CONTINENTAL CASUALTY COMPANY

(A stock insurance company, hereinafter called the "Company")
Administrative Office: Post Office Box 6709, Louisville, Kentucky 40206-0709
(502) 897-1876 / (800) 637-7319

REAL ESTATE LICENSEES ERRORS AND OMISSIONS DECLARATIONS

THIS IS A CLAIMS-MADE-AND-REPORTED POLICY. PLEASE READ THIS POLICY CAREFULLY.

NOTICE: THIS IS A CLAIMS-MADE-AND-REPORTED POLICY. EXCEPT AS MAY BE OTHERWISE PROVIDED HEREIN THIS COVERAGE IS LIMITED TO LIABILITY FOR ONLY THOSE **CLAIMS** THAT ARE FIRST MADE AGAINST THE **INSURED** AND REPORTED TO THE COMPANY WHILE THE POLICY IS IN FORCE.

Policy Number:		26 EO 0007MT
ITEM 1.	**POLICYHOLDER:**	The Montana Board of Realty Regulation on behalf of its licensees who hold a real estate license under Montana Code Annotated, TITLE 37. Professions and Occupations, CHAPTER 51. Real Estate Brokers and Salespersons and have paid the required premium Board of Realty Regulation, 301 S. Park Avenue, 4th Floor, Helena, Montana 59601
ITEM 2.	**GROUP POLICY PERIOD:**	From November 1, 2026 to November 1, 2027 (12:01 A.M. Standard Time at the Address stated in Item 1.)
ITEM 3.	**LIMITS OF LIABILITY:**	(a) $100,000 per **Licensee** per **Claim** (**Damages**) (b) $300,000 Aggregate all **Claims** per **Licensee** (**Damages**)
ITEM 4.	**SUBLIMITS DISCRIMINATION CLAIM:**	(a) $25,000 per **Licensee** per **Discrimination Claim** (**Damages**) (b) $25,000 Aggregate all **Discrimination Claims** per **Licensee** (**Damages**)
ITEM 5.	**SUBLIMITS ENVIRONMENTAL CLAIM:**	(a) $10,000 per **Licensee** per **Environmental Claim** (**Damages**) (b) $20,000 Aggregate all **Environmental Claims** per **Licensee** (**Damages**)
ITEM 6.	**SUBLIMITS ESCROW CLAIM:**	(a) $5,000 per **Licensee** per **Escrow Claim** (**Damages**) (b) $10,000 Aggregate all **Escrow Claims** per **Licensee** (**Damages**)
ITEM 7.	**SUBLIMITS LOCK BOX CLAIM:**	(a) $5,000 per **Licensee** per **Lock Box Claim** (**Damages**) (b) $10,000 Aggregate all **Lock Box Claims** per **Licensee** (**Damages**)
ITEM 8.	**SUBLIMITS PRIMARY RESIDENCE CLAIM:**	(a) $100,000 per **Licensee** per **Primary Residence Claim** (**Damages**) (b) $300,000 Aggregate all **Primary Claims** per **Licensee** (**Damages**)
ITEM 9.	**DEDUCTIBLES** **DAMAGES:** **CLAIM EXPENSES:**	 $1,000 each **Claim** $0 each **Claim**
ITEM 10.	**PREMIUM:**	$185 per **Licensee**
ITEM 11.	**RETROACTIVE DATE:**	As determined for each **Insured** according to the policy. This insurance does not apply to any **Claim** made against the **Insured** based upon, arising out of, or attributable to any negligent act, error, or omission committed or alleged to have been committed prior to the **Retroactive Date** listed above.

ITEM 12. OPTIONAL EXTENDED REPORTING ADDITIONAL PREMIUM: One year is 100% expiring premium ($185 plus any applicable endorsement premium); two years is 150% expiring premium ($277.50 plus any applicable endorsement premium); three years is 200% expiring premium ($370 plus any applicable endorsement premium); five years is 300% expiring premium ($555 plus any applicable endorsement premium).

The Declarations and the forms listed and attached hereto, together with the completed and signed application shall constitute the contract between the **Insured** and the Company.

Authorized Representative

11/1/2026
Date

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REAL ESTATE LICENSEES ERRORS AND OMISSIONS POLICY - MONTANA

NOTICE

THIS INSURANCE IS WRITTEN ON A CLAIMS-MADE-AND-REPORTED BASIS. EXCEPT TO SUCH EXTENT AS MAY OTHERWISE BE PROVIDED HEREIN, COVERAGE UNDER THIS MASTER POLICY IS LIMITED TO LIABILITY ONLY FOR THOSE **CLAIMS** THAT ARE FIRST MADE AGAINST THE **INSURED** AND REPORTED TO THE COMPANY DURING THE **INDIVIDUAL POLICY PERIOD** OR ANY APPLICABLE EXTENDED REPORTING PERIOD. NO COVERAGE EXISTS FOR **CLAIMS** FIRST MADE AGAINST THE **INSURED** BEFORE THE BEGINNING OR AFTER THE END OF THE **INDIVIDUAL POLICY PERIOD**. PLEASE REVIEW THIS MASTER POLICY CAREFULLY AND DISCUSS THIS COVERAGE WITH YOUR INSURANCE AGENT OR BROKER.

INSURING AGREEMENT

I. COVERAGE

The Company will pay on behalf of the **Insured Damages** in excess of the Deductible that the **Insured** becomes legally obligated to pay as a result or by reason of a **Claim**, so long as the **Claim** is first made against the **Insured** during the **Individual Policy Period** and reported to the Company in writing during the **Individual Policy Period**, unless an Extended Reporting Period applies, provided that:

A. the negligent act, error, or omission giving rise to the **Claim** was committed or alleged to have been committed after the **Retroactive Date**; and
B. prior to the inception date of the **Individual Policy Period**, no **Insured** had a basis to believe that any such negligent act, error, or omission or **Related Negligent Act, Error, or Omission** might reasonably be expected to be the basis of a **Claim** against the **Insured**.

The Company has the right and duty to defend the **Insured** against any **Claim** seeking **Damages** covered by this policy until the applicable Limits of Liability or Sublimits of Liability are exhausted. The Company has the right to select counsel; investigate the circumstances of the **Claim**; and pay judgments, settlements, and **Claim Expenses** as the Company deems necessary. In the event a **Claim** is subject to arbitration or mediation, the Company is 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. The Company has no duty to defend any **Claim** not covered by this policy.

The Company will not settle any **Claim** without the consent of the **Insured**, which consent shall not be unreasonably withheld. If the Company recommends a settlement to the **Insured** which is agreeable to the claimant and the **Insured** does not agree to settle, the Company's applicable Limits of Liability or Sublimits of Liability are reduced to the total amount for which the **Claim** could have been settled. The maximum amount the Company will pay in the event of any later settlement or judgment is the amount for which the **Claim** could have been settled plus the amount of **Claim Expenses** incurred up to the time the Company made the recommendation, less any applicable deductible.

II. LIMITS OF LIABILITY

The Declarations sets forth the Company's Limits of Liability and Sublimits of Liability for the **Licensee**. The Limits of Liability and Sublimits of Liability are in excess of the Deductible. All other persons or organizations included under the definition of **Insured** share such Limits of Liability and Sublimits of Liability with the **Licensee**. The Limits of Liability and Sublimits of Liability apply regardless of the number of **Claims** made or the number of persons or organizations making **Claims** against the **Insured**. If **Related Claims** are subsequently made against any **Insured** and timely reported to the Company during this group policy or any renewal of this group policy, all such **Related Claims**, whenever made, shall be considered a single **Claim** first made within the **Individual Policy Period** in which the earliest of the **Related Claims** was first made. The amount paid for a **Claim** by the Company on behalf of all **Insureds** under each **Licensee's** coverage shall be prorated in relationship to the amount awarded against each such **Insured**, but in no event shall the amount paid by the Company for all **Insureds** under each **Licensee's** coverage exceed the applicable per **Licensee** Limits of Liability or Sublimits of Liability shown on the Declarations.

A. Subject to the paragraphs below, the Company's Limits of Liability for **Damages** for each **Claim** shall not exceed the per **Claim** Limit stated in the Declarations.

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B. The Company's Limit of Liability for **Damages** for all **Claims** per **Licensee** shall not exceed the Aggregate all **Claims** per **Licensee** Limit stated in the Declarations.

C. The Company's Sublimit of Liability for **Damages** for each **Discrimination Claim** per **Licensee** shall not exceed the per **Discrimination Claim** Sublimit stated in the Declarations. The Company's Sublimit of Liability for **Damages** for all **Discrimination Claims** per **Licensee** shall not exceed the Aggregate **Discrimination Claim** Sublimit set forth in the Declarations. **Damages** paid within the **Discrimination Claim** Sublimits of Liability are included within, and not in addition to, the per **Claim** Limit of Liability and the Aggregate Limit of Liability under Item 3 of the Declarations.

D. The Company's Sublimit of Liability for **Damages** for each **Environmental Claim** per **Licensee** shall not exceed the per **Environmental Claim** Sublimit stated in the Declarations. The Company's Sublimit of Liability for **Damages** for all **Environmental Claims** per **Licensee** shall not exceed the Aggregate **Environmental Claim** Sublimit set forth in the Declarations. **Damages** paid within the **Environmental Claim** Sublimits of Liability are included within, and not in addition to, the per **Claim** Limit of Liability and the Aggregate Limit of Liability under Item 3 of the Declarations.

E. The Company's Sublimit of Liability for **Damages** for each **Escrow Claim** per **Licensee** shall not exceed the per **Escrow Claim** Sublimit stated in the Declarations. The Company's Sublimit of Liability for **Damages** for all **Escrow Claims** per **Licensee** shall not exceed the Aggregate **Escrow Claim** Sublimit set forth in the Declarations. **Damages** paid within the **Escrow Claim** Sublimits of Liability are included within, and not in addition to, the per **Claim** Limit of Liability and the Aggregate Limit of Liability under Item 3 of the Declarations.

F. The Company's Sublimit of Liability for **Damages** for each **Lock Box Claim** per **Licensee** shall not exceed the per **Lock Box Claim** Sublimit stated in the Declarations. The Company's Sublimit of Liability for **Damages** for all **Lock Box Claims** per **Licensee** shall not exceed the Aggregate **Lock Box Claim** Sublimit set forth in the Declarations. **Damages** paid within the **Lock Box Claim** Sublimits of Liability are included within, and not in addition to, the per **Claim** Limit of Liability and the Aggregate Limit of Liability under Item 3 of the Declarations.

G. The Company's Sublimit of Liability for **Damages** for each **Primary Residence Claim** per **Licensee** shall not exceed the per **Primary Residence Claim** Sublimit stated in the Declarations. The Company's Sublimit of Liability for **Damages** for all **Primary Residence Claims** per **Licensee** shall not exceed the Aggregate **Primary Residence Claim** Sublimit set forth in the Declarations. **Damages** paid within the **Primary Residence Claim** Sublimits of Liability are included within, and not in addition to, the per **Claim** Limit of Liability and the Aggregate Limit of Liability under Item 3 of the Declarations.

H. In addition to the applicable Limits of Liability or Sublimits of Liability, the Company will pay **Claim Expenses** in connection with covered **Claims**. **Claim Expenses** are in addition to the Limits of Liability or Sublimits of Liability. The Company's payment of the applicable Limits of Liability or Sublimits of Liability ends the Company's duties to defend, pay **Damages**, and pay **Claim Expenses**.

I. Limits of Liability and Sublimits of Liability are not renewed or increased by virtue of the operation of the Automatic or Optional Extended Reporting Period.

III. DEDUCTIBLE

The **Insured** shall pay the Deductible, as stated in the Declarations, for each **Claim**. The Company's obligation to pay **Damages** begins only after the **Insured** has paid the Deductible. The Deductible shall apply to the payment of **Damages** only. The Company is obligated for amounts payable in excess of the Deductible up to the applicable Limits of Liability or Sublimits of Liability. The Company may pay any part or all of the Deductible to settle, defend, or investigate a **Claim**. In such case, the **Insured** must promptly reimburse the Company any amount of the Deductible paid by the Company. In the event the **Insured** does not reimburse the Company within sixty (60) days, the Company will be entitled to recover reasonable costs and attorney fees incurred in collecting such reimbursement.

If a **Claim** involves two or more **Insureds** or **Licensees** who were affiliated with the same **Real Estate Firm** at the time of the **Professional Services** giving rise to the **Claim**, only one Deductible applies and the Deductible amount will be shared equally by all such persons. Payment of the Deductible is the joint and several liability of all such persons, but collection of the Deductible will be the responsibility of the **Real Estate Firm's** supervising broker, as defined in Montana Code § 37-51-102, notwithstanding any agreements that may exist between the supervising broker, **Real Estate Firm**, or its employees or independent contractors.

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IV. SUPPLEMENTARY PAYMENTS

Payments made under this section are not subject to the Deductible. In addition to the Limits of Liability and Sublimits of Liability, the Company will pay the following:

A. Premiums on appeal bonds and bonds to release attachments. Premiums are limited to bonds no larger than the Company's remaining Limits of Liability or Sublimits of Liability applicable to the **Claim**. Obtaining the bond is not the Company's obligation.

B. $250 for each day the **Insured** attends a trial or hearing in a civil lawsuit covered under this policy; however, attendance must be at the Company's request. In no event shall the amount payable under this provision exceed a $5,000 Aggregate Limit during the **Individual Policy Period**. In addition, the $5,000 limit is the maximum the Company will pay even if such trial or hearing spans more than one **Individual Policy Period**.

C. Post-judgment interest on that portion of any judgment to which this insurance applies and which accrues after entry of the judgment and before the Company has paid, offered to pay, or deposited, whether in court or otherwise, that part of the judgment for which the Company is responsible.

D. If the **Insured** receives a subpoena for documents or testimony arising out of **Professional Services** and would like the Company's assistance in responding to the subpoena, the Company will retain an attorney to provide advice regarding the production of documents, to prepare the **Insured** for sworn testimony, and to represent the **Insured** at the **Insured's** deposition and while providing trial testimony pursuant to the subpoena, provided that:

1. the **Insured** first receives the subpoena during the **Individual Policy Period** or any applicable Extended Reporting Period;
2. the **Professional Services** occurred after the **Licensee's Retroactive Date** and before the effective date of cancellation or nonrenewal of the **Individual Policy Period**;
3. the **Professional Services** are not the subject of a **Claim** that is not covered under this policy;
4. the subpoena does not arise from **Professional Services** to which Exclusion J, K, N, or O would apply;
5. the subpoena arises out of a lawsuit to which the **Insured** is not a party; and
6. the **Insured** has not been engaged to provide advice or testimony in connection with the lawsuit, nor has the **Insured** provided such advice or testimony in the past.

It is further provided that the **Insured** shall have the following duties under this Supplemental Payment:

1. The **Insured** shall give the Company written notice of the subpoena by any of the methods listed in Section XI. THE INSURED'S DUTIES IF THERE IS A CLAIM within the **Individual Policy Period** or any applicable Extended Reporting Period, but no more than twenty (20) days after the **Insured** first becomes aware of such subpoena.
2. The **Insured** shall cooperate with the Company and, at the Company's request, the **Insured** shall assist the Company in responding to the subpoena. The **Insured** shall attend depositions and help in securing and giving evidence at the Company's request.

Unless a circumstance, **Claim**, or **Related Claim** involving the **Professional Services** has previously been reported in writing to the Company, any written notice to the Company of a subpoena shall be deemed notification of a circumstance under Section XII. CIRCUMSTANCE REPORTING.

The amount payable under this provision shall be subject to a $2,500 Aggregate Limit, regardless of the number of subpoenas and even if the subpoena response spans more than one **Individual Policy Period**. All subpoenas involving the same **Professional Services**; the same negligent act, error, or omission; or **Related Negligent Acts, Errors, or Omissions**, whenever made, shall be considered a single subpoena first made within the **Individual Policy Period** in which the earliest of the subpoenas was first made. The Company shall not pay any **Damages** in connection with a subpoena.

E. The Company will pay a maximum of $2,500 with respect to fees, costs, and expenses resulting from the investigation, adjustment, defense, and appeal for each complaint to a real estate regulatory board or commission, provided that:

1. a **Claim** covered by this policy has been made involving the same negligent act, error, or omission or a **Related Negligent Act, Error, or Omission** or, alternatively, if no **Claim** has been made, the

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Insured first receives such complaint during the **Individual Policy Period** or any applicable Extended Reporting Period;

2. the complaint involves **Professional Services** that occurred after the **Licensee's Retroactive Date** and before the effective date of cancellation or nonrenewal of the **Individual Policy Period**;
3. the complaint would otherwise be covered under this policy if the matter arose to a **Claim**; and
4. the complaint does not allege, arise from, or relate to a negligent act, error, or omission or **Related Negligent Act, Error, or Omission** which is the subject of a **Claim** that is not covered by this policy.

It is further provided that the **Insured** shall have the following duties under this Supplemental Payment:

1. The **Insured** shall give the Company written notice of the complaint by any of the methods listed in Section XI. THE INSURED'S DUTIES IF THERE IS A CLAIM within the **Individual Policy Period** or any applicable Extended Reporting Period, but no more than twenty (20) days after the **Insured** first becomes aware of such complaint to a real estate regulatory board or commission.
2. The **Insured** shall cooperate with the Company and, at the Company's request, the **Insured** shall assist the Company in responding to the complaint. The **Insured** shall attend hearings and help in securing and giving evidence at the Company's request.

Unless a circumstance, **Claim**, or **Related Claim** involving the **Professional Services** has previously been reported in writing to the Company, any written notice to the Company of a complaint to a real estate regulatory board or commission shall be deemed notification of a circumstance under Section XII. CIRCUMSTANCE REPORTING.

The amount payable under this provision shall be subject to a $5,000 Aggregate Limit, regardless of the number of complaints and even if the complaint spans more than one **Individual Policy Period**. All complaints arising out of the same negligent act, error, or omission or **Related Negligent Acts, Errors, or Omissions**, whenever made, shall be considered a single complaint first made within the **Individual Policy Period** in which the earliest of the complaints was first made. The Company shall not pay any **Damages** awarded by a regulatory board or commission; return or restitution of fees, commissions, expenses, or costs; injunctive or declaratory relief; fines; penalties; punitive, exemplary, or multiplied damages; or matters deemed uninsurable under applicable law.

F. The Company will pay a maximum of $5,000 to the **Real Estate Firm** as reimbursement for costs incurred to provide notification to individuals or entities whose **Confidential Commercial Information** or **Non-Public Personal Information** may have been breached, used in an unauthorized manner, or disclosed, provided that:
   1. the **Confidential Commercial Information** or **Non-Public Personal Information** was gathered in the course of the **Licensee's** rendering of **Professional Services**;
   2. such notification is required to effect compliance with a **Security Breach Notice Law**;
   3. the **Insured** first discovers and reports to the Company such breach, unauthorized use, or disclosure during the **Individual Policy Period**;
   4. prior to the inception date of the **Individual Policy Period**, no **Insured** had knowledge of the breach, unauthorized use, or disclosure; and
   5. the breach, unauthorized use, or disclosure occurred after the **Retroactive Date**.

   The amount payable during the **Individual Policy Period** under this provision shall be subject to a $5,000 Aggregate Limit per **Real Estate Firm** regardless of the number of **Insureds** or **Licensees** affiliated with the **Real Estate Firm**. In addition, the $5,000 Aggregate Limit is the maximum the Company will pay even if the security breach or the notice to individuals or entities spans more than one **Individual Policy Period**. The Company has no duty to pay **Damages** or defend any **Insured** for the actual or potential breach, unauthorized use, or disclosure of **Confidential Commercial Information** or **Non-Public Personal Information**.

V. TERRITORY

A. If the **Licensee's Domicile** is in the State of Montana, then this policy applies to **Professional Services** performed anywhere in the world, provided that:

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1. the **Licensee** will be covered for **Professional Services** performed outside the State of Montana only if the **Licensee** is duly licensed in such jurisdiction and the services performed would require a license pursuant to the laws of Montana had the acts been performed in Montana; and
2. the **Claim** arising out of the rendering of such **Professional Services** is brought within the United States of America, its territories or possessions.

B. If the **Licensee's Domicile** is not in the State of Montana, then this policy and the coverage provided hereunder applies only to **Professional Services** performed in Montana. The **Claim** arising out of the rendering of such **Professional Services** must be brought within the United States of America, its territories or possessions.

C. For purposes of this section, a **Licensee** whose **Domicile** is not in the State of Montana shall be treated as if the **Licensee's Domicile** is in the State of Montana if the **Licensee's Principal Real Estate License** is affiliated with a real estate office located in the State of Montana and the **Licensee** resides within fifty (50) miles of the Montana state line.

VI. EXCLUSIONS

This insurance does not apply to any **Claim** alleging, arising from, or related to:

A. Fraudulent or Dishonest Acts

fraudulent, dishonest, criminal, or malicious acts committed by the **Insured**, at the **Insured's** direction, with the **Insured's** knowledge, or by anyone for whose acts the **Insured** is legally responsible;

B. Insolvency

the insolvency of the **Insured**;

C. Failure to Pay or Collect

the failure to pay, collect, or return insurance premiums, trust monies, escrow monies, earnest money deposits, security deposits, tax money, or commissions, except that this exclusion shall not apply to an **Escrow Claim** until the **Escrow Claim** Sublimit of Liability has been exhausted;

D. Wrongful Termination

the wrongful termination of employment, breach of an employment contract, or other employment disputes;

E. Bodily Injury

bodily injury, sickness, disease, mental anguish, pain or suffering, emotional distress, or death of any person;

F. Property Damage

physical injury to, destruction of, or loss of use of tangible property, except that this exclusion shall not apply to a **Lock Box Claim** until the **Lock Box Claim** Sublimit of Liability has been exhausted or to an **Environmental Claim** until the **Environmental Claim** Sublimit of Liability has been exhausted;

G. Unfair Competition

unfair competition, piracy, advertising injury, or theft or wrongful taking of concepts or other intellectual property;

H. Libel or Slander

libel, slander, defamation of character, disparagement, detention, humiliation, sexual harassment, false arrest or imprisonment, wrongful entry or eviction, violation of the right to privacy, malicious prosecution, personal injury, or other invasion of rights to private occupancy;

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I. Discrimination

discrimination on the basis of race, color, creed, national origin, sex, religion, age, sexual preference, marital status, any mental or physical handicap or disease, or any other unlawful discrimination category, except that this exclusion shall not apply to a **Discrimination Claim** until the **Discrimination Claim** Sublimit of Liability has been exhausted;

J. Owned or Purchased Property

1. **Professional Services** relating to property in which any of the following had more than a 10% ownership or financial interest: an **Insured**; **Insured's** spouse; **Insured's Domestic Partner**; or any entity, partnership, or trust in which the **Insured** or **Insured's** spouse or **Domestic Partner** owned or controlled more than 10% ownership or financial interest; or

2. **Professional Services** relating to property purchased or attempted to be purchased by any of the following: an **Insured**; **Insured's** spouse; **Insured's Domestic Partner**; or any entity, partnership, or trust in which the **Insured** or **Insured's** spouse or **Domestic Partner** owned or controlled more than 10% ownership or financial interest;

however, this exclusion does not apply to:

a. any **Claim** arising from the sale of property acquired by the **Insured** pursuant to a guaranteed sale listing contract. The guaranteed sale listing contract must be a written agreement between the **Insured** and the seller of a property in which the **Insured** agrees to purchase the property if it is not sold under the listing agreement in a specified time. For coverage to apply, the **Insured** must hold title to the property for less than one (1) year and must continually offer it for sale; or

b. a **Primary Residence Claim** until the **Primary Residence Claim** Sublimit of Liability has been exhausted, provided that the following conditions are met in connection with the sale or listing for sale:

i. prior to closing, a written home inspection was ordered and a copy provided to the buyer;
ii. prior to closing, if required by law, a seller disclosure form was signed by the **Licensee** and the buyer;
iii. prior to closing, the **Licensee's** ownership interest was disclosed and acknowledged by the buyer;
iv. a state or local board approved sales contract was used; and
v. such sale or listing for sale is performed under and subject to the real estate license laws of Montana;

K. Developed / Constructed Property

Professional Services relating to property developed or constructed by any of the following: an **Insured**; **Insured's** spouse; **Insured's Domestic Partner**; or any entity, partnership, or trust in which the **Insured** or **Insured's** spouse or **Domestic Partner** owned or controlled more than 10% ownership or financial interest;

L. Statutory Violations

violation of the Employee Retirement Income Security Act of 1974, the Securities Act of 1933, the Securities Exchange Act of 1934, any state Blue Sky or securities laws, or amendments thereto;

M. Maintenance of Insurance

failure by an **Insured** to provide or maintain insurance;

N. Specified Activities

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the **Insured's** activities as:

1. a lawyer, title agent, mortgage banker, mortgage broker or correspondent, escrow agent, **Construction Manager**, property developer, or insurance agent, except that the escrow agent portion of this exclusion shall not apply to an **Escrow Claim** until the **Escrow Claim** Sublimit of Liability has been exhausted or
2. an appraiser, if the appraisal activity performed requires licensing or certification other than a real estate license;

O. Real Estate Investment Trusts

activities involving a property syndication, partnership, limited partnership, or real estate investment trust in which any **Insured** has, or had, a direct or indirect interest in the profits or losses;

P. Contractual Liability

liability assumed by any **Insured** under any contract, indemnity agreement, purchase agreement, hold harmless clause, or other similar agreement unless such liability would have attached to the **Insured** in the absence of such contract;

Q. Pollution / Mold / Fungi

whether suddenly or over a long period of time:

1. the actual, alleged, or threatened emission, discharge, dispersal, seepage, release, or escape of **Pollutants**, asbestos, radon, or lead;
2. the actual or alleged failure to detect, disclose, report, test for, monitor, clean, remove, contain, dispose of, treat, detoxify, or neutralize or in any way respond to, assess the effects of, or advise of the existence of **Pollutants**;
3. any nuclear reaction, nuclear radiation, or radioactive contamination or any act, condition, or pollution incidental to the foregoing; or
4. the actual or alleged:
   a. or threatened inhalation of, ingestion of, contact with, exposure to, existence of, growth of, or presence of or
   b. failure to detect, disclose, report, test for, monitor, clean, remove, contain, dispose of, treat, detoxify, or neutralize or in any way respond to, assess the effects of, or advise of the existence of

   any **Fungi** or **Microbes** or of any spores, mycotoxins, odors, or any other substances, products, or byproducts produced by, released by, or arising out of the current or past presence of **Fungi** or **Microbes**.

This exclusion applies regardless of any other cause or event that contributes concurrently or in any sequence to the **Damages** claimed.

As used in this exclusion, pollution includes the actual, alleged, or threatened discharge, dispersal, seepage, migration, release, or escape of **Pollutants**.

Except that this exclusion shall not apply to an **Environmental Claim** until the **Environmental Claim** Sublimit of Liability has been exhausted;

R. Expected or Intended

injury or damage expected or intended by the **Insured**;

S. Commission or Fee Disputes

disputes over commissions or fees between real estate brokers, salespersons, and/or property managers; or disputes over commissions or fees involving lawsuits initiated by the **Insured**. This exclusion does not apply to disputes over commissions or fees involving counterclaims filed with the

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approval of the Company;

T. Prior Acts

negligent acts, errors, or omissions committed or alleged to have been committed either (1) prior to the date the **Insured** received an active real estate license or (2) subsequent to the effective date of suspension, revocation, or inactive status of the **Insured's** real estate license;

U. Fines and Penalties

any fines, penalties, assessments, punitive damages, exemplary damages, multiplied damages, or matters deemed uninsurable under applicable law; or

V. Conversion / **Third Party Deception**

any conversion, misappropriation, commingling, defalcation, embezzlement, theft, disappearance, or insufficiency in amount of any monies, funds, or other assets or other property or **Third Party Deception**, including, but not limited to, any failure to detect, identify, disclose, or prevent such conversion, misappropriation, commingling, defalcation, embezzlement, theft, disappearance, or insufficiency in amount or **Third Party Deception**, regardless of the identity of the person or entity actually or allegedly engaged in or responsible for the conduct or failure(s) in question.

VII. EXTENDED REPORTING PERIODS

In case of cancellation or nonrenewal, the **Licensee** may be eligible for the following Extended Reporting Periods to apply, both subject to Paragraph C below:

A. Automatic Extended Reporting Period: In case of cancellation or nonrenewal because the **Licensee** retires, places the **Licensee's** license on inactive status, or allows the **Licensee's** license to expire, the policy will apply to **Claims** first made against the **Insured** and reported in writing to the Company up to ninety (90) days after the effective date of cancellation or nonrenewal. Said ninety (90) day period will be hereinafter referred to as the Automatic Extended Reporting Period.

B. Optional Extended Reporting Period: In case of cancellation or nonrenewal for any reason, the **Licensee** shall have the option, upon payment of an additional premium within ninety (90) days after the effective date of the cancellation or nonrenewal, to cause the policy to apply to **Claims** first made against the **Insured** and reported in writing to the Company during the Optional Extended Reporting Period. The Optional Extended Reporting Period will replace the Automatic Extended Reporting Period. The premium for the Optional Extended Reporting Period is determined as shown below:

Optional Extended Reporting Periods	Optional Extended Reporting Period Premium
One Year	100% expiring premium, including any endorsement premium
Two Years	150% expiring premium, including any endorsement premium
Three Years	200% expiring premium, including any endorsement premium
Five Years	300% expiring premium, including any endorsement premium

The Optional Extended Reporting Period cannot be canceled by the Company or the **Insured**.

C. Coverage afforded by the Automatic and Optional Extended Reporting Periods:
   1. Shall apply solely to **Claims** arising from a negligent act, error, or omission:
      a. committed or alleged to have been committed after the **Retroactive Date**;
      b. committed or alleged to have been committed before the effective date of cancellation or nonrenewal; and
      c. which are otherwise insured under all the other terms, conditions, and exclusions of this policy.
   2. Shall not apply to any **Claim**, which is insured by any other policy of insurance, nor as excess above such other policy of insurance.
   3. Nothing in Paragraph A or B shall serve to increase the Limits of Liability or Sublimits of Liability as provided in Section **II. LIMITS OF LIABILITY** or Section **IV. SUPPLEMENTARY PAYMENTS**. The Limits of Liability and Sublimits of Liability for any Extended Reporting Period shall be a part of, and not in addition to, the Limits of Liability and Sublimits of Liability listed on the Declarations.

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VIII. DEFINITIONS

Claim means:

1. a written demand for money or services received by the **Insured**; or
2. service of a lawsuit or institution of arbitration or mediation proceedings against the **Insured**

seeking **Damages** and alleging a negligent act, error, or omission in the performance or failure to perform **Professional Services**. Complaints to or disputes before a real estate regulatory board or commission are not **Claims**. Criminal proceedings are not covered under this Policy regardless of the allegations made against any **Insured.**

Claim Expenses means:

1. fees, costs, and expenses resulting from the investigation, adjustment, defense, and appeal of a **Claim** if incurred by the Company or by the **Insured** with the Company's written consent and
2. fees charged by attorneys designated by the Company.

Costs, fees, or expenses of employees or officials of the Company are not **Claim Expenses**. Nor shall **Claim Expenses** include salaries, loss of earnings, or other remuneration by or to any **Insured**.

Confidential Commercial Information means information that has been provided to the **Insured** by another or created by the **Insured** for another, where such information is subject to the terms of a written confidentiality agreement or equivalent agreement obligating the **Insured** to protect such information on behalf of another.

Construction Manager means a person providing the following services in connection with the construction, reconstruction, or renovation of real property:

1. management of facility construction, reconstruction, or renovation plans;
2. development and management of construction, reconstruction, or renovation contracts or subcontracts; or
3. development of loss control and risk management plans in connection with the construction, reconstruction or renovation.

Damages means compensatory damages. **Damages** do not include return or restitution of fees, commissions, expenses, or costs; injunctive or declaratory relief; fines; penalties; punitive, exemplary, or multiplied damages; or matters deemed uninsurable under applicable law.

Discrimination Claim means a **Claim** alleging **Discriminatory Conduct**.

Discriminatory Conduct means acts, errors, or omissions in violation of Title VIII of the Civil Rights Act of 1968, the Fair Housing Amendment Act of 1988 (or any similar state or local law or ordinance) in the rendering of **Professional Services**.

Domestic Partner means any person qualifying as a "domestic partner" under any federal, state, or local law or under the **Real Estate Firm's** employee benefit plans.

Domicile means a person's permanent legal home to which he or she returns or intends to return. A person may have more than one residence but only one domicile.

Environmental Claim means a **Claim** alleging the **Insured's** failure to detect, report, assess the effects of, or advise of the existence of **Pollutants**, **Fungi**, or **Microbes**.

Escrow Claim means a **Claim** alleging the **Insured's** failure to pay, collect, or return trust, escrow monies, or earnest money deposits in connection with the **Licensee's Professional Services**, provided that (i) such **Insured** has met the requirements of Montana real estate license law governing client funds and (ii) such funds are held separate from the **Insured's** funds.

Fungi means any form of fungus, including but not limited to yeast, mold, mildew, rust, smut, or mushroom.

Group Policy Period means the period set forth in the Declarations. The **Group Policy Period** may be shortened by cancellation.

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Individual Policy Period means the period set forth in the **Licensee's** Certificate of Coverage commencing with the date the **Licensee** obtained coverage under this group policy by paying the appropriate premium and ending with the cancellation or expiration of the **Licensee's** coverage under this group policy. The **Individual Policy Period** must be within the dates of the **Group Policy Period** shown on the Declarations.

Insured means the following:

1. the **Licensee**;
2. the **Licensee's Unlicensed Employees**;
3. the heirs, executors, administrators, or assigns of the **Licensee** in the event of the **Licensee's** death, incapacity, or bankruptcy but only to the extent that such **Licensee** would have been provided coverage under this policy;
4. the spouse or **Domestic Partner** of the **Licensee** but only for **Claims** arising solely out of such status and only if the **Claim** seeks **Damages** from marital community property, jointly held property, or property transferred from the **Insured** to the spouse or **Domestic Partner**. No coverage is provided for any act, error, or omission of a spouse or **Domestic Partner**.

When this policy provides coverage for a **Claim** made against any of the **Insureds** listed in 1, 2, 3, or 4 above and the **Real Estate Firm**, **Real Estate Team**, or real estate franchisor that the **Licensee** represents does not have a professional liability insurance policy or endorsement in effect at the time the **Claim** is first made against the **Real Estate Firm**, **Real Estate Team**, or real estate franchisor and first reported in writing to the Company, **Insured** will also mean:

5. any **Real Estate Firm**, **Real Estate Team**, or real estate franchisor that the **Licensee** represents but only for its vicarious liability for negligent acts, errors, or omissions arising out of the **Licensee's Professional Services**.

Licensee means the person who holds a real estate license issued by the **Policyholder** under Montana real estate license law, Montana Code Title 37, Chapter 51 and who has paid the required premium.

Lock Box means a device to allow authorized persons without a key to enter a locked door.

Lock Box Claim means a **Claim** alleging property damage or loss of use of property resulting from such property damage in the distribution, operation, or use of a **Lock Box** on property not owned, occupied by, or leased to the **Insured**.

Microbes means any non-fungal microorganism or non-fungal colony-form organism that causes infection or disease.

Non-Public Personal Information means personal information not available to the general public from which an individual may be identified including, without limitation, an individual's name, address, telephone number, social security number, account relationships, account numbers, account balances, and account histories.

Policyholder means the Montana Board of Realty Regulation.

Pollutants means any solid, liquid, gaseous, thermal, biological, or radioactive substance, material, matter, toxin, irritant, or contaminant, including but not limited to radon, asbestos, smoke, vapor, soot, fumes, acids, alkalis, chemicals, and waste. Waste includes materials to be recycled, reconditioned, or reclaimed.

Primary Residence means a single-family residence or multi-family residence of two (2) or fewer units which serves as the **Licensee's** principal residence.

Primary Residence Claim means a **Claim** arising from the sale or listing for sale of residential property that is the **Licensee's Primary Residence**.

Principal Real Estate License means the state license under which the majority of the **Licensee's** real estate transactions are conducted.

Professional Services means

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1. services performed by the **Licensee** as a real estate broker or real estate salesperson as defined in Montana real estate license law, Montana Code § 37-51-102, and for which the **Licensee** is required to have a real estate broker or salesperson license pursuant to Montana Code § 37-51-301, provided all necessary licenses are held by the **Licensee** at the time of the act, error, or omission giving rise to the **Claim**;
2. issuance of market analyses and valuations by the **Licensee** for the purpose of listing a property for sale or guiding a buyer in making an offer, provided all necessary licenses are held by the **Licensee** when the market analysis or valuation is issued and such activity does not require certification or licensing other than a real estate license;
3. issuance of a broker price opinion by the **Licensee**, provided all necessary licenses are held by the **Licensee** at the time when the broker price opinion is issued; and
4. services performed or advice given by the **Licensee**, including as a notary public, and as a real estate consultant or counselor in connection with the services as a **Licensee** in 1 or 2, above.

Real Estate Firm means a legal entity supervised by a supervising broker, as defined in Montana real estate license law, Montana Code § 37-51-102, which real estate brokers or salespersons, as defined in Montana real estate license law, Montana Code § 37-51-102, are affiliated and which **Licensee** works for or represents.

Real Estate Team means a team with which the **Licensee** and at least one other active Montana real estate licensee advertise and conduct **Professional Services** as a group. **Real Estate Team** does not include any entity which conducts other services in addition to **Professional Services**. Nor does **Real Estate Team** include licensees associated with or employees of the entity.

Related Claims means all **Claims** arising out of a single negligent act, error, or omission or arising out of **Related Negligent Acts, Errors, or Omissions** in the rendering of **Professional Services**.

Related Negligent Acts, Errors, or Omissions means all negligent acts, errors, or omissions in the rendering of **Professional Services** that are temporally, logically, or causally connected by any common fact, circumstance, situation, transaction, event, advice, or decision.

Retroactive Date means the date when the first real estate errors and omissions coverage was effective insuring the **Licensee** on a claims-made basis and since which time the **Licensee** has been continuously insured by coverage similar to that provided by this policy. The **Retroactive Date** is established separately for each **Licensee**.

Security Breach Notice Law means any statute or regulation requiring an entity that maintains **Confidential Commercial Information** or **Non-Public Personal Information** to provide notice to specified individuals or entities of any actual or potential unauthorized disclosure of such information.

Third Party Deception means the misleading of a person or persons through the misrepresentation by another person or persons, whether or not known to the **Insured**, which results in the theft, conversion, embezzlement, or misappropriation of any monies, funds, or other assets or property.

Unlicensed Employee means the support staff employed by the **Licensee** and under the **Licensee's** supervision and control who is assisting the **Licensee** in the performance of the **Licensee's Professional Services**, including a personal assistant, clerk, secretary, messenger, and intern but shall not include an owner, officer, director, or any other staff member who is not under the direct supervision of the **Licensee** or assisting the **Licensee** in the performance of the **Licensee's Professional Services**. **Unlicensed Employee** does not include appraisal trainees or anyone who provides leasing or property management services.

IX. PREMIUM

This coverage shall not be effective until and unless the application for coverage has been approved by the Company and the premium has been paid.

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X. AUDIT

The Company may audit the **Insured's** records to determine the accuracy of pertinent information provided by the **Insured**. The Company will give reasonable notice to the **Insured** of such an audit. The audit will take place during the **Insured's** regular business hours.

XI. THE INSURED'S DUTIES IF THERE IS A CLAIM

A. The **Insured** shall give written notice by submitting a completed Notice of Claim Form to the Company as soon as possible after the **Claim** is first made but in no event more than ninety (90) days after the **Insured** becomes aware of such **Claim**. Such written notice shall include the name of the **Licensee** and shall include the time, place, and details of the **Claim**. Notice shall be delivered to:

U.S. Mail Delivery	**Overnight Delivery**	**Electronic Delivery**
Claims Department	Claims Department	Fax: (502) 896-6343
P.O. Box 6709	2001 Lake Point Way	Email: claims@risceo.com
Louisville, KY 40206-0709	Louisville, KY 40223	

B. The **Insured** shall not admit any liability, make any settlement, pay any **Damages**, or assume any duty or obligation for any **Claim** without the prior written consent of the Company. The **Insured** shall not incur any **Claim Expenses** for any **Claim** without the prior written consent of the Company.

C. The **Insured** shall immediately forward to the Company every demand, notice, summons, or other process about any **Claim** received by the **Insured** or the **Insured's** representative.

D. The **Insured** shall cooperate with the Company and, at the Company's request, the **Insured** shall assist the Company in responding to the **Claim** and making settlements. The **Insured** shall attend hearings and trials and help in securing and giving evidence at the Company's request.

XII. CIRCUMSTANCE REPORTING

If during the **Individual Policy Period**, the **Insured** becomes aware of any act, error, or omission that may reasonably be expected to be the basis of a **Claim** against an **Insured** and gives written notice to the Company by any of the means listed in Section **XI. THE INSURED'S DUTIES IF THERE IS A CLAIM** of such act, error, or omission and additional information about the potential **Claim**, including but not limited to:

1. the specific act, error, or omission;
2. the dates and persons involved;
3. the identity of the anticipated or possible claimants or complainants; and
4. the circumstances by which the **Insured** first became aware of the potential **Claim**, then any **Claim**, subpoena, or complaint to a real estate regulatory board or commission that arises out of such reported act, error, or omission, subsequently made against the **Insured** and reported to the Company shall be deemed to have been made at the time such written notice was first given to the Company.

XIII. SUBROGATION

If the Company makes any payment under this policy, the Company shall receive all of the **Insured's** rights of recovery against any persons or organizations. The **Insured** shall assist the Company in whatever way is necessary to secure such rights. When a **Claim** is made, the **Insured** shall do nothing to thwart the Company's recovery of amounts paid to other parties who might be responsible for the **Claim**.

XIV. CHANGES

The terms of this policy may not be waived or changed unless the Company issues an Endorsement. All Endorsements become a part of this policy upon the Endorsement's effective date. The **Policyholder** or the **Licensee** and the Company may make changes in the terms of the policy upon mutual consent.

XV. ACTION AGAINST THE COMPANY

The **Insured** may not bring a lawsuit against the Company unless the **Insured** has complied with all the terms and conditions of this policy. Nor shall an action lie against the Company until judgment or trial determines the **Insured's** responsibility to pay.

XVI. BANKRUPTCY

Bankruptcy or insolvency of the **Insured** or the **Insured's** estate will not relieve the Company of its obligations under this policy.

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XVII. CANCELLATION

A. The **Policyholder** may cancel this policy by giving, mailing, or delivering to the Company advance written notice of cancellation or surrendering the policy to the Company at least one hundred twenty days (120) days before the effective date of cancellation. If the **Policyholder** cancels the policy, it is responsible for notifying each **Licensee** of the effective date of cancellation.

B. The Company may cancel this policy by giving written notice to the **Policyholder** in accordance with the provisions of Montana Code § 33-15-1103, which provides:

> Montana Title 33. Insurance and Insurance Companies § 33-15-1103. Midterm cancellation
>
> (1) An insurer may not cancel an insurance policy before either the expiration of the agreed term or 1 year from the effective date of the policy or renewal date, whichever is less, except:
>
> (a) for reasons specifically allowed by statute;
>
> (b) for failure to pay a premium when due; or
>
> (c) on grounds stated in the policy which pertain to the following:
>
> (i) material misrepresentation;
>
> (ii) substantial change in the risk assumed, except to the extent that the insurer should reasonably have foreseen the change or contemplated the risk when the contract was written;
>
> (iii) substantial breaches of contractual duties, conditions, or warranties;
>
> (iv) determination by the commissioner that continuation of the policy would place the insurer in violation of this code;
>
> (v) financial impairment of the insurer; or
>
> (vi) any other reason approved by the commissioner.
>
> (2) Except as provided in 33-23-401, cancellation under subsection (1) is not effective until 10 days after a notice of cancellation is either delivered or mailed to the insured.
>
> (3) Subsections (1) and (2) do not apply to a newly issued insurance policy if the policy has been in effect less than 60 days at the time the notice of cancellation is mailed or delivered. A cancellation under this subsection is not effective until 10 days after the notice is delivered or mailed to the insured.
>
> (4) If a policy has been issued for a term longer than 1 year and if either the premium is prepaid or an agreed term is guaranteed for additional premium consideration, the insurer may not cancel the policy except:
>
> (a) for reasons specifically allowed by statute;
>
> (b) for failure to pay a premium when due; or (c) on grounds stated in the policy which pertain to those grounds listed in subsection (1)(c).

If notice is mailed, proof of mailing will be sufficient proof of notice. If the policy is canceled, the effective date of cancellation will become the end of the **Group Policy Period** and the **Individual Policy Period**.

XVIII. NONRENEWAL

If the Company elects not to renew this policy, it will provide written notice of nonrenewal to the **Policyholder** at least one hundred twenty (120) days before the expiration date of the policy.

XIX. CONFORMITY TO STATUTES

If applicable law is in conflict with this policy, the provisions of this policy are amended to conform to the minimum requirements of Montana law and control over any conflicting statutes of any state in which the insured resides on or after the effective date of this policy.

XX. OTHER INSURANCE

This insurance 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. When both this insurance and other insurance apply to any **Claim**, whether primary, excess, or contingent, the Company shall not be liable under this policy for a greater proportion of the **Damages** or **Claim Expenses** than the applicable Limits of Liability or Sublimits of Liability under this policy for such **Damages** bears to the total applicable Limits of Liability and Sublimits of Liability of all valid and collectible insurance against such **Claims**.

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XXI. LICENSE INACTIVE

In the event a **Licensee's** license is placed on inactive status or retired during a period in which the **Insured** has paid the applicable premium, the policy will remain in effect for the remainder of the **Individual Policy Period** as if the license had not been placed in inactive status or retired, regardless of whether the license is re-activated, except that coverage will not be provided for acts, errors, or omissions of the **Licensee** which occur during the period when the license was in an inactive status or retired.

XXII. AUTHORIZATION CLAUSE

By accepting this policy, the **Insured** agrees that the statements in the application are the **Insured's** agreements and representations. The **Insured** agrees that these statements are true and correct as of the inception of this policy. This policy has been issued relying upon those statements and representations. The **Insured** agrees that the policy and application are the total agreement between the **Insured** and the Company or its agents.

XXIII. TRANSFER

This policy is not transferable.

XXIV. TRADE AND ECONOMIC SANCTIONS

This policy does not provide coverage for **Insureds**, transactions, or that part of **Damages** or **Claim Expenses** that is uninsurable under the laws or regulations of the United States concerning trade or economic sanctions.

IN WITNESS WHEREOF, we have caused this policy to be executed by our Chairperson and Secretary, but this policy shall not be binding upon us unless completed by the attachment of the Certificate of Coverage and executed by our duly authorized representative.

Chairman

Secretary

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