services: consultant, counselor, and notary public.

Provided, however, that "real estate services" shall not include services performed or advice given by an insured in connection with activities as a(n):

- a. registered, licensed or certified real estate appraiser;
  - b. mortgage banker, mortgage broker or correspondent;
  - c. escrow agent;
  - d. construction manager;
  - e. property developer;
  - f. lawyer;
  - g. insurance agent;
  - h. title agent; or
  - i. title abstractor.
21. "Suit" means a civil proceeding in which "damages" to which this policy applies are sought, including, but not limited to:
- 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.

22. "Your retroactive date" means the retroactive stated in your Certificate of Insurance. If no retroactive date is stated therein, then your retroactive date means the earlier 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, but only if such previous claims-made policy (i) provided professional liability coverage similar to that which is provided under this policy and (ii) had been in continuous effect up to the date on which your coverage under this policy became effective.

Provided, however, that if you are a resident of the State of Wyoming and you have purchased a claims-made professional liability insurance policy under another State-mandated program with coverage similar to that which is provided under this policy to cover your "wrongful acts" in that other State, then your retroactive date means the date your coverage began under that other State's claims-made professional liability insurance policy, but only if such policy had been in continuous effect up to the date on which your coverage under this policy became effective. Notwithstanding the foregoing, the retroactive date of such policy under another State-mandated program applies only to those "wrongful acts" that occurred in that other State. Under no circumstances does the retroactive date of such policy under another State-mandated program apply to any "wrongful acts" that occur within the State of Wyoming.

23. "Wrongful act" means any negligent act, error, omission, breach of duty, misstatement or misleading statement committed solely in the performance of "real estate services."

#### SECTION VII - DEFENSE AND CLAIM EXPENSES

1. With respect to any "claim" or "suit" we defend, we will pay the following amounts stated in subparagraphs (a) through (f) below, which payments shall not be subject to the Limits of Liability; provided, however, that our duty to make such payments will terminate when our payment of "damages" has exhausted the applicable Limits of Liability:
  - a. all expenses we incur in excess of the Each Claim Expense Deductible, except as stated in paragraph 2 of this Section, below;
  - b. the cost of bonds to release attachments; provided, however, that we shall have no obligation to furnish such bonds;
  - c. an insured's actual loss of earnings, up to \$250 per day, up to a maximum of \$5,000, resulting from time off from work because of our request for assistance in the investigation or defense of a "claim" or "suit;"
  - d. all taxed costs against the insured in the "suit;"
  - e. all prejudgment interest awarded against an insured on that part of the judgment we pay; provided, however, that if we make a settlement offer to pay the available Limit of Liability, we shall have no obligation to pay any pre-judgment interest that accrues after the date of such offer; and
  - f. 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 into court that part of the judgment within the applicable Limit of Liability.
2.
  - a. The coverage provided under this paragraph 2 is subject to the Each Wrongful Act Limit of Liability and the Aggregate Limit of Liability stated in the Declarations, and all "damages" and "claim expenses" paid hereunder shall be included in such Limit of Liability and shall be subject to the Each Wrongful Act Deductible and the Each Claim Expense Deductible.
  - b. With respect to any "claim" or "suit" we defend, we will pay "damages" and "claim expenses," up to a maximum sum of \$10,000 for all "claims," based upon or arising out of an act of "fair housing discrimination," without regard to whether such act of "fair housing discrimination" is determined to be intentional by adjudication, notwithstanding exclusions 2(a) and 6(a), above.
  - c. 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.

- d. We will not pay "damages" or "claim expenses" above the sum provided for in this paragraph 2, and our duty to defend will terminate when the payment of judgments, settlements and "claim expenses" to which this paragraph 2 applies has been exhausted.
3. The coverage provided under this paragraph 3 is subject to the Each Wrongful Act Limit of Liability and the Aggregate Limit of Liability stated in the Declarations, and all "claim expenses" paid hereunder shall be included in such Limit of Liability and shall not be subject to the Each Wrongful Act Deductible or the Each Claim Expense Deductible.

With respect to any "claim" or "suit" we defend, we will pay "claim expenses" up to a maximum of \$5,000 for all "claims" arising from a "regulatory complaint claim."

We will not pay "claim expenses" above the amount provided for in paragraph 3, and our duty to defend will terminate when the payment of judgments, settlements and "claim expenses" to which paragraph 3 applies has been exhausted.

## SECTION VIII - EXTENDED REPORTING PERIOD

### 1. Automatic Extended Reporting Period

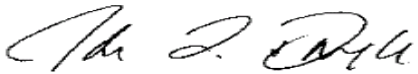
- a. If this policy is cancelled or non-renewed for any reason (other than cancellation for non-payment of premium), you shall have the right following the effective date of such cancellation or non-renewal to a period of ninety (90) days (herein referred to as the "Automatic Extended Reporting Period") in which to give written notice to us of any "claim" first made against You during the "policy period" for any "wrongful act" occurring prior to the end of the "policy period" and otherwise covered by this policy.
- b. The Automatic Extended Reporting Period does not apply to any "claims" that are covered under any subsequent insurance you purchase or which is purchased for your benefit, or that would otherwise be covered by such subsequent insurance but for (1) the exhaustion of the amount of insurance applicable to such "claims" or (2) any applicable retention or deductible.
- c. The Automatic Extended Reporting Period does not extend the "policy period," change the scope of coverage provided under this policy, or reinstate or increase the Limits of Liability of this policy.

### 2. Additional Extended Reporting Period

- a. If this policy is cancelled or non-renewed for any reason (other than cancellation for non-payment of premium), you shall have the option to purchase, for an additional premium of two hundred percent (200%) of your full expiring annual premium, an additional extended reporting period (the "Additional Extended Reporting Period").
- b. The Additional Extended Reporting Period Option begins at the termination of the "policy period" and continues for a period of three (3) years thereafter.
- c. If you purchase the Additional Extended Reporting Period, we will issue an Additional Extended Reporting Period endorsement, but only if:
  - (1) you request the Additional Extended Reporting Period and pay the additional premium within ninety (90) days of the end of the "policy period;" and
  - (2) you have paid all premiums due under this policy at the time you request an Additional Extended Reporting Period Endorsement.
- d. 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.
- e. The Additional Extended Reporting Period only applies to "claims" for "wrongful acts" committed prior to the expiration of the "policy period" and after "your retroactive date."
- f. The Additional Extended Reporting Period does not extend the "policy period," or change the scope of coverage provided under this policy.

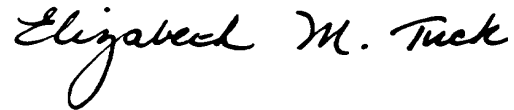
- g. The Limit of Liability for the Additional Extended Reporting Period shall be equal to the Limits of Liability stated in the Declarations.
- h. The Additional Extended Reporting Period may not be renewed upon its expiration.
- i. The premium paid for the Additional Extended Reporting Period is fully earned when paid. We will not return any part of the premium paid for the Additional Extended Reporting Period for any reason whatsoever.
- j. The Additional Extended Reporting Period cannot be cancelled if you pay the premium required to purchase the Additional Extended Reporting Period.

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.




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PRESIDENT




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SECRETARY

Richard D Williams, III  
 AUTHORIZED REPRESENTATIVE

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COUNTERSIGNATURE

10-12-07

DATE

Jeffersonville, IN

COUNTERSIGNED AT

**LICENSED APPRAISAL 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:**  
**REAL ESTATE PROFESSIONAL LIABILITY**  
**ERRORS AND OMISSIONS**

In consideration of an additional annual premium of \$\_\_\_\_\_, it is hereby understood and agreed that the policy is amended such that coverage is added for the appraisal services stated below:

1. The definition 20 of **SECTION VI - DEFINITIONS** ("real estate services") is amended to include services performed or advice given by the insured while 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 property when such services are conducted by a registered, licensed or certified real estate appraiser who also holds an active real estate an active real estate broker, broker associate, or salesperson license issued by the Wyoming Real Estate Commission.

2. Exclusion 10 of **SECTION II - EXCLUSIONS** is deleted in its entirety and replaced with the following:

- 10. based upon, arising out of, or in any way connected to, directly or indirectly, "real estate services," including appraising real estate, relating to real property:
  - (a) in which you or your spouse or any entity, corporation, partnership, or trust which you or your spouse have more than a twenty five percent (25%) financial or ownership interest, including, but not limited to, For Sale by Owner sales or listings; or
  - (b) that is developed, constructed or owned by you or your spouse or any entity, corporation, or partnership in which you or your spouse have more than a ten (10%) financial or ownership interest, including, but not limited to, For Sale by Owner sales or listings.

Provided, however, that this exclusion shall not apply to any "claim" or "suit" based upon, arising out of, or in any way related to, directly or indirectly:

- (a) the management or sale of real property acquired by you under a "Guaranteed Sale Listing Contract" within the first year you acquire such property, provided such real property is listed for sale during the entire year;
- (b) the sale or listing of your primary or principle residence, provided the sale or listing is performed under the real estate license laws of the State of Wyoming; or
- (d) the sale of an insured's real property by an insured who is not the property owner, builder or developer of such real property, provided that the property owner, builder or developer was not the selling, listing or closing agent.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.

**INCREASED LIMITS OF LIABILITY –  
SPECIFIED INSURED ONLY ENDORSEMENT**

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

In consideration of an additional annual premium paid per licensee, it is hereby understood and agreed that the Limits Of Liability stated on the Program Declarations are deleted and replaced by the Limits Of Liability stated below for any real estate licensee who (1) has paid such additional premium to us and (2) holds an active real estate broker, broker associate, or salesperson license issued by the State of Wyoming Real Estate Commission.

If this endorsement applies, the increased Limits of Liability will be shown on the Certificate of Insurance, Form No. 95925 (9/07), issued to the real estate licensee who has paid the additional premium.

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

OR

<b>Limits Of Liability</b>		<b>Deductibles</b>	
<b>Coverage A: Real Estate Licensee Professional Liability</b>			
Each wrongful act limit	\$ 500,000	Each wrongful act deductible:	\$1,000
Aggregate limit:	\$ 1,000,000	Each claim expense deductible:	\$1,000
<b>Coverage B: Lock Box Property Damage Liability</b>			
Each occurrence limit:	\$ 10,000	Each occurrence deductible:	\$250
Aggregate limit:	\$ 10,000		

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED

\_\_\_\_\_  
AUTHORIZED REPRESENTATIVE

**AIG PERSONAL IDENTITY COVERAGE<sup>SM</sup>  
FOR WYOMING 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>	<b>\$ 0</b>
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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 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 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.

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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 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 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 6 months after a Stolen Identity Event occurs, notify us of a Stolen Identity Event by contacting us at AIG Domestic 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.

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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 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:

### 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 **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 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 8. **Legal Action Against Us** of **SECTION V - CONDITIONS** is deleted in its entirety and replaced with the following:

**8. 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**:

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