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COLORADO MORTGAGE LOAN ORIGINATOR'S GROUP ERRORS & OMISSIONS INSURANCE PROGRAM

Administered by Rice Insurance Services Company, LLC and Issued by Continental Casualty Company

2019 OPTIONAL ENDORSEMENT OVERVIEW

LIMITED CLAIM EXPENSES COVERAGE REGULATORY COMPLAINTS ENDORSEMENT

In consideration of the additional premium paid, it is understood and agreed that Section **IV. SUPPLEMENTARY PAYMENTS** is amended by the addition of the following new paragraph:

The Company will pay a maximum of \$2,500 with respect to **Claim Expenses** incurred in the handling of a complaint to or dispute before a state or federal regulatory or administrative board or agency, 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 **Insured** first receives such complaint during the **Individual Policy Period** or any applicable Extended Reporting Period;
2. the complaint or dispute would otherwise be covered by the policy if the matter arose to a **Claim**;
3. the **Professional Services** occurred after the **Mortgage Loan Originator's Retroactive Date** and before the effective date of cancellation or nonrenewal of the **Individual Policy Period**; 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 or dispute 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 or dispute.
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.

The amount payable under this provision shall be subject to a \$5,000 Aggregate Limit, regardless of the number of **Insureds**, complaints, or disputes. The Company shall not pay any **Damages** arising from such complaints or disputes. Any written notice to the Company of a complaint or dispute before a state or federal regulatory or administrative board or agency shall be deemed notification of a circumstance under Section XII. **CIRCUMSTANCE REPORTING**.

If prior to the effective date of this endorsement any **Insured** had a reasonable basis to believe a complaint or dispute before a state or federal regulatory or administrative board or agency or **Claim** may arise, then this endorsement shall not apply to such complaint or dispute before a state or federal regulatory or administrative board or agency.

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.

REVERSE MORTGAGE LOAN TRANSACTION ENDORSEMENT
\$10,000 Damage Deductible

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

I. Section **III. DEDUCTIBLE** is deleted and replaced with the following:

III. DEDUCTIBLE

The **Insured** shall pay the Deductible, as stated in Item 4 of the Declarations, for each **Claim** that does not arise from or relate to a **Reverse Mortgage Loan**. In the event that the **Claim** arises from or relates to a **Reverse Mortgage Loan** in any way, then the Deductible that shall apply to the **Claim** is \$10,000. The Company's obligation to pay **Damages** begins only after the **Insured** has paid the applicable Deductible, which applies to the payment of **Damages** only. The Company is obligated for amounts payable in excess of the Deductible up to the applicable Limit of Liability. The Company may pay any part or all of the Deductible to settle, defend, or investigate a **Claim**. 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.

II. Section **VI. EXCLUSIONS**, the exclusion entitled Y. Reverse Mortgage Loans is deleted and replaced with the following new exclusion:

Y. Reverse Mortgage Loans

Professional Services relating to the application for, issuance of, or in any other way involving a reverse mortgage loan that does not fall within the definition of a **Reverse Mortgage Loan**.

III. Section **VIII. DEFINITIONS**, the definition of **Residential Mortgage Loan** is deleted in its entirety and replaced with the following new definition:

Residential Mortgage Loan means a loan, which is primarily for personal, family, or household use and that is secured by a mortgage, deed of trust, or other equivalent, consensual security interest on a dwelling or **Residential Real Estate** upon which is constructed, or intended to be constructed, a single-family dwelling or multiple-family dwelling of four (4) or fewer units. **Residential Mortgage Loan** also includes a **Reverse Mortgage Loan**.

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**.

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.

REVERSE MORTGAGE LOAN TRANSACTION ENDORSEMENT
\$20,000 Damage Deductible

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

- I. Section **III. DEDUCTIBLE** is deleted and replaced with the following:

III. DEDUCTIBLE

The **Insured** shall pay the Deductible, as stated in Item 4 of the Declarations, for each **Claim** that does not arise from or relate to a **Reverse Mortgage Loan**. In the event that the **Claim** arises from or relates to a **Reverse Mortgage Loan** in any way, then the Deductible that shall apply to the **Claim** is \$20,000. The Company's obligation to pay **Damages** begins only after the **Insured** has paid the applicable Deductible, which applies to the payment of **Damages** only. The Company is obligated for amounts payable in excess of the Deductible up to the applicable Limit of Liability. The Company may pay any part or all of the Deductible to settle, defend, or investigate a **Claim**. 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.

- II. Section **VI. EXCLUSIONS**, the exclusion entitled Y. Reverse Mortgage Loans is deleted and replaced with the following new exclusion:

- Y. Reverse Mortgage Loans

Professional Services relating to the application for, issuance of, or in any other way involving a reverse mortgage loan that does not fall within the definition of a **Reverse Mortgage Loan**.

- III. Section **VIII. DEFINITIONS**, the definition of **Residential Mortgage Loan** is deleted in its entirety and replaced with the following new definition:

Residential Mortgage Loan means a loan, which is primarily for personal, family, or household use and that is secured by a mortgage, deed of trust, or other equivalent, consensual security interest on a dwelling or **Residential Real Estate** upon which is constructed, or intended to be constructed, a single-family dwelling or multiple-family dwelling of four (4) or fewer units. **Residential Mortgage Loan** also includes a **Reverse Mortgage Loan**.

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**.

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.

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