



**TENNESSEE REAL ESTATE COMMISSION'S ERRORS & OMISSIONS INSURANCE PROGRAM**  
Administered by Rice Insurance Services Company, LLC and Issued by Continental Casualty Company

**2017 OPTIONAL ENDORSEMENT OVERVIEW**

**APPRAISAL ENDORSEMENT**

It is understood and agreed that:

- I. The Section titled **EXCLUSIONS** Item N. Specified Activities, Paragraph 2. is deleted in its entirety.
- II. The Section titled **DEFINITIONS** is amended as follows:

- A. The following new definition is added:

**Appraisal Firm** means a legal entity with which active, Tennessee licensed or certified real estate appraisers, as defined in the Tennessee State Licensing and Certified Real Estate Appraisers Law, are affiliated to provide real estate appraisal activity, as defined in the Tennessee State Licensing and Certified Real Estate Appraisers Law, and which employs the **Licensee**. **Appraisal Firm** does not include an appraisal management company, as defined in the Tennessee Appraisal Management Company Registration and Regulation Act.

- B. The definition of **Insured** is deleted in its entirety and replaced with the following:

**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 its **Insureds** listed in 1, 2, 3, or 4 above, **Insured** will also mean:

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

- C. The definition of **Professional Services** is amended to add the following:

**Professional Services** also means services performed by the **Licensee** as a State Licensed Appraiser, State Certified Residential Appraiser and State Certified General Appraiser, provided all necessary licenses are held by the **Licensee** at the time of the act, error, or omission giving rise to the **Claim**.

- III. 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.

## APPRAISAL TRAINEE ENDORSEMENT

It is understood and agreed that:

I. The Section of the policy entitled **DEFINITIONS** is amended as follows:

A. The definition of **Insured** is amended by the addition of the following:

**Insured** also means the **Appraisal Trainees** listed in the Schedule below, but only while (a) employed by the **Licensee**, (b) acting under the **Licensee's** supervision and control, and (c) assisting the **Licensee** in the performance of the **Licensee's Professional Services**.

B. The following new definition is added:

**Appraisal Trainee** means anyone who is not a certified or licensed appraiser, who assists in the collection of data or preparation of an appraisal, is employed by the **Licensee**, and under the **Licensee's** supervision or control.

II. Solely with respect to a **Claim** made against an **Appraisal Trainee**:

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**.

### **SCHEDULE OF APPRAISAL TRAINEES:**

\_\_\_\_\_

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.

CNA87094XX (9-16)

## BACKDATED INDIVIDUAL POLICY PERIOD FOR SPECIFIED LICENSEE

In consideration of the **Specified Licensee's** certification contained in the Request to Backdate Inception Date of **Individual Policy Period** form signed by such **Specified Licensee** on \_\_\_\_\_, it is understood and agreed that:

I. The **Individual Policy Period** set forth in such **Specified Licensee's** Certificate of Insurance is deleted in its entirety and replaced by the following:

**Individual Policy Period:** \_\_\_\_\_ to \_\_\_\_\_ \*

II. 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**.

III. As used in this endorsement, **Specified Licensee** means the **Licensee** identified in the Schedule below:

### **SCHEDULE:**

\_\_\_\_\_

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.

CNA84522XX (1-16)

## CONFORMITY ENDORSEMENT

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

The terms and conditions of coverage herein shall be altered to conform to the minimum requirements established for real estate errors and omissions insurance by the states listed below, which have mandatory errors and omissions requirements, provided that: (1) the **Licensee** holds a current real estate license in the states listed below; and (2) the negligent acts, errors, or omissions arise out of the rendering of **Professional Services** in the states listed below.

States:

All other terms and conditions of the Policy remain unchanged.

CNA71151SD (10-12)

### **CONTINGENT BODILY INJURY AND PROPERTY DAMAGE ENDORSEMENT**

It is understood and agreed that the policy is amended as follows:

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

**SUBLIMITS BODILY INJURY CLAIM/PROPERTY DAMAGE CLAIM:**

- (a) \$10,000 per **Licensee** per **Bodily Injury Claim** or **Property Damage Claim (Damages & Claim Expenses)**
- (b) \$10,000 Aggregate all **Bodily Injury Claims** and **Property Damage Claims** per **Licensee**

II. The Section entitled **LIMITS OF LIABILITY** is amended as follows:

A. The following new Subsection is added:

The Company's Sublimit of Liability for **Damages** and **Claim Expenses** for each **Bodily Injury Claim** or **Property Damage Claim** shall not exceed the per **Bodily Injury Claim** or **Property Damage Claim** Sublimit stated in the Declarations. The Company's Sublimit of Liability for **Damages** and **Claim Expenses** for all **Bodily Injury Claims** and **Property Damage Claims**, combined, shall not exceed the Aggregate **Bodily Injury Claims** and **Property Damage Claims** Sublimit set forth in the Declarations. **Damages** paid within the **Bodily Injury Claim/Property Damage Claim** Sublimits of Liability are included within, and not in addition to, the per **Claim** and the Aggregate Limits of Liability set forth in the Declarations.

B. Subsection G. is deleted in its entirety and replaced with the following:

G. Except with respect to a **Bodily Injury Claim** and **Property Damage Claim**, **Claim Expenses** are in addition to the Limits of Liability or Sublimits of Liability. The Company will not pay **Claim Expenses** in connection with covered **Bodily Injury Claims** or **Property Damage Claims** after the applicable Sublimits of Liability have been exhausted. 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**.

III. The Section entitled **EXCLUSIONS** is amended as follows:

A. The exclusion entitled Bodily Injury is deleted in its entirety and replaced with the following:

Bodily Injury

bodily injury, sickness, disease, mental anguish, pain, suffering, emotional distress, or death of any person, except that this exclusion shall not apply to a **Bodily Injury Claim** or a **Property Damage Claim** until the **Bodily Injury Claim/Property Damage Claim** Sublimit of Liability has been exhausted;

B. The exclusion entitled Property Damage is deleted in its entirety and replaced with the following:

Property Damage

physical injury to, destruction, or loss of use of tangible property, except that this exclusion shall not apply to (1) a **Lock Box Claim** until the **Lock Box Claim** Sublimit of Liability has been exhausted or (2) a **Bodily Injury Claim** or **Property Damage Claim** until the **Bodily Injury Claim/Property Damage Claim** Sublimit of Liability has been exhausted;

C. Solely with respect to the coverage provided by this endorsement, the following new exclusions are added:

Motor Vehicle



the ownership, maintenance, operation, use, entrustment to others, loading, or unloading of any motor vehicle, aircraft or watercraft, operated by, rented or loaned to any **Insured**;

Workers Compensation

any act or omission for which any **Insured** could be held liable under any workers compensation, unemployment compensation, or disability benefits law or under any similar law;

Employee of Insured

bodily injury, sickness, disease, mental anguish, pain, suffering, emotional distress, or death of any employee of the **Insured**, arising out of his or her employment by the **Insured** or to any obligation of the **Insured** to indemnify or contribute with another employer because of damages arising out of such injury or death;

**IV.** The Section entitled **DEFINITIONS** is amended as follows:

A. The definition of **Claim**, is amended by the addition of the following:

**Claim** also includes a **Bodily Injury Claim** and a **Property Damage Claim**.

B. Solely with respect to the coverage provided by this endorsement, the following new definitions are added:

**Bodily Injury 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 **Licensee's** performance of or failure to perform **Professional Services** that resulted in bodily injury, sickness, disease, mental anguish, pain, suffering, emotional distress, or death of any person, provided that:
  - a. the **Claim** results solely from a negligent act, error or omission committed by the **Licensee** while performing **Professional Services**;
  - b. such negligent act, error or omission was a proximate cause of the bodily injury, sickness, disease, mental anguish, pain, suffering, emotional distress, or death; and
  - c. there is no other policy that is applicable to such **Claim**.

**Property Damage 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 **Licensee's** performance of or failure to perform **Professional Services** that resulted in physical injury to, destruction of, or loss of use of tangible property, provided that:
  - a. the **Claim** results solely from a negligent act, error or omission committed by the **Licensee** while performing **Professional Services**;
  - b. such negligent act, error or omission was a proximate cause of the physical injury to, destruction of, or loss of use of tangible property; and
  - c. there is no other policy that is applicable to such **Claim**.

**V.** 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 coverage provided by 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.

CNA87100TN (9-16)

**FRANCHISE ENDORSEMENT**

It is understood and agreed that:

In the event that the Licensee is affiliated with \_\_\_\_\_, then \_\_\_\_\_ meets the definition of a **Real Estate Firm** under the Section titled **Definitions** of the policy and, therefore, is included within the definition of **Insured** under the Section titled **Definitions**, Subsection 5. of the policy.

There shall be no coverage afforded to such entities as a result of their independent negligent acts, errors, omissions or **Discriminatory Conduct**.

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.

CNA71153TN (9-16)

**INCREASED LIMITS OF LIABILITY ENDORSEMENT**  
**\$250K PER CLAIM / \$750K AGGREGATE ALL CLAIMS**

It is understood and agreed that the following amendment is made to the Policy Declarations Page 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 each **Claim per Licensee (Damages)**
  - (b) \$750,000 in the Aggregate all **Claims per Licensee (Damages)**

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 **Related Claim**.

Nothing herein shall serve to increase any amounts provided under the Section titled **Supplementary Payments** or any Sublimits of Liability.

**Licensee:** \_\_\_\_\_

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.

CNA71374XX (9-16)

**INCREASED LIMITS OF LIABILITY ENDORSEMENT**  
**\$500K PER CLAIM / \$1,000,000 AGGREGATE ALL CLAIMS**

It is understood and agreed that the following amendment is made to the Policy Declarations Page 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 each **Claim per Licensee (Damages)**
  - (b) \$1,000,000 in the Aggregate all **Claims per Licensee (Damages)**

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 **Related Claim**.

Nothing herein shall serve to increase any amounts provided under the Section titled **Supplementary Payments** or any Sublimits of Liability.





- C. development of loss control and risk management plans in connection with the reconstruction or renovation.

3. Section **VI. Exclusions** is amended by the addition of the following new exclusions:

- W. the commingling, misappropriation or improper use of funds, or arising out of the gaining of any personal profit or advantage to which the **Insured** is not legally entitled;
- X. **Property Management Services** in which any **Insured** or any company affiliated with any **Insured** was a developer, constructor or builder;
- Y. the failure to effect or maintain any insurance or bond, or to the failure to cover certain perils or to purchase an adequate amount or type of insurance;
- Z. any advice as to the future value of property;
- AA. the transfer or failure to transfer funds, monies or securities;
- BB. the formation, syndication, promotion, roll-up, operation or administration of any property syndication, real estate investment trust or any other form of corporation, general or limited partnership or joint venture;
- CC. any tax advice rendered by any **Insured**;
- DD. any **Insured** making warranties or guarantees as to the future value of any property.

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.

CNA71508TN (10-12)

### **RESIDENTIAL PERSONAL INTEREST COVERAGE ENDORSEMENT**

It is understood and agreed that:

I. The Section titled **EXCLUSIONS**, Exclusion J. is amended by the addition of the following:

This exclusion does not apply to any **Claim** arising from the sale or listing for sale of **Residential Property**, other than the **Licensee's Primary Residence**, provided that:

- i. the **Residential Property** was owned for at least one hundred eighty (180) days by the **Licensee**, the **Licensee's** spouse, or any entity, corporation, partnership, or trust in which the **Licensee** or **Licensee's** spouse has or had a financial or ownership interest;
- ii. the property was not constructed or developed by the **Licensee**; the **Licensee's** spouse; or any entity, corporation, partnership, or trust in which the **Licensee** or **Licensee's** spouse has or had a financial or ownership interest;
- iii. prior to closing, a home warranty was purchased by or for the buyer;
- iv. prior to closing, if required by law, a seller disclosure form was signed by the buyer;
- v. prior to closing, the ownership or financial interest of the **Licensee** and **Licensee's** spouse in the **Residential Property** was disclosed to and acknowledged by the buyer;
- vi. a licensed inspector who was not related to or affiliated with the **Licensee** issued a written home inspection report that the buyer acknowledged prior to closing;
- vii. a state or local board approved standard sales contract was used;
- viii. the sale or listing was performed under and subject to applicable real estate license law; and
- ix. prior to the effective date of this endorsement, no **Insured** had a basis to believe that any negligent act, error or omission, or **Related Act, Error, or Omission** might reasonably be expected to be the basis of a **Claim** against the **Insured**.

II. The Section titled **Definitions** is amended by the addition of the following new definition:

**Residential Property** means a single family residence or multi-family residences with four (4) or fewer units.

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.

CNA59800TN (9-16)

**ENDORSEMENT BUNDLE: INCLUDES FOLLOWING 5 ENDORSEMENTS**

**1. SUPPLEMENTAL COVERAGE SECURITY BREACH NOTIFICATION ENDORSEMENT  
\$5K PER REAL ESTATE FIRM FOR NOTIFICATION REIMBURSEMENT**

It is understood and agreed the policy is amended as follows:

I. The Section titled **SUPPLEMENTARY PAYMENTS** is amended by the addition of the following new Subsection:

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 an **Insured's** rendering of Professional Services;
2. the notification to individuals or entities is required to effect compliance with a **Security Breach Notice Law**;
3. the **Insured** first discovers and reports such breach, unauthorized use, or disclosure to the Company during the **Individual Policy Period** or any applicable Extended Reporting 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 **Licensee's Retroactive Date**.

The amount payable during the **Annual Policy Term** 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 **Annual Policy Term**. 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**.

II. The following new definitions are added to the Section titled **DEFINITIONS**:

**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.

**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.

**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.



III. This endorsement does not apply to any breach, unauthorized use, or disclosure which occurred 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 breach, unauthorized use, or disclosure may occur, then this endorsement shall not apply to such costs of notification.

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.

CNA87095XX (9-16)

## 2. INCREASED DISCRIMINATION CLAIM SUBLIMITS OF LIABILITY ENDORSEMENT \$50K FOR EACH DISCRIMINATION CLAIM / \$50K FOR ALL DISCRIMINATION CLAIMS

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 **Discrimination 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 4 a. SUBLIMITS DISCRIMINATION:** (a) \$50,000 per **Licensee** per **Discrimination Claim (Damages)**  
(b) \$50,000 Aggregate all **Discrimination Claims** per **Licensee (Damages)**

This endorsement does not apply to any **Discrimination 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 **Discrimination Claim** may arise, then the increased Sublimits of Liability provided by this endorsement shall not apply to such **Discrimination Claim** or any **Related Claim**.

Nothing herein shall serve to increase the Limits of Liability, any Sublimits of Liability other than those specifically addressed herein, or any amounts provided under the Section titled **SUPPLEMENTARY PAYMENTS**.

**Licensee:** \_\_\_\_\_

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.

CNA87097XX (9-16)

## 3. INCREASED LIMITED FEES, COSTS AND EXPENSES COVERAGE REAL ESTATE REGULATORY COMPLAINT SUPPLEMENTARY PAYMENT

It is understood and agreed that the policy is amended as follows:

- I. The Section titled **SUPPLEMENTARY PAYMENTS**, Subsection D., is deleted in its entirety and replaced by the following:
  - D. The Company will pay a maximum of \$5,000 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 Act, Error, or Omission** or, alternatively, if no **Claim** has been made, the **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 **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 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 the Section titled **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.

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 the Section titled **CIRCUMSTANCE REPORTING**.

The amount payable under this provision shall be subject to a \$5,000 Aggregate Limit, regardless of the number of complaints. All complaints arising out of the same negligent act, error, or omission or **Related 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.

- II. This endorsement does not apply to any complaint to a regulatory board or commission 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 complaint to a regulatory board or commission may arise, then the increased supplementary payment provided by this endorsement shall not apply to such complaint or any complaint that is temporally, logically, or causally connected by any common fact, circumstance, situation, transaction, event, advice, or decision.

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.

CNA80122TN (9-16)

#### 4. INCREASED LOCKBOX SUBLIMITS OF LIABILITY ENDORSEMENT \$50K FOR EACH LOCKBOX CLAIM / \$50K FOR ALL LOCK BOX CLAIMS

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 **Lock Box 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 4. c. SUBLIMITS LOCK BOX:**
- (a) \$50,000 per **Licensee** per **Lock Box Claim (Damages)**
  - (b) \$50,000 Aggregate all **Lock Box Claims** per **Licensee**

This endorsement does not apply to any **Lock Box 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 **Lock Box Claim** may arise, then the increased Sublimits of Liability provided by this endorsement shall not apply to such **Lock Box Claim** or any **Related Claim**.

Nothing herein shall serve to increase the Limits of Liability, any Sublimits of Liability other than those specifically addressed herein, or any amounts provided under the Section titled **SUPPLEMENTARY PAYMENTS**.

Licensee: \_\_\_\_\_

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.

CNA87096XX (9-16)

## 5. INCREASED LIMITED FEES, COSTS AND EXPENSES COVERAGE SUBPOENA SUPPLEMENTARY PAYMENT

It is understood and agreed that the policy is amended as follows:

- I. The Section titled **SUPPLEMENTARY PAYMENTS**, Subsection E., is deleted in its entirety and replaced by the following:
  - E. 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** notifies the Company within 20 days of first receiving such subpoena and provides the Company with a copy of such subpoena;
    2. the subpoena arises out of a lawsuit to which the **Insured** is not a party;
    3. 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;
    4. the underlying lawsuit relates to **Professional Services** and does not involve **Professional Services** to which Exclusion J or Exclusion K would apply; and
    5. the **Professional Services** occurred after the **Licensee's Retroactive Date**.

The amount payable under this provision shall be subject to a \$5,000 Aggregate Limit during an **Annual Policy Term**. In addition, the \$5,000 Aggregate Limit is the maximum the Company will pay even if the subpoena, action requested thereby, or underlying suit spans more than one **Annual Policy Term**. Any written notice to the Company of a subpoena shall be deemed notification of a circumstance under the Section titled **CIRCUMSTANCE REPORTING**.

- II. This endorsement does not apply to any subpoena received 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 subpoena would be received, then the increased supplementary payment provided by this endorsement shall not apply to such subpoena.

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.

CNA87099TN (9-16)