

Coverage:

Endorsement Number:

Issued To:

Policy Number:

Issued By:

Effective Date:

REAL ESTATE SCHEDULED SERVICES ENHANCED

In consideration of the premium charged it is agreed that:

For the purpose of this endorsement, the following Schedule applies:

REAL ESTATE SERVICE	SUB-LIMIT OF LIABILITY (for each Claim ; not to exceed/ for all Claims in the aggregate)	DEDUCTIBLE (each Claim)
Business Broker		
Construction Manager		
Discrimination and Fair Housing		
Insurance Placement		
Mold		
Mortgage Broker		
Photography Copyright Infringement		
Pollution		
Property Manager for Owned Properties		
Real Estate Agent for Constructed or Developed Properties		
Real Estate Agent for Raw Land		
Real Estate Agent for Owned Properties		
Real Estate Appraiser		
RESPA Violations		
Unmanned Aircraft Inspection and Photography		

A separate each **Claim** and aggregate sublimit of liability, and deductible shall apply to each Real Estate Service shown on the Real Estate Service Schedule ("Schedule") above as applicable.

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A. Section C.1. Limit of Liability is amended to include:

The each **Claim** sublimit of liability shown on the Schedule above is the most **We** will pay for the sum of all **Loss** arising out of a single **Claim, Supplemental Coverage Matter** or a series of related **Claims** and **Supplemental Coverage Matters** in any way involving the corresponding service on the Schedule, regardless of the number of persons or entities insured under this **Policy**, number of **Claims** made or the number of persons or entities making **Claims** during the **Policy Period** or during any **Extended Reporting Period**, if any. The each **Claim** sublimit of liability shown on the Schedule above will be included within, and not in addition to, the aggregate limit of liability as shown in Item 3. of the Declarations Page.

If no each **Claim** sublimit of liability for the corresponding service is indicated on this endorsement Schedule, the corresponding sublimit is zero (\$0).

The aggregate sublimit shown on the Schedule above is the most **We** will pay for the sum of all **Loss** for all **Claims** and **Supplemental Coverage Matters** in any way relating to the corresponding service on the Schedule which amount will be included within, and not in addition to, the aggregate Limit of Liability as shown in Item 3. of the Declarations page. If no aggregate **Claim** sublimit of liability for the corresponding service is indicated on this endorsement Schedule, the corresponding sub-limit is zero (\$0).

B. Section C.2. Deductible, paragraph b., is deleted and replaced by:

b. If **We** request, and **You** agree, to use **Mediation** to resolve any **Claim** brought against **You**, and if the **Claim** is resolved by **Mediation** prior to commencement of litigation and within 180 days of the date such **Claim** being made, **Your** deductible obligation for that **Claim** will be reduced by 50%, subject to a maximum reduction of \$5,000.

C. Section C.2. Deductible is amended to include:

The deductibles shown on this endorsement Schedule apply to each **Claim** and **Supplemental Coverage Matter** relating to the corresponding Real Estate Service. If no deductible is indicated on this endorsement Schedule for the service, the deductible for **Claims** and **Supplemental Coverage Matters** relating to the service will be the deductible shown on the Declarations page.

If different parts of a **Claim** are subject to different deductibles, the applicable deductible will be applied separately to each part of such **Claim** but the sum of such deductibles shall not exceed the largest applicable deductible.

Your deductible obligation for a **Claim** will be waived, subject to a maximum reduction of \$5,000, if the following conditions are met and such documentation is provided to us with the initial notice of **Claim**:

- 1) A seller disclosure form was signed by the seller and acknowledged by the buyer prior to closing;
- 2) A home warranty was received by the buyer prior to or at closing, or **You** received from all buying parties, signed, written waivers of a home warranty, prior to or at closing;
- 3) A written home inspection report was issued by a licensed or certified home inspector and provided to the buyer prior to closing, or **You** received from all buying parties, signed, written waivers of a home inspection, prior to or at closing;
- 4) A state or local board approved standard sales contract was utilized, and
- 5) Provided none of You acted as both buyer's and seller's agent in the transaction.

The deductible reductions provided above may not be combined. Only one reduction in **Your** deductible obligation may be applied to a single **Claim**. A deductible reduction will not be applied:

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- 1) To any subsequent **Claims** in the **Policy Period**.
- 2) If the **Policy** is cancelled, terminated, non-renewed or subject to an **Extended Reporting Period**.

D. Section D. Definitions, the definition of Professional Services is deleted and replaced by:

Professional Services means **Professional Real Estate Services**.

E. Section D. Definitions is amended to include:

Constructed or Developed Property means real property developed or constructed by:

1. Any **Insured**;
2. Any entity in which the **Insured** had a financial or a contemplated financial interest;
3. Any entity with a financial interest or contemplated financial interest in the **Named Insured**; or
4. Any entity under the same financial control as the **Named Insured**.

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

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

Guaranteed Sale Listing Contract means a written agreement between the **Named Insured** and the seller of real property, in which the **Named Insured** agrees to purchase such property if it is not sold under the listing agreement in the time frame specified by the agreement.

Immediate Family means a spouse, ex-spouse, sibling(s), children, parent(s) or **Domestic Partner**.

Insurance Placement means placement of property and casualty insurance for a property to which the **Named Insured** provides **Professional Services** as a **Property Manager**, through an insurance agent or broker.

Licensed Remote Pilot means an individual that has satisfied required, federal, state and local licensing and certification requirements to operate an **Unmanned Aircraft**, and all licensing and certification requirements are valid and in force during the time **You** are operating an **Unmanned Aircraft** as part of **Professional Services**.

Limited Additional Insured means a real estate franchisor of which the **Named Insured** is a franchisee, and such franchisor's parent, subsidiary, successor and assign, to which this **Policy** applies only with respect to a **Claim** solely alleging vicarious liability imposed due to a **Wrongful Act** of an **Insured**. No coverage is afforded to a **Limited Additional Insured** for any **Claim** alleging, or in any way involving, any independent act, error or omission of a **Limited Additional Insured**.

Owned Property means real property owned by:

1. Any **Insured**;
2. Any entity in which the **Insured** had a financial or a contemplated financial interest;
3. Any entity with a financial interest or contemplated financial interest in the **Named Insured**; or
4. Any entity under the same financial control as the **Named Insured**.

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Professional Real Estate Services means those services which **You** perform for others for a fee, including advice given, provided that any individual providing the service is properly licensed or certified at the time the service is provided, as a **Real Estate Agent**, real estate appraiser, or **Property Manager**.

Property Manager means a person or entity providing the following services regarding a commercial or residential property, including a Real Estate Owned (REO) property, foreclosure, or short sale:

1. Development and implementation of management plans and budget;
2. Oversight of physical maintenance of property;
3. Solicitation, evaluation, selecting and securing of tenants, management of tenant relations, collection of rent and processing evictions;
4. Development, implementation and management of loss control and risk management plans for real property;
5. Development, implementation and management of contracts and subcontracts necessary for the daily functioning of the property; or
6. Personnel administration and record keeping in connection with a managed property.

Property Manager does not include **Construction Manager**, or any property improvement or maintenance services, or any repairs performed by an **Insured** or any entity where any **Insured** holds a position or financial interest.

Real Estate Agent means a person or entity providing the following services regarding a commercial or residential real property: agent, auctioneer, broker, referral agent, consultant or counselor in the sale or leasing of commercial or residential real estate, relocation agent, photographer, real estate stager, notary public, or **Short Term Escrow Agent**.

Short Term Escrow Agent means an **Insured** who, in connection with the sale or purchase of real property, receives or holds funds in, or distributes funds from, an escrow or trust account where all such funds are to be fully distributed within twelve (12) months from the date received.

Unmanned Aircraft means an aircraft operated under remote control and without a human pilot on board.

Unmanned Aircraft Inspection and Photography means inspection or photography utilizing an **Unmanned Aircraft** by an individual who is a **Licensed Remote Pilot** and complies with Federal Aviation Administration (FAA) operating limitations for small unmanned aircraft systems.

F. Section E. Exclusions, Paragraphs 5., 6., 10., 11., 14., and 17. are deleted and replaced by:

5. Pollution

Based upon, arising out of, or in any way related to, directly or indirectly:

- a. The actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of **Pollutants** at any time;
- b. Any directive, request or voluntary decision that any **Insured** monitor, clean up, remove, contain, treat, detoxify or neutralize **Pollutants**; or
- c. Any governmental or regulatory directive to request to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize **Pollutants**; or
- d. The failure to discover, disclose, or report of the existence or amount of **Pollutants**.

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However subject to the corresponding sublimit and deductible in the Schedule above, which shall apply to all **Loss** in any way involving failure to disclose, report, or advise of the existence of **Pollutants** (hereafter "Failure To Disclose **Pollutants**"), this exclusion shall not apply to Failure To Disclose **Pollutants**;

6. Fungi

Based upon, arising out of, or in any way related to, directly or indirectly:

- a. The presence of, suspected presence of or exposure to:
 - 1) Fungi, including but not limited to mold, mildew and yeast; or
 - 2) Bacteria or viruses; or
 - 3) Dust, spores, odors, particulates or byproducts, including but not limited to mycotoxins and endotoxins, resulting from any of the organisms listed in 1) or 2) above, from any source whatsoever; or
- b. The failure to discover or disclose the existence of any of the organisms listed in a. above, from any source whatsoever (hereafter "Failure To Disclose Mold"); or
- c. Any loss, cost or expense arising out of the testing for, monitoring of, cleaning up of, removal of, containment of, treatment of, detoxification of, neutralization of, remediation of, disposal of or any other response to or assessment of the effects of any of the items in a. above, from any source whatsoever.

However subject to the corresponding sublimit and deductible in the Schedule above, which shall apply to all **Loss** in any way involving Failure To Disclose Mold, this exclusion shall not apply to Failure To Disclose Mold;

10. Employment Practices

Based upon, arising out of, or in any way related to, directly or indirectly,

- a. Any **Employment Practices** liability; or
- b. Any discrimination on any basis, including, but not limited to: race, creed, color, religion, ethnic background, national origin, age, handicap, disability, gender, sexual orientation or pregnancy.

However subject to the corresponding sublimit and deductible in the Schedule above, which shall apply to all **Loss** in any way involving discrimination, exclusion 10.b. shall not apply to alleged violations of Title VIII of the Civil Rights Act of 1968 [42 U.S.C. 3601 et seq.] or the Fair Housing Amendment of 1988 or any similar state or local law or ordinance prohibiting discrimination in housing (hereafter "Discrimination And Fair Housing.");

11. Intellectual Property

Based upon, arising out of, or in any way related to, directly or indirectly, any misappropriation or misuse of trade secret or infringement of patent, copyright, trademark, trade dress or any other intellectual property right.

However subject to the corresponding sublimit and deductible in the Schedule above, which shall apply to all **Loss** in any way involving copyright infringement for photographs, exclusion 11. shall not apply to copyright infringement for photographs;

14. Government Body

Against **You**, that is brought by or on behalf of any federal, state or local government agency or professional or trade licensing organizations; however, this exclusion shall not apply:

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- a. Where the **Claim** alleges a **Wrongful Act** in **Your** rendering **Professional Real Estate Services** to such entity;
- b. For a **Disciplinary Proceeding**; or
- c. For violations of the Real Estate Settlement and Procedures Act (hereafter RESPA) provided such RESPA allegations are subsequently disproved by a final adjudication favorable to the **Insured** then **We** shall reimburse **Claim Expenses** subject to the corresponding sublimit and deductible in the Schedule above;

17. Insurance Placement

Based upon, arising out of, or in any way related to, directly or indirectly, **Your** advising, requiring, obtaining, or failing to advise, require, or obtain, any bond, suretyship or other form of insurance. However subject to the corresponding sublimit and deductible in the Schedule above, which shall apply to all **Loss** in any way involving **Insurance Placement**, this exclusion shall not apply to **Insurance Placement** if the following conditions are met:

- a. The **Insured** follows the recommendations of, and places the insurance through, a properly licensed and insured Insurance agent or broker;
- b. The insurance agent or broker is not an **Insured** or affiliated with any **Insured**; and
- c. It is further agreed that this **Policy** shall not apply to intentional failure to effect or renew any insurance;

G. Section E. Exclusions is amended to include:

This **Policy** does not apply to **Claim(s)** or **Supplemental Coverage Matter(s)**:

Based upon, arising out of, or in any way relating to, directly or indirectly:

- a. Any disputes involving any **Insured's** fees, commissions or charges, or the failure to pay or collect premium, escrow or tax monies;
- b. Any promises, warranties, or guarantees made by any **Insured** as to:
 - 1) The current and/or future value of any property;
 - 2) Potential sales, earnings, profitability, or economic value; or
 - 3) The suitability of a property for a specific use;
- c. Any services as a property developer, builder, loss control inspector, risk manager, safety inspector, insurance agent, insurance broker, mortgage banker, title abstractor, and/or title agent;
- d. Any services as a **Construction Manager**, however subject to the corresponding sublimit and deductible in the Schedule above, which shall apply to all **Loss** in any way involving services as a **Construction Manager**, this exclusion shall not apply to services as a **Construction Manager** for maintenance or minor, non-structural renovations that do not require the stamp of an architect or engineer;
- e. Advice on financing for any portion of any construction, reconstruction or renovation, or any estimate of construction, reconstruction or renovation costs;
- f. Any faulty workmanship by contractors or subcontractors of an **Insured**, including materials, parts or equipment supplied by an **Insured**;
- g. Any construction means, methods, techniques, sequences or procedures used in any construction, reconstruction or renovation;
- h. Any implementation or management of any loss control or risk management plans;

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- i. Any services as a real estate appraiser, however subject to the corresponding sublimit and deductible in the Schedule above, which shall apply to all **Loss** in any way involving services as a real estate appraiser, this exclusion i. shall not apply to services as a real estate appraiser;
 - j. The appraising of any property developed, constructed or owned by:
 - 1) Any **Insured** at the time of the **Wrongful Act** giving rise to the **Claim**;
 - 2) Any entity in which the **Insured** had, at the time of the **Wrongful Act** giving rise to the **Claim**, a financial interest;
 - 3) Any entity which had, at the time of the **Wrongful Act** giving rise to the **Claim**, a financial interest in the **Named Insured**; or
 - 4) Any entity which at the time of the **Wrongful Act** giving rise to the **Claim**, was under the same financial control as the **Named Insured**;
 - k. Any services as a business broker, however subject to the corresponding sublimit and deductible in the Schedule above, which shall apply to all **Loss** in any way involving services as a business broker, this exclusion k. shall not apply to services as a business broker;
 - l. Any services as a mortgage broker, however subject to the corresponding sublimit and deductible in the Schedule above, which shall apply to all **Loss** in any way involving services as a mortgage broker, this exclusion l. shall not apply to services as a mortgage broker;
 - m. **Unmanned Aircraft Inspection and Photography**, however subject to the corresponding sublimit and deductible in the Schedule above, this exclusion shall not apply to **Unmanned Aircraft Inspection and Photography**;
 - n. The formation, syndication, operations or administration of any property syndication, or real estate investment trust or any other form of corporation, general or limited partnership or joint venture formed for the purpose of investing in, selling or maintaining real property, including those syndications, trusts, corporations, partnerships or joint ventures in which the **Insured** has, had or intended to have a participating interest, directly or indirectly, in the profits or losses thereof;
 - o. Any actual or attempted sale, purchase, leasing, appraisal, or property management of **Owned Property**. However, in regard to:
 - 1) Services as **Property Manager** that in any way involve **Owned Property**, however subject to the corresponding sublimit and deductible in the Schedule above, this exclusion o.1) shall not apply if:
 - (a) The **Claim** is not brought or maintained by, on behalf of, in the right of, or at the direction of any other owner, or any business entity that is owned, managed or operated, directly or indirectly by any other owner, in any capacity; or
 - (b) If the **Claim** is brought or maintained by, on behalf of, in the right of, or at the direction of any other owner, or any business entity that is owned, managed or operated, directly or indirectly by any other owner, in any capacity, the amounts payable as **Loss** by **Us** will be reduced by that percent of the ownership/equity owned by all **Insureds** and all **Insureds' Immediate Family**;
 - 2) The actual or attempted sale or leasing of real property in which the combined ownership interest of all **Insureds** was less than 20% at the time of the sale or lease, this exclusion o.2) shall not apply;

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- 3) The actual or attempted sale of residential real property, consisting of a 1-4 family dwelling, owned by any **Insured**, subject to the corresponding sub-limit and deductible in the Schedule above this exclusion o.3) shall not apply when all of the following conditions are met in connection with such sale:
 - (a) A seller disclosure form was signed by the seller and acknowledged in writing by the buyer prior to closing, and such seller disclosure also included a full disclosure of the relationship between the **Insured** and the seller;
 - (b) A home warranty was received by the buyer prior to or at closing, or **You** received from all buying parties, signed, written waivers of a home warranty, prior to or at closing;
 - (c) A written home inspection report was issued by a licensed or certified home inspector and provided to the buyer prior to closing, or **You** received from all buying parties, signed, written waivers of a home inspection, prior to or at closing; and
 - (d) A state or local board approved standard sales contract was utilized;
 - 4) The actual or attempted sale of real property owned by the **Named Insured** if the property was acquired by the **Named Insured** under a **Guaranteed Sale Listing Contract**, and from acquisition to resale the title is held by the **Named Insured** for twelve (12) months or less, and continually offered for sale by the **Named Insured**, this exclusion o.4) shall not apply;
 - 5) The actual or attempted sale, leasing, or property management of any **Insured's** residential real property by another **Insured**, who does not have an ownership interest in the property, and provided no **Insured** with an ownership interest in the property provides any **Professional Services**, including supervision, with regard to the property, this exclusion o.5) shall not apply; or
 - 6) The actual or attempted sale of raw land owned by any **Insured**, subject to the corresponding sub-limit and deductible in the Schedule above this exclusion o.6) shall not apply when all of the following conditions are met in connection with such sale:
 - (a) A seller disclosure form was signed by the seller and acknowledged in writing by the buyer prior to closing, and such seller disclosure also included a full disclosure of the relationship between the **Insured** and the seller;
 - (b) A survey of the property was received by the buyer prior to or at closing, and
 - (c) A state or local board approved standard sales contract was utilized;
 - p. Any actual or attempted sale of **Constructed or Developed Property**, however subject to the corresponding sublimit and deductible in the Schedule above, which shall apply to all **Loss** in any way involving **Constructed or Developed Property**, this exclusion p. shall not apply when all of the following conditions are met:
 - 1) A seller disclosure form was signed by the seller and acknowledged in writing by the buyer prior to closing, and such seller disclosure also included a full disclosure of the relationship between the **Insured** and the developer/builder;
 - 2) A home warranty was received by the buyer prior to or at closing; and
 - 3) The developer/builder maintains a contractor's professional liability policy and complies with the terms of that policy;
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- q. Any actual or alleged notarization, certification or acknowledgment by an **Insured** of a signature, including electronic signatures, on a document when the **Insured** did not witness the signature being placed on the document. Compliance with all state requirements of the **Insured's** applicable state for notarial acts using communication technology will be deemed to be witnessing the signature being placed on the document;
- r. Any actual or alleged failure to maintain any premises, site or location in a tenable, habitable, livable or usable condition, or actual or constructive wrongful eviction, violation of any rent stabilization law or ordinance, or violation of any local, state, and/or federal code, law, ordinance, statute, rule or regulation, that relates to the tenantability, habitability, condition, maintenance or upkeep of any premises, site or location (hereafter "Tenantability, Habitability and Maintenance"), whether this:
- 1) Arises, in whole or in part, out of an allegation that any part of the premises, site or location is or was untenable, not habitable and/or was improperly maintained;
 - 2) Arises out of a chain of events which includes an allegation that any part of the premises, site or location is or was untenable, not habitable and/or was improperly maintained, regardless of whether such allegation is the initial precipitating event or a substantial cause of the alleged **Damages** or injury; or
 - 3) Arises out of an allegation that any part of the premises, site or location at issue is untenable, not habitable or was improperly maintained as a concurrent cause of injury, regardless of whether such allegation is the proximate cause of **Damages** or injury.

However, if none of **You** have any ownership interest in the property, subject to the aggregate sublimit stated below, this Exclusion shall not apply to Tenantability, Habitability and Maintenance **Claims**. **Our** aggregate sublimit for **Loss** from all in any way involving Tenantability, Habitability and Maintenance is \$25,000 which amount is included within, and not in addition to, the Limit of Liability set forth in Item 3. of the Declarations page;

- s. Any **Insured's** unauthorized use of confidential, privileged or non-public material or information for any purpose whatsoever;
- t. Any Exterior Insulation and Finish Systems (commonly referred to as synthetic stucco) application, installation, use or sale. Exterior Insulation and Finish System means any exterior cladding or finish system used on any part of any structure, and consisting of any or all of the following, or similar, processes or applications:
- 1) A rigid or semi rigid insulation board made of expanded polystyrene or other material;
 - 2) The adhesive and or mechanical fasteners used to attach the insulation board to the substrate;
 - 3) A reinforced base coat; or
 - 4) A finish coat providing surface texture and color; or
- u. Any statutory penalties, fines, assessments, attorney fees or any interest, for any actual or alleged violation of any federal, state or local statute, ordinance or regulation regarding the rights and obligations of landlords and tenants of dwelling units; however, this exclusion does not apply to liability **You** would have in the absence of such statute, ordinance or regulation regarding the rights and obligations of landlords and tenants of dwelling units.

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H. Section F.4. Retirement Extended Reporting Period is deleted and replaced by:

4. Retirement Extended Reporting Period

If, during the **Policy Period**, the **Named Insured** who is a sole proprietor, retires completely from rendering **Professional Services** specifically covered by this **Policy**, has been continuously insured by **Us** under a Professional Liability Insurance policy for the immediately preceding five (5) full years, does not have any other available insurance coverage, and meets **Our** eligibility requirements, **We** will issue a retirement **Extended Reporting Period** endorsement without additional charge. **You** must, within sixty (60) days after the **Policy Termination Date**, notify **Us** in writing if this coverage is desired. This retirement **Extended Reporting Period** does not apply to **Claims** that are covered under any subsequent insurance available to **You**, or that would be covered but for exhaustion of the amount of insurance applicable to such **Claims**.

We also require:

- a. **You** are sixty-five (65) years of age or older;
- b. **Your** license or right to provide **Professional Services** has not been revoked, suspended, or **You** have not relinquished **Your** license or right to provide **Professional Services** in lieu of suspension or revocation, in any state or jurisdiction where **You** have a license or a right to provide professional services; and
- c. **Your Policy** was not cancelled (unless reinstated) for failure to pay premium when due.

The retirement **Extended Reporting Period** expires when **You** resume rendering **Professional Services**.

For purposes of determining eligibility for the Retirement Extended Reporting Period, full years continuously insured with the Norman Spencer Insurance Program shall be considered years continuously insured by **Us**.

All other terms and conditions remain unchanged. The title and any headings in this endorsement are solely for convenience and form no part of the terms and conditions of coverage.