2022 OPTIONAL ENDORSEMENT OVERVIEW

APPRAISAL ENDORSEMENT

In consideration of the additional premium paid to the Company, it is understood and agreed that the policy is amended as follows:

I. The Section entitled EXCLUSIONS, the exclusion entitled Specified Activities, paragraph 2, is deleted in its entirety.

II. The Section entitled EXCLUSIONS, the exclusion entitled Commission Disputes is deleted in its entirety and replaced with the following:

disputes over commissions or fees between real estate brokers, real estate salespersons, real estate sales associates, and/or appraisers 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 approval of the Company;

III. The Section entitled DEFINITIONS, the definition of Professional Services is amended by the addition of the following:

Professional Services also means services performed by the Licensee as a Kentucky licensed real estate appraiser, certified general appraiser, certified residential appraiser, licensed residential real property appraiser, or credentialed associate appraiser, provided all necessary licenses are held by the Licensee at the time of the act, error, or omission giving rise to the Claim.

IV. The Section entitled DEFINITIONS, the definition of Real Estate Firm is amended by the addition of the following:

Real Estate Firm also means a legal entity with which real estate appraisers are affiliated and which the Licensee works for or represents.

This endorsement does not apply to any Claim if the Licensee does not hold an active license, certificate, or credential issued by the Kentucky Real Estate Appraisal Board, pursuant to K.R.S. Chapter 324A, at some point during the Individual Policy Period.

Additionally, this endorsement does not apply to any Claim made prior to the effective date of the endorsement or after the expiration of the Individual Policy Period or any applicable Extended Reporting Period. If prior to the effective date of this endorsement any Insured had a reasonable basis to believe a Claim may arise, then this endorsement shall not apply to such Claim or Related Claim.

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy, unless another effective date is shown below, and expires concurrently with said Policy.

CNA81012KY (1-20)
APPRAISAL TRAINEE ENDORSEMENT

In consideration of the additional premium paid to the Company, it is understood and agreed that the policy is amended as follows:

I. The Section of the policy entitled DEFINITIONS, the definition of Insured is amended by the addition of the following new language:

   Insured also means the Associate Appraiser listed in the Schedule below, but only while (a) employed by the Licensee and acting under the Licensee’s supervision and control and (b) assisting the Licensee in the performance of the Licensee’s Professional Services as a Kentucky licensed or certified real estate appraiser, provided that all necessary licenses are held by the Licensee at the time of the act, error, or omission giving rise to the Claim.

II. The Section of the policy entitled DEFINITIONS is amended by the addition of the following new definition:

   Associate Appraiser means an individual credentialed as an associate appraiser under the Kentucky Real Estate Appraisal Board, who assists in the collection of data or preparation of an appraisal, is employed by the Licensee, and is under the Licensee’s supervision or control, provided the Associate Appraiser holds all necessary licenses or certificates at the time of the act, error, or omission giving rise to the Claim.

III. Solely with respect to a Claim made against an Associate Appraiser:

   A. This endorsement shall not apply to any Claim made prior to the effective date of the endorsement or after the expiration of the Individual Policy Period or any applicable Extended Reporting Period; and

   B. If, prior to the effective date of this endorsement, any Insured had a reasonable basis to believe a Claim may arise, then this endorsement shall not apply to such Claim or Related Claim.

IV. SCHEDULE OF ASSOCIATE APPRAISERS:

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy, unless another effective date is shown below, and expires concurrently with said Policy.

CNA97681KY (1-20)

CONFORMITY ENDORSEMENT

In consideration of the additional premium paid, it is understood and agreed that the policy is amended as follows:

Notwithstanding anything to the contrary in the policy, the terms and conditions of coverage herein shall be altered to conform to the minimum requirements for real estate errors and omissions insurance established by the States listed below, provided that: (1) the Licensee holds a current real estate license in such States and (2) the negligent acts, errors or omissions arise out of the rendering of Professional Services in such States.

Applies to following States: «EndField1»

Only those terms and conditions specifically addressed in the minimum requirements of the statutes, rules, and regulations of the States listed above are altered.

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy, unless another effective date is shown below, and expires concurrently with said Policy.

CNA81010KY (4-15)
DEVELOPED/CONSTRUCTED BY SPOUSE ENDORSEMENT

In consideration of the additional premium paid, solely with respect to a Developed/Constructed by Spouse Claim, it is understood and agreed that:

I. The Declarations Page of the policy is amended to include the following new Item:

SUBLIMITS DEVELOPED/CONSTRUCTED BY SPOUSE:
(a) $100,000.00 per Licensee per Developed/Constructed by Spouse Claim (Damages)
(b) $1,000,000.00 Aggregate all Developed/Constructed by Spouse Claims per Licensee (Damages)

II. The Section of the policy entitled LIMITS OF LIABILITY is amended to include the following:

The Company’s Sublimit of Liability for Damages for each Developed/Constructed by Spouse Claim per Licensee shall not exceed the per Developed/Constructed by Spouse Claim Sublimit stated in the Declarations. The Company’s Sublimit of Liability for Damages for all Developed/Constructed by Spouse Claims for each Annual Policy Term per Licensee shall not exceed the Aggregate Developed/Constructed by Spouse 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.

III. Section of the policy entitled EXCLUSIONS, the exclusion entitled Developed / Constructed Property, is amended by the addition of the following exception to the exclusion:

Except that this exclusion shall not apply to a Developed/Constructed by Spouse Claim until the Developed/Constructed by Spouse Claim Sublimit of Liability has been exhausted, provided that

1. the Licensee was not involved in the construction or development and had no ownership or financial interest in the property (other than a marital interest);
2. the Licensee did not own or control more than a ten percent (10%) ownership interest in the entity, corporation, partnership, or trust that constructed or developed the property;
3. a home warranty was purchased by or for the buyers prior to closing;
4. prior to closing, if required by law, a seller disclosure form was signed by the buyers and sellers;
5. prior to closing, the Licensee’s relationship to the Licensee’s spouse or Domestic Partner was disclosed and acknowledged in writing by all parties to the sale or listing for sale;
6. prior to closing, the Licensee’s spouse’s or Domestic Partner’s role as builder or developer or the Licensee’s, the Licensee’s spouse’s, or the Licensee’s Domestic Partner’s ownership or financial interest in the entity, partnership, corporation, or trust that built or developed the property was disclosed and acknowledged in writing by the buyers;
7. prior to closing, a written home inspection report was (i) obtained by or for the buyers; (ii) from an inspector duly licensed under State law who is not related to or affiliated with an Insured; Insured’s spouse, or Domestic Partner; or an entity, partnership, or trust in which an Insured or Insured’s spouse or Domestic Partner owned or controlled a financial or ownership interest; and (iii) acknowledged in writing by all buyers;
8. a State or local board approved standard listing agreement and a State or local board approved standard sales contract was utilized; and
9. the sale or listing for sale was performed under and subject to applicable real estate license law.

IV. The Section of the policy entitled DEFINITIONS is amended by the addition of the following new definitions:

Developed/Constructed by Spouse Claim means a Claim arising from the sale or listing for sale of Residential Property constructed or developed by any of the following: the Licensee’s spouse; the Licensee’s Domestic Partner; or any entity, corporation, partnership, or trust in which the Licensee’s spouse, or Domestic Partner owned or controlled more than a ten percent (10%) financial or ownership interest.

Residential Property means a single-family residence or multi-family residences with four (4) or fewer units other than the Licensee’s Primary Residence.

This endorsement does not apply to any Claim made prior to the effective date of the endorsement or after the expiration of the Individual Policy Period or any applicable Extended Reporting Period. If prior to the effective date of this endorsement any Insured had a reasonable basis to believe a Claim may arise, then this endorsement shall not apply to such Claim or Related Claim.
All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy, unless another effective date is shown below, and expires concurrently with said Policy.

CNA103201KY (1-22)

FRANCHISE ENDORSEMENT

In consideration of the premium paid for this policy, it is understood and agreed as follows:

In the event that the Licensee is affiliated with «EndField1», then «EndField2»meets the definition of a Real Estate Firm under Section VIII. DEFINITIONS of the policy and, therefore, is included within Section VIII. DEFINITIONS, the definition of Insured, Subsection 5., of the policy.

There shall be no coverage afforded to such entity as a result of its independent acts, errors, or omissions.

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy, unless another effective date is shown below, and expires concurrently with said Policy.

CNA81013KY (4-15)

INCREASED LIMITS OF LIABILITY ENDORSEMENT

$250,000 PER CLAIM / $1,000,000 AGGREGATE

In consideration of the additional premium paid, it is understood and agreed that the following amendment is made to the Declarations only as respects the Licensee named below and only as respects a Claim first made against such Licensee and reported to the Company in writing after the effective date of this endorsement:

The following item of the Declarations is deleted in its entirety and replaced by the following:

ITEM 3. LIMITS OF LIABILITY
(a) $250,000 per Licensee per Claim
(b) $1,000,000 Aggregate all Claims per Licensee

This endorsement does not apply to any Claim made prior to the effective date of the endorsement or after the expiration of the Individual Policy Period or any applicable Extended Reporting Period. If prior to the effective date of this endorsement any Insured had a reasonable basis to believe a Claim may arise, then the increased Limits of Liability provided by this endorsement shall not apply to such Claim or any Related Claim.

Nothing herein shall serve to increase any amounts provided under Section IV. SUPPLEMENTARY PAYMENTS or any Sublimits of Liability.

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy, unless another effective date is shown below, and expires concurrently with said Policy.

CNA81016KY (4-15)

INCREASED LIMITS OF LIABILITY ENDORSEMENT

$500,000 PER CLAIM / $1,000,000 AGGREGATE

In consideration of the additional premium paid, it is understood and agreed that the following amendment is made to the Declarations only as respects the Licensee named below and only as respects a Claim first made against such Licensee and reported to the Company in writing after the effective date of this endorsement:

The following item of the Declarations is deleted in its entirety and replaced by the following:

ITEM 3. LIMITS OF LIABILITY
(a) $500,000 per Licensee per Claim
(b) $1,000,000 Aggregate all Claims per Licensee

This endorsement does not apply to any Claim made prior to the effective date of the endorsement or after the expiration of the Individual Policy Period or any applicable Extended Reporting Period. If prior to the effective date of this endorsement any Insured had a reasonable basis to believe a Claim may arise, then the increased Limits of Liability provided by this endorsement shall not apply to such Claim or any Related Claim.

Nothing herein shall serve to increase any amounts provided under Section IV. SUPPLEMENTARY PAYMENTS or any Sublimits of Liability.

All other terms and conditions of the Policy remain unchanged.
This endorsement does not apply to any **Claim** made prior to the effective date of the endorsement or after the expiration of the **Individual Policy Period** or any applicable Extended Reporting Period. If prior to the effective date of this endorsement any **Insured** had a reasonable basis to believe a **Claim** may arise, then the increased Limits of Liability provided by this endorsement shall not apply to such **Claim** or any **Related Claim**.

Nothing herein shall serve to increase any amounts provided under Section IV. **SUPPLEMENTARY PAYMENTS** or any Sublimits of Liability.

All other terms and conditions of the Policy remain unchanged.

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**OPTIONAL EXTENDED REPORTING PERIOD ENDORSEMENT**

In consideration of the additional premium paid, it is understood and agreed that the following Optional Extended Reporting Period as set forth in the Section of the policy entitled **EXTENDED REPORTING PERIODS**, Paragraph B, shall apply:

From: _______________ To: _______________

The Optional Extended Reporting Period set forth above shall apply unless the **Insured** fails to pay the premium when due. The premium for the Optional Extended Reporting Period shall be:

1. due and payable as set forth in the policy; and
2. fully earned by the Company on the inception date of the Optional Extended Reporting Period as set forth above and no refunds will be permitted after that time.

All other terms and conditions of the Policy remain unchanged.

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**RESIDENTIAL PERSONAL INTEREST COVERAGE ENDORSEMENT**

(With Sublimits)

In consideration of the additional premium paid, it is understood and agreed that:

**I.** The Declarations Page of the policy is amended to include the following new Item:

**SUBLIMITS RESIDENTIAL PERSONAL INTEREST CLAIM:**
(a) $100,000.00 per **Licensee** per **Residential Personal Interest Claim** (Damages)
(b) $1,000,000.00 Aggregate all **Residential Personal Interest Claims** per **Licensee** (Damages)

**II.** The Section of the policy entitled **LIMITS OF LIABILITY** is amended to include the following:

The Company’s Sublimit of Liability for **Damages** for each **Residential Personal Interest Claim** per **Licensee** shall not exceed the per **Residential Personal Interest Claim** Sublimit stated in the Declarations. The Company’s Sublimit of Liability for **Damages** for all **Residential Personal Interest Claims** per **Licensee** for each Annual Policy Term shall not exceed the Aggregate **Residential Personal Interest Claim** Sublimit set forth in the Declarations. **Damages** paid within the **Residential Personal Interest 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.
III. The Section of the policy entitled EXCLUSIONS, the exclusion entitled Owned or Purchased Property, is amended by the addition of the following exception to the exclusion:

In addition, this exclusion shall not apply to a Residential Personal Interest Claim until the Residential Personal Interest Claim Sublimit of Liability has been exhausted, provided that

i. the Residential Property was owned for at least one hundred eighty (180) days by the Licensee; the Licensee’s spouse or Domestic Partner; or any entity, corporation, partnership, or trust in which the Licensee or Licensee’s spouse or Domestic Partner has or had a financial or ownership interest;

ii. the property was not constructed or developed by the Licensee; the Licensee’s spouse or Domestic Partner; or any entity, corporation, partnership, or trust in which the Licensee or Licensee’s spouse or Domestic Partner has or had a financial or ownership interest;

iii. a state or local board approved standard sales contract was used;

iv. prior to closing,
   a. a home warranty was purchased by or for the buyer;
   b. if required by law, a seller disclosure form was signed by the buyer;
   c. if the Residential Property was owned by the Licensee’s spouse or Domestic Partner, the relationship between the Licensee and the Licensee’s spouse or Domestic Partner was disclosed to and acknowledged by the buyer in writing;
   d. if the Residential Property was owned by an entity, corporation, partnership, or trust in which the Licensee or Licensee’s spouse or Domestic Partner has or had a financial or ownership interest, the relationship between the Licensee; Licensee’s spouse or Domestic Partner; and the entity, corporation, partnership, or trust was disclosed to and acknowledged by the buyer in writing;
   e. the ownership or financial interest of the Licensee; Licensee’s spouse or Domestic Partner; or entity, corporation, partnership, or trust in the Residential Property was disclosed to and acknowledged by the buyer in writing; and
   f. a licensed inspector who was not related to or affiliated with the Licensee; the Licensee’s spouse or Domestic Partner; or any entity, corporation, partnership, or trust in which the Licensee or Licensee’s spouse or Domestic Partner has or had a financial or ownership interest issued a written home inspection report that the buyer acknowledged in writing;

v. the sale or listing was performed under and subject to applicable real estate license law; and

vi. prior to the effective date of this endorsement, no Insured had a basis to believe that any 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;

IV. Solely with respect to the coverage provided by this endorsement, the Section entitled DEFINITIONS is amended by the addition of the following new definitions:

Residential Personal Interest Claim means a Claim arising from the sale or listing for sale of Residential Property other than the Licensee’s Primary Residence.

Residential Property means a single-family residence or multi-family residences with four (4) or fewer units other than the Licensee’s Primary Residence.

This endorsement does not apply to any Claim made prior to the effective date of the endorsement or after the expiration of the Individual Policy Period or any applicable Extended Reporting Period. If prior to the effective date of this endorsement any Insured had a reasonable basis to believe a Claim may arise, then this endorsement shall not apply to such Claim or any Related Claim.

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy, unless another effective date is shown below, and expires concurrently with said Policy.

CNA103203KY (1-22)