



## REAL ESTATE APPRAISERS ERRORS AND OMISSIONS POLICY

THIS INSURANCE IS WRITTEN ON A CLAIMS-MADE AND REPORTED BASIS AND ONLY APPLIES TO THOSE **CLAIMS** FIRST MADE AGAINST THE **NAMED INSURED** AND REPORTED TO THE COMPANY DURING THE **POLICY PERIOD**. NO COVERAGE EXISTS FOR **CLAIMS** FIRST MADE AGAINST THE **NAMED INSURED** BEFORE THE BEGINNING OR AFTER THE END OF THE POLICY PERIOD UNLESS, AND TO THE EXTENT, AN EXTENDED REPORTING PERIOD APPLIES. **CLAIM EXPENSES** WILL REDUCE THE LIMITS OF LIABILITY. PLEASE REVIEW THE POLICY CAREFULLY AND DISCUSS THIS COVERAGE WITH YOUR INSURANCE AGENT OR BROKER.

### I. INSURING AGREEMENT

#### A. Indemnity

The Company will pay all amounts in excess of the deductible and within the limits of liability applicable to this Policy, that the **Named Insured** becomes legally obligated to pay as **Damages** and **Claim Expenses** as a result of a **Claim** by reason of an act or omission in the rendering of **Professional Services** by the **Named Insured**, provided that:

1. the **Named Insured** did not give notice to any prior insurer of such **Claim** or **Related Claim**;
2. the **Named Insured** did not give notice to any prior insurer of such act or omission or **Related Act or Omission**;
3. such act or omission occurred on or after the prior acts date, if any, as indicated on the **Named Insured's** Declarations; and
4. prior to the inception date of the first policy issued by the Company, and continuously renewed, the **Named Insured** neither knew nor could reasonably have expected that such act or omission, or **Related Acts or Omissions**, would result in a **Claim**.

A **Claim** must be first made against a **Named Insured** and reported to the Company during the **Policy Period** in accordance with Section VI.J. of this Policy.

#### B. Defense

The Company shall have the right and duty to defend a **Claim** even if any of the allegations of the **Claim** are groundless, false or fraudulent. The Company shall have the right to appoint counsel and to make such investigation, settlement and defense of a **Claim** as is deemed necessary by the Company. If a **Claim** is submitted to arbitration or mediation, the Company shall be entitled to exercise all of the **Insured's** rights in the choice of arbitrators or mediators and in the conduct of an arbitration or mediation proceeding.

The Company is not obligated to investigate, defend, pay or settle, or continue to investigate, defend, pay or settle a **Claim** after the applicable limit of the Company's liability has been exhausted by payment of **Damages** or **Claim Expenses** or any combination thereof. In such case, the Company shall have the right to withdraw from the further investigation, defense, or settlement of such **Claim**.

### II. SUPPLEMENTARY PAYMENTS

Payments made under this section are not subject to the deductible and are in addition to the limit of liability shown on the Declarations.

#### A. Loss of Earnings

The Company will pay up to \$500 for loss of earnings to the **Named Insured** for each day or part of a day the **Named Insured** is in attendance, at the Company's request, at a trial, hearing or arbitration proceeding involving a **Claim** against the **Named Insured**. The maximum amount payable, regardless of the number of trials, hearings, or arbitration proceedings, shall be \$7,500 per **Claim** and \$25,000 for all **Claims** per **Policy Period**.



## B. Licensing Proceedings/Disciplinary Actions

The Company will pay the **Named Insured** up to \$2,500 for attorney fees and other reasonable costs, expenses or fees resulting from a **Disciplinary Action** incurred by the **Named Insured** as the result of a notice of proceeding both first received by the **Named Insured** and reported to the Company during the **Policy Period**, arising out of an act or omission in the rendering of **Professional Services** by the **Named Insured**. In no event shall the amount payable hereunder exceed \$2,500 per proceeding and \$25,000 per **Policy Period** regardless of the number of such proceedings. The Company shall not be obligated to defend any **Disciplinary Action**, or pay any fine, penalty or award resulting from any **Disciplinary Action**.

## C. Subpoena Assistance

In the event the **Named 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 **Insured** may provide the Company with a copy of the subpoena and the Company will retain an attorney to provide advice regarding the production of documents, to prepare the **Named Insured** for sworn testimony and to represent the **Named Insured** at the **Named Insured's** deposition, provided that:

1. the subpoena arises out of a lawsuit to which the **Named Insured** is not a party;
2. the **Named Insured** has not been engaged to provide advice or testimony in connection with the lawsuit, nor has the **Named Insured** provided such advice or testimony in the past; and
3. the subpoena does not arise from **Professional Services** to which Exclusion G. would apply.

Any notice the **Named Insured** gives the Company of such subpoena shall be deemed notification of a potential **Claim** under Section VI.J. of this Policy.

## D. Public Relations Expenses

The Company will reimburse the **Named Insured** up to \$5,000 for reasonable **Public Relations Expenses** incurred by the **Named Insured** as a result of a **Public Relations Event**. In no event shall the amount payable hereunder exceed \$5,000 per **Policy Period**.

## E. Privacy Response/Security Incidents

The Company will pay up to \$10,000 for expenses incurred by the **Named Insured** during the **Policy Period** to:

1. hire a computer forensics firm to investigate the existence and cause of any computer or **Network Security Breach** and to determine the extent of any unauthorized release or use of **Confidential Commercial Information** or **Non-Public Personal Information**; and
2. provide notification to individuals or entities whose **Confidential Commercial Information** or **Non-Public Personal Information** may have been disclosed or used in an unauthorized manner; provided that:
  - a. the **Insured** first discovers such breach, unauthorized use or disclosure during such **Policy Period**;
  - b. the **Confidential Commercial Information** or **Non-Public Personal Information** was gathered in the course of rendering **Professional Services**; and
  - c. such notification is required to effect compliance with a **Security Breach Notice Law**.

## III. LIMITS OF LIABILITY/DEDUCTIBLE

### A. Limit of liability - each **Claim**

Subject to paragraph B. below, the Company's limit of liability for **Damages** and **Claim Expenses** for each **Claim** shall not exceed the amount stated in the Declarations for "each **Claim**"

### B. Limit of liability - in the aggregate

The Company's limit of liability for **Damages** and **Claim Expenses** for all **Claims** shall not exceed the amount stated in the Declarations as the "aggregate"



C. Discrimination limit of liability - **Damages** and **Claim Expenses**

The Discrimination Limit of Liability, as set forth in the Declarations, is applicable to **Damages** and **Claim Expenses** with respect to each **Discrimination Claim** and to all **Discrimination Claims**. The Discrimination Limit of Liability is a sublimit included within and not in addition to the limits of liability shown on the Declarations. Such sublimit is subject to the deductible.

D. Deductible

The deductible amount stated in the Declarations is the total amount of the **Named Insured's** obligation for each **Claim** and applies to the payment of **Damages** and **Claim Expenses**. The deductible shall be paid by the **Named Insured**. The deductible applies separately to each **Claim**. The limits of liability set forth in the Declarations are in addition to, and in excess of, the deductible.

E. **Related Claims**

If **Related Claims** are made against the **Named Insured** and reported to the Company under this Policy or any renewal of this Policy, all such **Related Claims** shall be considered a single **Claim** first made and reported to the Company within the **Policy Period** in which the earliest of the **Related Claims** was first made and reported to the Company.

F. Multiple Policies

If this Policy and any other policy issued by the Company provide coverage for the same **Claim** against the **Named Insured**, the maximum limit of liability under all the policies combined shall not exceed the highest remaining applicable limit of liability for the **Claim** under any one policy.

G. Consent Credit

If a **Claim** is resolved by settlement, with the consent of the **Named Insured** and the Company, as reflected in a settlement agreement, order, dismissal or judgment, within one (1) year of the date that the **Claim** was reported in writing to the Company, then the **Named Insured** will be reimbursed or credited 50% of the applicable deductible, up to a maximum of \$5,000 per **Claim** and \$25,000 for all such **Claims** resolved in this manner during the **Policy Period**.

#### IV. DEFINITIONS

**Bodily Injury** means bodily injury, sickness or disease and includes death, mental injury, mental anguish, mental tension, emotional distress, pain, suffering or shock sustained by any person, whether or not resulting from injury to the body.

**Circumstance** means an act or omission from which the **Named Insured** reasonably expects that a **Claim** could be made, including, but not limited to, any notice, advice or threat, whether written or verbal, that any person or organization intends to hold the **Named Insured** responsible for any alleged breach of duty or other act or omission.

**Claim** means an oral or written demand received by the **Named Insured** for money or services, arising out of an act or omission, including **Personal Injury**, in the rendering of **Professional Services**. The service of suit or the institution of an arbitration proceeding against the **Named Insured** will be considered a demand. A **Claim** cannot arise from intentionally wrongful, dishonest, fraudulent, malicious, or criminal conduct committed by the **Named Insured** or at the **Named Insured's** direction or with the **Named Insured's** prior knowledge.

**Claim Expenses** mean:

- A. fees charged by attorneys designated by the Company;
- B. all other reasonable and necessary fees, costs and expenses resulting from the investigation, adjustment, defense and appeal of a **Claim** if incurred by the Company, or by the **Named Insured** with the Company's written consent; and
- C. premiums on appeal bonds, attachment bonds or similar bonds, provided, however, that the Company is not obligated to apply for or furnish such bond.



**Claim Expenses** shall not include fees, costs or expenses of the Company's employees or officers or independent claims adjusters, other than fees, costs and expenses charged by the Company's employed attorneys who may be designated to represent the **Named Insured**, with the **Named Insured's** prior consent. Nor shall claim expenses include salaries, loss of earnings or other remuneration by or to the **Named Insured**.

**Computer Virus** means unauthorized computer code that is designed and intended to transmit, infect and propagate itself over one or more **Networks** and cause:

- A. a computer code or programs to perform in an unintended manner;
- B. the deletion or corruption of electronic data or software; or
- C. the disruption or suspension of a **Network**.

**Confidential Commercial Information** means information that has been provided to the **Named Insured** by another, or created by the **Named Insured** for another where such information is subject to the terms of a written confidentiality agreement or equivalent obliging the **Named 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:

- A. management of facility construction, reconstruction or renovation plans;
- B. development or management of construction, reconstruction and renovation contracts and subcontracts; or
- C. development of loss control or risk management plans in connection with the construction, reconstruction or renovation.

**Damages** mean judgments, awards and settlements, provided any settlement is made with the Company's prior written consent. **Damages** shall also include punitive or exemplary amounts where insurable by law. **Damages** do not include:

- A. the return, restitution, reduction, compromise or refund of fees, commissions, expenses or costs for **Professional Services** performed, or to be performed, by the **Named Insured** and injuries that are a consequence of any fees, commissions, expenses or costs charged by the **Named Insured**;
- B. civil or criminal fines, sanctions, penalties or forfeitures, whether pursuant to law, statute, regulation or court rule;
- C. the multiplied portion of multiplied awards;
- D. injunctive or declaratory relief;
- E. any amount that is not insurable under any applicable law; or
- F. plaintiff's attorneys fees associated with any of the above.

**Denial of Service Attack** means an attack executed over one or more **Networks** or the **Internet** that is specifically designed and intended to disrupt the operation of a **Network** and render a **Network** inaccessible to authorized users.

**Disciplinary Action** means a proceeding before any real estate board, state licensing board or other governmental body regulating professional services, alleging misconduct in providing **Professional Services**. **Disciplinary Action** does not include criminal charges.

**Discrimination Claim** means a **Claim** based on or arising out of discrimination, humiliation, harassment or misconduct that includes but shall not be limited to a **Claim** based on an individual's race, creed, color, age, gender, national origin, religion, disability, marital status or sexual preference.

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

**Named Insured** means the person designated as Named Insured in the Declarations. **Internet** means the worldwide public **Network** of computers as it currently exists or may be manifested in the future, but **Internet** does not include the **Named Insured's Network**.



**Microbes** mean any non-fungal microorganism or non-fungal colony-form organism that causes infection or disease. **Microbe** includes 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 **Microbes**. But **Microbe** does not mean **Microbes** that were transmitted directly from person to person.

**Network** means a party's local or wide area network owned or operated by or on behalf of or for the benefit of that party; provided, however, **Network** does not include the **Internet**, telephone company networks or other public infrastructure network.

**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.

**Personal Injury** is an injury, other than **Bodily Injury**, arising out of one or more of the following offenses:

- A. false arrest, detention, or imprisonment;
- B. malicious prosecution;
- C. wrongful entry into, wrongful eviction from, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies by or on behalf of its owner, landlord or lessor;
- D. oral or written publication of material that:
  1. slanders or libels a person or organization or disparages a person's or organization's goods, products or services; or
  2. violates a person's right of privacy; except, in either case, oral or written publication in any manner which arises out of advertising, broadcasting or telecasting activities conducted by, or on behalf of, the **Named Insured**.

**Policy Period** means the time from 12:01 A.M. on the inception date of this Policy to the earlier of 12:01 A.M. of the expiration, termination or cancellation date of this Policy.

**Pollutants** means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed. **Pollutants** also means asbestos, radon and lead,

**Professional Services** means those services rendered by the **Named Insured** for others as a:

- A. **Real Estate Appraiser**;
- B. notary public;
- C. expert witness or appraisal consultant, provided such services are limited to the area specified in paragraph A. of this definition; or
- D. a member of a real estate accreditation, standards review or similar real estate board or committee.

**Professional Services** does not include the supervision of, subcontracting to, assignment to, or referral of any portion of any contract, project, or engagement by the **Named Insured**.

**Property Damage** means:

- A. physical injury to real or personal property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
- B. loss of use of real or personal property that is not physically injured. All such loss of use shall be deemed to occur at the time of the occurrence that caused it.

**Public Relations Event** means a situation which in the reasonable opinion of the **Named Insured** did cause or is reasonably likely to result in significant harm to the reputation of the **Named Insured**.

**Public Relations Expenses** means reasonable fees and expenses incurred by the **Named Insured** for advisory services provided by a public relations firm to minimize the harm to the **Named Insured's** reputation following a **Public Relations Event**.

**Real Estate Appraiser** means a person who has all of the necessary licenses or certifications to conduct the business of estimating the fair market value of real property.

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



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

**Security Breach** means the failure of the **Named Insured's Network** hardware, software, firmware, the function or purpose of which is to:

- A. identify and authenticate parties prior to accessing the **Named Insured's Network**;
- B. control access to the **Named Insured's Network** and monitor and audit such access;
- C. protect against **Computer Viruses**;
- D. defend against **Denial of Service Attacks** upon the **Named Insured** or unauthorized use of the **Named Insured's Network** to perpetuate a **Denial of Service Attack**; or
- E. ensure confidentiality, integrity and authenticity of information on the **Named Insured's Network**.

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

**Totally and Permanently Disabled** means that the **Named Insured** is so disabled as to be wholly prevented from rendering **Professional Services** provided that such disability:

- A. has existed continuously for not less than six (6) months; and
- B. is reasonably expected to be continuous and permanent.

## V. EXCLUSIONS

The Company will not defend or pay under this Policy for any **Claim**:

- A. based on or arising out of any actual or alleged **Bodily Injury** or **Property Damage**;
- B. based on or arising out of any actual or alleged failure to pay or collect money held for others or any actual or alleged conversion, commingling, defalcation, misappropriation or improper use of funds or other property by any person or entity;
- C. based on or arising out of any:
  1. charges of price fixing, restraint of trade, monopolization or unfair trade; or
  2. actual or alleged violation of:
    - a. the Federal Trade Commission Act, the Sherman Act, the Clayton Act, or any federal statutory provision regarding anti-trust law, monopoly, price fixing, price discrimination, predatory pricing, or restraint of trade;
    - b. Telephone Consumer Protection Act (TCPA) 47 U.S.C. Section 227 Federal Communications Commission (FCC) rules prohibiting facsimile, electronic mail or any other means of communication;
    - c. any rules or regulations promulgated under or in connection with the above statutes; or
    - d. any similar provision of any state, federal or local statutory law or common law;
- D. based on or arising out of, whether suddenly or over a long period of time:
  1. the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, growth or presence of;
  2. the actual, alleged or threatened emission, discharge, dispersal, seepage, release or escape of; or
  3. the actual or alleged failure to detect, report, test for, monitor, clean-up, 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 **Pollutants, Fungi** or **Microbes**, or of any spores, mycotoxins, odors, or any other substances, products or by products 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;
- E. based on or arising out of any actual or alleged discrimination, humiliation, harassment, or misconduct that includes but shall not be limited to **Claims** based on an individual's race, creed, color, age, gender,



national origin, religion, disability, marital status or sexual preference; provided, however this exclusion does not apply to any **Damages** or **Claim Expenses** from any **Discrimination Claim** up to the sub-limit provided at Section III.,C. of this Policy;

- F. based on or arising out of the actual or alleged formation, syndication, operation or administration of any property syndication, real estate investment trust or any other form of corporation, general or limited partnership or joint venture formed for the purpose of investing in, buying, selling, or maintaining real property;
- G. based on or arising out of the **Named Insured's Professional Services** in connection with the actual, alleged or attempted purchase by, sale, leasing, or appraisal of property developed, constructed or owned by:
  - 1. the **Named Insured** or **Named Insured's** spouse;
  - 2. the **Named Insured** was employed or subcontracted by a real estate broker or sales person who was a party to any transaction involving the appraised property;
  - 3. any entity in which the **Named Insured** had a financial interest or contemplated a financial interest;
  - 4. any entity which had a financial interest or contemplated a financial interest in the **Named Insured**;  
or
  - 5. any entity which is under the same financial control as the **Named Insured**;  
provided that such financial interest or contemplated financial interest existed at the time of the act or omission giving rise to the **Claim**;
- H. based on or arising out of:
  - 1. the actual or alleged filing of any registration statement under the Securities Act of 1933 or the Securities Exchange Act of 1934 any State Blue Sky Law, or any other state or local securities law; or
  - 2. the Securities Act of 1933 or the Securities Exchange Act of 1934, rules or regulations of the Securities Exchange Commission under either or both acts, similar securities laws or regulations of state, or any laws of any state relating to any transaction arising out of, involving, or relating to the public offering of securities;
- I. based on or arising out of any actual or alleged:
  - 1. failure to effect or maintain any insurance, financing or bond; or
  - 2. failure to advise of the need for adequate amount or type of insurance, financing or bond;
- J. based on or arising out of the **Named Insured's** actual or alleged interests, operations, or activities as an escrow agent, insurance agent, insurance broker, lawyer, mortgage banker, asset manager, title agent, title abstractor, **Construction Manager**, real estate agent, real estate broker, property manager, property developer, consultant, or home inspector;
- K. based on or arising out of any actual or alleged anti-trust law violation or any agreement or conspiracy to restrain trade;
- L. based on or arising out of:
  - 1. the **Named Insured's** actual or alleged liability under any oral or written contract, agreement, guaranty, warranty, promise or representation; or
  - 2. the actual or alleged liability of others the **Named Insured** assumes under any oral or written contract or agreement;except that coverage otherwise available to the **Named Insured** shall apply to the **Named Insured's** liability that exists in the absence of such contract, agreement, guaranty, warranty, promise or representation;
- M. based on or arising out of any actual or alleged dishonest, fraudulent, criminal, malicious act or omission or intentional wrongdoing by the **Named Insured** except that:
  - 1. this exclusion shall not apply to **Personal Injury**;
  - 2. the Company shall provide the **Named Insured** with a defense of such **Claim** unless or until the dishonest, fraudulent, criminal, malicious act or omission or intentional wrongdoing has been determined by any trial verdict, court ruling, regulatory ruling or legal admission, whether appealed or not. Such defense will not waive any of the Company's rights under this Policy. Criminal proceedings are not covered under this Policy regardless of the allegations made against the **Named Insured**;



- N. based upon or arising out of the actual, alleged or attempted representation of clients in connection with any securities transaction (either registered or exempt) including, but not limited to, bond or other debt offerings, public stock offerings, property syndication or real estate investment trusts;
- O. based upon or arising out of the insolvency or bankruptcy of the **Named Insured**;
- P. based upon or arising out of any guarantee or promise of future status, performance or valuation in the course of performing **Professional Services** by the **Named Insured**;
- Q. based upon or arising out of the actual or alleged misappropriation of trade secret or infringement of patent, copyright, trademark, trade dress or any other intellectual property right or unauthorized use of confidential, privileged or non-public information;
- R. based upon or arising out of the actual or alleged notarized certification or acknowledgement by the **Named Insured** of a signature on any document that the **Named Insured** did not witness being placed on the document;
- S. based upon or arising out of the rendering of, or failure to render, **Professional Services** by the **Named Insured** as an employee, owner, partner, stockholder, director or officer of any business enterprise not named in the Declarations.

## VI. CONDITIONS

### A. Assistance and Cooperation

1. The **Named Insured** shall cooperate with the Company and upon the Company's request, shall attend hearings, depositions and trials and shall assist in effecting settlements, securing and giving evidence, obtaining the attendance of witnesses and assist in the conduct of suits and proceedings in connection with a **Claim**.
2. The **Named Insured** shall assist in the enforcement of any right of contribution or indemnity against any person or organization who or which may be liable to the **Named Insured** in connection with a **Claim**.
3. The **Named Insured** shall not voluntarily assume or admit any liability or incur any expense, except at the **Named Insured's** own cost, without the Company's written consent.

### B. Bankruptcy

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

### C. Cancellation/Non-Renewal

The Cancellation/Non-Renewal provisions are as set forth in the Cancellation/Non-Renewal Endorsement attached to this Policy.

### D. Changes to Policy

Notice to any of the Company's agents or knowledge possessed by any such agent or any other person shall not act as a waiver or change in any part of this Policy. It also will not prevent the Company from asserting any rights under the provisions of this Policy. None of the provisions of this Policy will be waived, changed or modified except by written endorsement to this Policy.

### E. Conformity to Law

Terms of this Policy which are in conflict with the laws and regulations of the state wherein this Policy is issued are hereby amended to conform to such laws and regulations effective as of the inception date of the Policy.





#### F. Entire Contract

By acceptance of this Policy the **Named Insured** agrees that:

1. this Policy, endorsements thereto, together with the completed and signed application and any and all supplementary information and statements provided by the **Named Insured** to the Company (all of which are deemed to be incorporated herein) embody all of the agreements existing between the **Named Insured** and the Company and shall constitute the entire contract between the **Named Insured** and the Company;
2. all of the information and statements provided to the Company by the **Named Insured** are true, accurate and complete and shall be deemed to constitute material representations made by the **Named Insured**;
3. this Policy is issued in reliance upon the **Named Insured's** representations; and
4. the misrepresentation of any material matter by the **Named Insured** or the **Named Insured's** agent will render this Policy null and void.

#### G. Examination of the **Named Insured's** Books and Records

The Company may examine, audit and make copies of the **Named Insured's** books and records at any time during the **Policy Period** and up to three years afterward.

#### H. Legal Action Limitation

1. The **Named Insured** agrees not to bring a legal action against the Company concerning this Policy unless the **Named Insured** has fully complied with all the provisions of this Policy; and the **Named Insured's** obligation to pay shall have been finally determined either by judgment against the **Named Insured** after actual trial or by written agreement of the **Named Insured**, the claimant and the Company.

Any person or organization or the legal representative thereof who has secured such judgment or written agreement shall thereafter be entitled to recover under this Policy to the extent of the insurance afforded by this Policy. No person or organization shall have any right under this Policy to join us as a party to any action against a **Named Insured**, nor shall the Company be impleaded by the **Named Insured** or his legal representative.

2. If, after the final adjudication or settlement of a **Claim**, there is any dispute concerning tort allegations against the Company regarding the handling or settlement of any **Claim**, the Company and **Named Insured** agree to submit such dispute to any form of alternative dispute resolution acceptable to both parties. Should the Company and **Named Insured** be unable to agree on the form of alternative dispute resolution, then such dispute shall be submitted to binding arbitration by the American Arbitration Association, under its Commercial Arbitration Rules, and judgment on the award rendered by the arbitrators may be entered in any court having jurisdiction thereof.

#### I. Liberalization

If the Company adopts any revision that would broaden coverage under this policy form CNA-88632-XX without additional premium at any time during the **Policy Period**, the broadened coverage will immediately apply to this Policy except that it will not apply to **Claims** that were first made against the **Named Insured** prior to the effective date of such revision.

#### J. Notice of **Claims** and potential **Claims**

1. The **Named Insured**, as a condition precedent to the Company's obligations under this Policy, shall as soon as reasonably possible after learning of a **Claim** give written notice to the Company during the **Policy Period** of such **Claim**. The Company agrees that the **Named Insured** may have up to, but not exceed, thirty (30) days after the Policy expiration to report a **Claim** made against the **Named Insured** during the **Policy Period** if the reporting of such **Claim** is as soon as reasonably possible.
2. If during the **Policy Period**, the **Named Insured** gives the Company notice of a **Circumstance** detailing:
  - a. the specific act or omission;



- b. the dates and persons involved;
- c. the identity of anticipated or possible claimants; and
- d. the circumstances by which the **Named Insured** first became aware of the possible **Claim**, then any **Claim** that is both made against the **Named Insured** and reported to the Company during any renewal policy period and that arises out of such **Circumstance** shall be deemed to have been made at the time such written notice was given to the Company.

#### K. Notices to the Company

Any notices required to be given by the **Named Insured** shall be submitted in writing to the Company or the Company's authorized representative at the address specified in the Declarations.

#### L. Other Insurance

This Policy shall be excess over any other valid and collectible insurance, self-insurance or indemnification agreement available to the **Named Insured**, whether such other insurance or indemnification agreement is stated to be primary, contributory, excess contingent, self-insured retention or otherwise.

#### M. Reimbursement

If the Company, in the exercise of its discretion and without any obligation to do so, pays any amount within the amount of the deductible or in excess of the applicable limit of liability, the **Named Insured** agrees to be liable to the Company for any and all such amounts and, upon demand, shall repay such amounts to the Company.

#### N. Subrogation

In the event of any payment, the Company shall be subrogated to all of the **Named Insured's** rights of recovery against any person or organization. The **Named Insured** shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. The **Named Insured** shall do nothing to prejudice such rights.

#### O. Territory

This Policy applies to acts or omissions that happen anywhere in the world provided that **Claim** is made or suit is brought against the **Named Insured** in the United States of America, its territories or possessions or Puerto Rico or Canada.

#### P. Trade and Economic Sanctions

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

#### Q. Transfer of Interests

For a transfer of interest or an assignment of the Policy to be effective, the **Named Insured** must obtain the Company's written consent endorsed hereto.

### VII. EXTENDED REPORTING PERIODS

As used herein, "extended reporting period" means the period of time after the end of the **Policy Period** for reporting **Claims** that are made against the **Named Insured** during the applicable "extended reporting period" by reason of an act or omission that occurred prior to the end of the **Policy Period** and is otherwise covered by this Policy.

#### A. Automatic "extended reporting period"

If this Policy is canceled or non-renewed by either the Company or by the **Named Insured**, the Company will provide an automatic, non-cancelable "extended reporting period" starting at the termination of the



**Policy Period** if the **Named Insured** has not obtained another policy of real estate appraisers professional liability insurance within sixty (60) days of the termination of this Policy. This automatic “extended reporting period” will terminate after sixty (60) days.

B. Optional “extended reporting period”

1. If this Policy is canceled or non-renewed by either the Company or by the **Named Insured**, then the **Named Insured** shall have the right to purchase an optional “extended reporting period” Such right must be exercised by the **Named Insured** within sixty (60) days of the termination of the **Policy Period** by providing:
  - a. written notice to the Company; and
  - b. with the written notice, the applicable additional premium which will be calculated in accordance with the rates and rules in effect on the inception date of this Policy.
2. The first sixty (60) days of the optional “extended reporting period” if it is purchased, shall run concurrently with the automatic “extended reporting period”

C. Death or disability “extended reporting period”

1. If the **Named Insured** dies or becomes **Totally and Permanently Disabled** during the **Policy Period**, then upon the latter of the expiration of: the **Policy Period**; any renewal or successive renewal of this policy; or any automatic or optional “extended reporting period” the **Named Insured** shall be provided with a death or disability “extended reporting period” as provided below.
  - a. In the event of death, the **Named Insured's** estate, heirs, executors or administrators must, within sixty (60) days of the expiration of the **Policy Period**, provide the Company with written proof of the date of death. This death or disability “extended reporting period” is provided to the estate, heirs, executors and administrators of the **Named Insured**.
  - b. If the **Named Insured** becomes **Totally and Permanently Disabled**, the **Named Insured** or **Named Insured's** legal guardian must, within sixty (60) days of the expiration of the **Policy Period**, provide the Company with written proof that the **Named Insured** is **Totally and Permanently Disabled**, including the date the disability commenced, certified by the **Named Insured's** physician. The Company retains the right to contest the certification made by the **Named Insured's** physician, and it is a condition precedent to this coverage that the **Named Insured** agree to submit to medical examinations by any physician designated by the Company at the Company's expense.
  - c. This death or disability “extended reporting period” is provided until the **Named Insured** shall no longer be **Totally or Permanently Disabled** or until the death of the **Named Insured**, in which case subparagraph a. hereof shall apply.
2. No additional premium will be charged for any death or disability “extended reporting period.”
3. There is no right to exercise the death or disability “extended reporting period” if, prior to the **Named Insured's** death or disability, the **Named Insured's** license to perform **Professional Services** has been revoked, suspended or surrendered at the request of any regulatory authority, or if the **Named Insured** is the subject of a disciplinary investigation or proceeding during the **Policy Period**.

D. Non-practicing “extended reporting period”

1. If the **Named Insured** retires or otherwise voluntarily ceases, permanently and totally, performing **Professional Services** during the **Policy Period** and has been continuously insured by the Company for at least five consecutive **Policy Periods**, then such **Named Insured** shall be provided with a non-practicing “extended reporting period” commencing upon the latter of the expiration of: the **Policy Period**; any renewal or successive renewal of this Policy; or any automatic or optional “extended reporting period.”
2. This “extended reporting period” is provided until the **Named Insured** shall resume performing **Professional Services** or until the death of the **Named Insured** in which case subparagraph C.1.a. hereof shall apply.
3. The Company will issue a non-practicing “extended reporting period” only if:
  - a. the **Named Insured** requests, in writing from the Company, an endorsement providing such nonpracticing “extended reporting period” no more than sixty (60) days after the date of retirement or sixty (60) days after the end of the **Policy Period**, whichever is earlier. Such request must include a written confirmation of retirement of the **Named Insured**; and

- b. the **Named Insured** has paid all premium and deductibles due for this policy at the time the **Named Insured** requests a non-practicing "extended reporting period" endorsement.
- 4. No additional premium will be charged for any non-practicing "extended reporting period."
- 5. There shall be no right to the non-practicing "extended reporting period" if the **Named Insured's** license to practice **Professional Services** has been revoked, suspended or surrendered at the request of any regulatory authority, or if the **Named Insured** is the subject of a disciplinary investigation or proceeding during the **Policy Period**.

E. "extended reporting periods" limits of liability

The limit of liability for **Damages** and **Claim Expenses** for all **Claims** reported during the automatic and optional "extended reporting periods" shall be part of and not in addition to the limits of liability for the **Policy Period** as set forth in the Declarations and Section III., titled **Limits of Liability/Deductible**, of this Policy.

F. Elimination of right to any "extended reporting period"

There is no right to any "extended reporting period" if the Company shall cancel or refuse to renew this Policy due to:

- 1. non-payment of any premium or deductibles due under this Policy;
- 2. non-compliance by the **Named Insured** with any of the terms and conditions of this Policy; or
- 3. any misrepresentation or omission in the application for this Policy.

G. "Extended reporting period" not a new Policy

It is understood and agreed that the "extended reporting period" shall not be construed to be a new Policy and any **Claim** submitted during such period shall otherwise be governed by this Policy.

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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 Declarations and executed by our duly authorized representative.

Chairman

Secretary

  
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