Mississippi Real Estate Brokers Professional Liability Policy - Declarations

Insurance is provided by the following **Underwriter:**

Zurich American Insurance Company
1400 American Lane
Schaumburg, Illinois 60196-1056
(a stock company)

Policy Number: **EOC 9487185 01** Renewal of: EOC 9487185 00

THIS POLICY PROVIDES CLAIMS MADE AND REPORTED COVERAGE. CLAIMS MUST FIRST BE MADE AGAINST THE INSUREDS DURING THE POLICY PERIOD, OR ANY APPLICABLE EXTENDED REPORTING PERIOD, AND REPORTED TO THE UNDERWRITER PURSUANT TO SUBSECTION VII.G. OF THIS POLICY. THE PAYMENT OF DEFENSE COSTS REDUCES OR EXHAUSTS THE LIMITS OF LIABILITY AVAILABLE UNDER CERTAIN INSURING AGREEMENTS. PLEASE READ THE ENTIRE POLICY CAREFULLY.

Item 1. **Policyholder:** The Mississippi Real Estate Commission on behalf of Mississippi licensees who hold an active real estate license issued by the **Commission** pursuant to the Mississippi Real Estate Brokers License Law of 1954, Mississippi Statutes 73:35-1, et seq.; which includes: (a) real estate **Broker** or **Salesperson** who (i) holds an active real estate **Broker** or **Salesperson** license issued by the **Commission** and (ii) has paid the premium charged for this policy; or (b) any **Real Estate Firm** that has paid the premium charged for this policy.

Sample

Item 2: Policy Mailing Address: 2506 Lakeland Drive, Suite 300, Flowood, MS 39232

Item 3. **Policy Period**: From: 12:01 A.M. on July 1, 2012
To: 12:01 A.M. on July 1, 2013
Local time at the address shown in Item 2.

Item 4. Limits of Liability per **Insured Person**/per **Claim:** See Coverage Schedule below

Item 5. Coverage Schedule

Limits of Liability		Deductibles	
Insuring Agreement A: Real Estate Brokers Professional Liability			
Each per **Claim** limit:	$ 100,000	Each **Claim** deductible:	$1,000
Aggregate limit:	$ 500,000		
Insuring Agreement B: Lock Box Property Damage Liability			
Each per **Claim** limit:	$ 5,000	Each **Claim** deductible:	$ 0
Aggregate limit:	$ 10,000		
Insuring Agreement C: Fair Housing Discrimination Liability			
Each per **Claim** limit:	$ 25,000	Each **Claim** deductible:	$ 0
Aggregate limit:	$ 25,000		

Insuring Agreement D: Subpoena Assistance Costs			
Each per subpoena limit:	$ 2,500	Each subpoena	$ 0
Aggregate limit:	$ 2,500		

Item 6. Retroactive Date: To be determined separately for each licensee as defined in the Policy and as indicated on the **Certificate of Insurance**.

Item 7: Program Administrator:

Williams Underwriting Group, a division of Neace Lukens
2325 Green Valley Road, Suite 205
New Albany, IN 47150
Toll Free: 800-222-4035
Phone: 812-941-4137
Fax: 812-944-8010

Item 8: Notices to **Underwriter**

A. Address for notice of **Claims**, or Potential **Claims** or **Subpoena Assistance**:	B. Address for all other notices:
Zurich in North America Attn: Management Solutions Claims P. O. Box 968041 Schaumburg, IL 60196-8041 Facsimile: (866) 255-2962 Email: msgclms@Zurichna.com	Zurich in North America Attn: Financial Lines 165 Broadway, 33rd Floor New York, NY 10006 Fax: (866) 240-0155 E-mail: usz_zip@zurichna.com

Sample

Item 9. Forms and Endorsements Effective At Inception:

Item 10.Premium: $161.00 Per **Insured Person**

Form and Endorsement Schedule

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Add'l Prem.	Return Prem.
EOC 9487185 01	07/01/2012	07/01/2013	07/01/2012	N/A	N/A

Policyholder: The Mississippi Real Estate Commission

Form Name	Form Number	Edition Date	Endorsement No.
Mississippi Real Estate Brokers Licensee Professional Liability Policy	U-REL-925-B MS	(05/12)	N/A
Licensed Appraisal Endorsement (APPLIES ONLY IF SHOWN ON THE CERTIFICATE OF INSURANCE)	U-REL-923-B MS	(05/12)	1
Increased Limits of Liability Endorsement (APPLIES ONLY IF SHOWN ON THE CERTIFICATE OF INSURANCE)	U-REL-927-B MS	(05/12)	2
Contingent Bodily Injury and Property Damage Exclusion Endorsement (Sublimit and Retention) (APPLIES ONLY IF SHOWN ON THE CERTIFICATE OF INSURANCE)	U-REL-922-B MS	(05/12)	3
Personal Identity Coverage Endorsement (APPLIES ONLY IF SHOWN ON THE CERTIFICATE OF INSURANCE)	U-REL-926-B MS	(05/12)	4

Sample

Mississippi Real Estate Brokers Professional Liability Policy

THIS POLICY PROVIDES CLAIMS MADE AND REPORTED COVERAGE. CLAIMS MUST FIRST BE MADE AGAINST THE INSUREDS DURING THE POLICY PERIOD, OR ANY APPLICABLE EXTENDED REPORTING PERIOD, AND REPORTED TO THE UNDERWRITER PURSUANT TO SUBSECTION VII.G. OF THIS POLICY. THE PAYMENT OF DEFENSE COSTS REDUCES OR EXHAUSTS THE LIMITS OF LIABILITY AVAILABLE UNDER CERTAIN INSURING AGREEMENTS.

PLEASE READ THE ENTIRE POLICY CAREFULLY.

Various provisions in this Policy restrict coverage. Read the entire Policy carefully to determine an **Insured's** rights, duties and what is and is not covered.

The word **Underwriter** refers to the insurer designated in the Declarations providing this insurance. The word **Insureds** means any person or organization qualifying as such pursuant to Section IV. DEFINITIONS of this Policy. Refer to Section IV. DEFINITIONS, of this Policy for the special meaning of words and phrases that appear in bold.

In consideration of payment of the premium and subject to the Declarations and the limitations, conditions, provisions, and other terms of this Policy, including any endorsements hereto, the **Underwriter** and the **Insureds** agree as follows:

I. INSURING AGREEMENTS

A. REAL ESTATE BROKERS PROFESSIONAL LIABILITY

The **Underwriter** shall pay on behalf of the **Insureds** all **Loss** and **Defense Costs** for which the **Insureds** become legally obligated to pay on account of any **Claim** for a **Wrongful Act** taking place on or after the **Retroactive Date** for this Insuring Agreement, as stated in Item 6 of the Declarations, and prior to the end of the **Policy Period**, if such **Claim** is first made against the **Insureds** during the **Policy Period** or any applicable Extended Reporting Period, if exercised, and reported to the **Underwriter** pursuant to Subsection VII.G. of this Policy.

Sample

B. LOCK BOX PROPERTY DAMAGE LIABILITY

The **Underwriter** shall pay on behalf of the **Insureds** all **Loss** and **Defense Costs** for which the **Insureds** become legally obligated to pay on account of any **Claim** for **Lock Box Property Damage** taking place on or after the **Retroactive Date** for this Insuring Agreement, as stated in Item 6 of the Declarations, and prior to the end of the **Policy Period**, if such **Claim** is first made against the **Insureds** during the **Policy Period** or any applicable Extended Reporting Period, if exercised, and reported to the **Underwriter** pursuant to Subsection VII.G. of this Policy.

C. FAIR HOUSING DISCRIMINATION LIABILITY

With respect to any **Claim** otherwise covered under this Policy, the **Underwriter** shall pay on behalf of the **Insureds** all **Loss,** which **Loss** shall include **Defense Costs**, for which the **Insureds** become legally obligated to pay on account of any **Claim** for **Fair Housing Discrimination** taking place on or after the **Retroactive Date** for this Insuring Agreement, as stated in Item 6 of the Declarations, and prior to the end of the **Policy Period**, if such **Claim** is first made against the **Insureds** during the **Policy Period** or any applicable Extended Reporting Period, if exercised, and reported to the **Underwriter** pursuant to Subsection VII.G. of this Policy.

D. SUBPOENA ASSISTANCE COST COVERAGE

With respect to a request for **Subpoena Assistance**, the **Underwriter** shall pay on behalf of an **Insured** the **Subpoena Costs** incurred during the **Policy Period**, and reported to the **Underwriter** pursuant to Subsection VII.G. of this Policy. All **Subpoena Costs** shall be subject to the per Subpoena Limit and the aggregate **Subpoena Assistance** Limit of Liability set forth in Item 5 of the Declarations.

II. DEFENSE AND SETTLEMENT

A. The **Underwriter** shall have the right and duty to defend **Claims** against the **Insured** to which Insuring Agreements A, B or C of this Policy applies, even if the allegations in the **Claim** are groundless, false, or fraudulent. The **Underwriter's** right and duty to defend includes the right and duty to select defense counsel. The **Underwriter's** duty to defend any such **Claim,** including incurring **Defense Costs**, and to pay **Loss** for such **Claim** ends when any Limit of Liability applicable to such **Claim** has been exhausted by payment of **Loss**, under Insuring Agreements A and B. With respect to Insuring Agreement C the **Underwriter's** duty to defend anysuch **Claim** ends when the applicable Limit of Liability has been exhausted by payment of **Loss** and/or **Defense Costs** under Insuring Agreement C.

The **Underwriter** may investigate any such **Claim** as it deems necessary and make any settlement or compromise of such **Claim** as it deems expedient with the **Insured's** consent, but the **Underwriter's** right and duty to defend ends when the applicable Limit of Liability is exhausted by payment of **Loss** and/or **Defense Costs** as described in this Section II. If the **Underwriter** recommends a settlement of any such **Claim** acceptable to the claimant and the **Insured** refuses to consent to such settlement then, subject to the applicable Limit of Liability, the **Underwriter's** liability for such **Claim** will not exceed:

1. the amount for which such **Claim** could have been settled by the **Underwriter** plus **Defense Costs** up to the date the **Insured** refused to settle such **Claim**; plus

2. fifty percent (50%) of any **Loss** in excess of A.1. above incurred in such **Claim**. The remaining **Loss** will be uninsured and borne by the **Insured** at its own risk.

The **Insureds** agree not to settle any **Claim**, incur any **Defense Costs**, otherwise assume any contractual obligation, or admit any liability with respect to any **Claim** without the **Underwriter's** prior written consent. The **Underwriter** shall not be liable for any settlement, **Defense Costs**, assumed obligation, or admission to which it has not consented.

As a condition precedent to their rights under this Policy, the **Insureds** shall provide the **Underwriter** with all information, assistance and cooperation which the **Underwriter** reasonably requests and, in the event of a **Claim**, the **Insureds** will do nothing that shall prejudice the **Underwriter's** position or its potential or actual rights of recovery.

Sample

B. With respect to **Subpoena Assistance** under Insuring Agreement D, the **Underwriter** shall have the right to select counsel to provide **Subpoena Assistance** to the **Insured.** The **Underwriter's** duty to pay **Subpoena Costs** shall end when the **Subpoena Assistance** Limit of Liability has been exhausted by payment of **Subpoena Costs**.

III. EXTENSIONS

A. Spouse or Domestic Partner Liability

If a **Claim** against an **Insured Person** includes a claim against the **Insured Person's** lawful spouse solely because of:

1. such spouse's status as spouse of the **Insured Person**; or

2. such spouse's ownership interest in property that the claimant seeks as recovery for alleged **Wrongful Acts** of the **Insured Person**,

then all loss which such spouse becomes legally obligated to pay by reason of such claim shall be treated for purposes of this Policy as **Loss** which the **Insured Person** becomes legally obligated to pay on account of the **Claim** made against the **Insured Person**. Such spousal loss shall be covered under this Policy only if and to the extent such loss would be covered if incurred by the **Insured Person**.

The coverage extension afforded by this Subsection III.A. does not apply to any **Claim** alleging any wrongful act or omission by the **Insured Person's** spouse.

For purposes of this Subsection III.A., the term spouse shall include any natural person qualifying as a domestic partner under any applicable federal, state, local or foreign law or under the provisions of any formal program established by an **Insured**.

B. Extended Reporting Periods

1. Automatic Extended Reporting Period

If this Policy is cancelled or non-renewed for any reason other than for nonpayment of premium, coverage granted by this Policy shall be automatically extended for a period of ninety (90) days after such nonrenewal

or cancellation, but only with respect to any **Wrongful Act** taking place prior to the effective date of such nonrenewal or cancellation. No additional premium shall be payable for such Automatic Extended Reporting Period. The Automatic Extended Reporting Period shall not apply where an optional Extended Reporting Period has been purchased, or to **Claims** that are covered under any subsequent insurance purchased by or for the benefit of the **Insured**.

2. Optional Extended Reporting Period

   If this Policy is cancelled or non-renewed for any reason other than for nonpayment of premium, then the **Insured** shall have the right, upon payment of an additional premium as follows:

   a. 75% of the full expiring annual premium for a one (1) year period;

   b. 150% of the full expiring annual premium for a two (2) year period; or

   c. 200% of the full expiring annual premium for a three (3) year period

   following the effective date of such nonrenewal or cancellation, but only with respect to any **Wrongful Act** taking place prior to the effective date of such nonrenewal or cancellation. This right of extension shall lapse unless written notice of such election, together with payment of the additional premium due, is given by the **Insured** to the **Underwriter** within ninety (90) days following the effective date of nonrenewal or cancellation.

3. The Automatic Extended Reporting Period pursuant to Subsection III.B.1. and the Optional Extended Reporting Period, if purchased, pursuant to Subsection III.B.2. shall be collectively referred to in this Policy as the Extended Reporting Period. Any **Claim** first made and reported during the applicable Extended Reporting Period, if applicable, shall be considered made during the **Policy Period**. The Extended Reporting Period does not reinstate or increase the Limits of Liability beyond the Limits of Liability available under this Policy nor extend the **Policy Period**. If the Optional Extended Reporting Period is purchased, the Automatic Extended Reporting Period shall be included within and not in addition to the Optional Extended Reporting Period.

   Any Optional Extended Reporting Period if purchased shall be non-cancellable and the entire premium shall be deemed earned at its commencement.

4. If this Policy is cancelled or non-renewed for any reason other than for nonpayment of premium, an **Insured** shall have a period of time equal to an Automatic or Optional Extended Reporting Period elected by the **Insured** under Subsections III.B.1 or 2 above within which to report to the **Underwriter** a request for **Subpoena Assistance**, but only for a subpoena served upon an **Insured** prior to the effective date of such cancellation or non-renewal.

Sample

C. Estates and Legal Representatives

   This Policy shall afford coverage for **Claims** for the **Wrongful Acts** of **Insured Persons** made against the estates, heirs, legal representatives, or assigns of any such **Insured Persons** who are deceased or against the legal representatives or assigns of any such **Insured Persons** who are incompetent, insolvent, or bankrupt to the extent that in the absence of such death, incompetence, insolvency, or bankruptcy, such **Claims** would have been covered by this Policy.

IV. DEFINITIONS

Either in the singular or plural when used in this Policy:

A. **Advertising Injury** means any act, error, omission, misstatement, misleading statement, neglect, or breach of duty actually or allegedly committed or attempted by an **Insured**, or by someone for whom the **Insured** is legally responsible, in connection with the **Insureds'** advertising of goods, products or services including without limitation any such actual or alleged conduct which constitutes:

   1. libel, slander, defamation or other tort related to the disparagement or harm to the reputation or character of any person or organization;

   2. invasion, infringement, or interference with the right to privacy;

   3. misappropriation of advertising ideas or style of doing business; or

   4. the infringement of any copyright, title, trade dress, trade name, trade mark, service mark, patent or slogan or any other intellectual property rights

   Advertising Injury shall not include **Bodily Injury** or **Personal Injury**.

B. **Bodily Injury** means physical injury to the body, sickness, disease sustained by any person, including death resulting therefrom. **Bodily Injury** also means mental injury, mental anguish, mental tension, emotional distress, pain and suffering, or shock, if such mental injury, mental anguish, mental tension or emotional distress, or pain and suffering which directly results from physical injury to the body, sickness, disease, or death of any person.

C. **Broker** means any person defined as such under Mississippi Real Estate Brokers License Law of 1954, Mississippi Statute 73:35-1, et seq, (hereinafter referred to as "Mississippi Real Estate Brokers License Law").

D. **Certificate of Insurance** means the certificate issued in accordance with the Policy to the **Insured**.

E. **Claim** means:

1. a written demand against any **Insured** for monetary damages or a written demand to cease and desist commenced by the **Insured's** receipt of such demand;

2. a civil proceeding against any **Insured** for damages commenced by the service upon the **Insured** of a complaint, or similar pleading, including any appeal thereof;

3. an arbitration or other alternative dispute resolution proceeding against any **Insured** commenced by the **Insured's** receipt of a request or demand for such proceeding, including any appeal thereof; or

4. a **Regulatory Complaint** seeking injunctive relief, other non-monetary relief, or rescission as outlined in Subsection VII.G.3.

A **Claim** shall not include a request for **Subpoena Assistance.**

F. **Commission** means the Mississippi Real Estate Commission.

G. **Coverage Territory** means the following:

1. With respect to a resident licensee and a non-resident licensee as described in Subsection IV. L.1. and L.2. means **Real Estate Services** performed in all parts of the world with the exception of any country or jurisdiction which is subject to trade or other economic sanction or embargo by the United States of America if the **Insured's** responsibility to pay is determined in a **Claim** on the merits in the United States of America (including its territories and possessions).

   The **Underwriter** may, however, elect, where permitted by law, at any time to investigate, settle, or defend **Claims** arising out of **Wrongful Acts** made anywhere other than the United States of America, its territories, or possessions; provided that the **Claim** is brought within the United States, its territories or possessions. If the **Underwriter** does not make such election, then the **Insured** agrees to make, or cause to be made, under the **Underwriter's** supervision, such investigation and defense as is reasonably necessary.

2. With respect to a non-resident licensee as described in Subsection IV.L.3., **Real Estate Services** performed in Mississippi if the **Insured's** responsibility to pay **Loss** on a **Claim** is determined in a civil proceeding on the merits in the United States of America (including its territories and possessions).

H. **Defense Costs** means reasonable costs, charges, fees (including but not limited to attorneys' fees and experts' fees) and expenses (other than regular or overtime wages unless described below, or salaries or wages of the employees of the **Insured**) incurred in defending or investigating **Claims** against an **Insured**, including the premium for appeal, attachment or similar bonds. **Defense Costs** shall also include:

1. the cost of bonds to release attachments; provided, however, that we shall have no obligation to furnish such bonds;

2. an **Insured's** actual loss of earnings, up to $250 per day, up to a maximum of $5,000, resulting from time off from work because of the **Underwriter's** request for assistance in the investigation or defense of a **Claim**;

3. judicially assessed costs taxed against the **Insured** in the **Claim**;

4. all prejudgment interest awarded against an **Insured** on that part of the judgment paid by the **Underwriter**; provided, however, that if the **Underwriter** makes a settlement offer to pay the available Limit of Liability, there shall be no obligation to pay any pre-judgment interest that accrues after the date of such offer; or

5. all interest on the full amount of any judgment that accrues after entry of the judgment and before the **Underwriter** has paid, offered to pay, or deposited into court that part of the judgment within the applicable Limit of Liability;

provided, however, that the **Underwriter's** duty to defend and incur **Defense Costs** shall terminate when the applicable Limit of Liability has been exhausted by the payment of **Loss** under Insuring Agreements A and B, and by the payment of **Loss** and/or **Defense Costs** under Insuring Agreement C.

Sample

Defense Costs shall not mean **Subpoena Costs**.

I. **Fair Housing Discrimination** means the violation of Title VIII of the Civil Rights Act of 1968 (as amended), the Fair Housing Amendment Act of 1998 (as amended), or any other similar federal, state or local law or ordinance.

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

K. **Inactive Licensee** means any currently licensed person whose license has transferred to inactive status and who is not authorized to act in the capacity of a real estate **Broker** or **Salesperson** under Mississippi Real Estate Brokers License Law.

L. **Insured Persons** means any person who performs **Real Estate Services** and who holds a valid license issued by the **Commission** pursuant to the Mississippi Real Estate Brokers License Law, and has paid the premium charged for this Policy and is either:

1. a resident of the state of Mississippi working for or representing a **Real Estate Firm**;
2. a non-resident of the state of Mississippi working for or representing a **Real Estate Firm** whose active place of business is located within the state of Mississippi; or.
3. a non-resident of the state of Mississippi who does not work for or represent a **Real Estate Firm**, but who holds an active real estate license issued by the Commission.

M. **Insured** means:

1. **Insured Persons**;
2. unlicensed employees and assistants of **Insured Persons** or **Real Estate Firms**, but only while acting in the scope of their employment and relating to **Real Estate Services** performed on behalf of an **Insured Person**;
3. the **Real Estate Firm** the **Insured** works for or represents, or franchise grantor, but only for its vicarious liability for the acts, errors or omissions arising out of the conduct or provision of an **Insured's Real Estate Services**; or
4. any **Real Estate Firm** that has paid the premium charged for this Policy.

Sample

N. **Interrelated Wrongful Acts** means all **Wrongful Acts** that are related, including all **Wrongful Acts** that have as a common nexus any fact, circumstance, situation, event, transaction, cause or series of causally connected facts, circumstances, situations, events, transactions, or causes.

O. **Lock Box Property Damage** means **Property Damage** arising out of an Insured's distribution, maintenance, operation or use of a lock box or keyless entry system on property not owned by an **Insured** which:

1. is in the care, custody and control of an **Insured**; and
2. is protected by a lock box, keyless entry system or similar device.

P. **Loss** means the total amount which the **Insureds** become legally obligated to pay on account of **Claims** made against them for **Wrongful Acts** to which coverage applies, including but not limited to damages, judgments, pre-judgment and post-judgment interest and settlements.

Loss does not include:

1. any amount for which the **Insureds** are absolved from payment by any covenant, agreement, or court order;
2. sanctions, taxes, fines, or penalties imposed by law on the **Insured**;
3. punitive, exemplary, or multiple damages;
4. the cost to comply with any injunctive, affirmative, or other non-monetary relief or any agreement to provide any such relief;
5. the return or restitution of fees, commissions, expenses or costs by the **Insured** or any amounts awarded by a Real Estate Regulatory Board or **Commission**;
6. matters uninsurable under the law pursuant to which the terms of this Policy are construed; or
7. **Defense Costs**.

Q. **Other State's Mandatory Program** means a program requiring the purchase of a primary real estate brokers professional liability policy or a primary real estate brokers errors and omissions liability insurance policy as mandated by the statutes and/or regulations of a state other than the state of Mississippi.

R. **Personal Injury** means, any act, error, omission, misstatement, misleading statement, neglect, or breach of duty actually or allegedly committed or attempted by an **Insured**, or by someone for whom the **Insured** is legally responsible, in connection with the **Insureds'** performance of **Real Estate Services** including without limitation any such actual or alleged conduct which constitutes:

1. libel, slander, defamation or other tort related to the disparagement or harm to the reputation or character of any person or organization;
2. invasion, infringement, or interference with the right to privacy;
3. false arrest, detention or imprisonment;
4. malicious prosecution; or
5. wrongful eviction from, wrongful entry into, 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.

Personal Injury shall not include **Advertising Injury** or **Bodily Injury**.

S. **Policyholder** means the **Commission** on behalf of those Mississippi licensees as described in Item 1 of the Declarations.

T. **Policy Period** means each annual period beginning with the inception date shown in Item 3 of the Declarations and ending with the earlier of:

1. the effective date of cancellation of this Policy; or
2. the expiration date stated in the Declarations.

The **Policy Period** for licensees who become **Insureds** under this Policy after its inception date begins on the date on which they become **Insureds**. If this Policy is replacing a licensee's policy that ended at 12:01 p.m. (instead of 12:01 a.m.), the **Policy Period** for such licensee begins at 12:01 p.m. of such licensee's expiring policy. Notwithstanding the foregoing, such licensee's policy period shall end in accordance with subparagraphs (1) and (2) above, as applicable.

Sample

U. **Pollutants** means any substance located anywhere in the world exhibiting any hazardous characteristics as defined by, or identified on a list of hazardous substances issued by, the United States Environmental Protection Agency or a state, county, municipality or locality counterpart thereof. **Pollutants** shall also mean any other air emission, odor, waste water, oil or oil products, infectious or medical waste, asbestos or asbestos products, silica, noise, fungus (including mold, mildew and any mycotoxins, spores, scents or byproducts produced or released by fungi, but not any fungi intended by the **Insured** for consumption) and electric or magnetic or electromagnetic field. Such matters shall include, without limitation, solids, liquids, gaseous, thermal, biological, nuclear or radiological irritants, contaminants or smoke, soot, fumes, acids, alkalis, chemicals or waste materials.

V. **Property Damage** means:

1. physical injury to tangible 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
2. loss of use of tangible 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.

W. **Property Improvement Services** means any of the following services, provided in connection with renovation or construction of real estate:

1. managing facility renovation and reconstruction plans;
2. developing and managing renovation and reconstruction contracts and subcontracts; or
3. developing loss control and risk management plans in connection with reconstruction or renovation.

X. **Property Management Services** means any of the following services provided by any **Insured** to others for a fee in connection with real property:

1. oversight and maintenance of commercial or residential real property;
2. collection of rent and processing evictions;
3. provision of tenant relations services;

4. development and maintenance of budgets and records for the managed real property;
5. selection and procurement of subcontractors for general day-to-day maintenance of the managed real property
6. soliciting and negotiation contracts for the sale or leasing of real property;
7. developing, implementing and managing contracts and subcontracts necessary to the daily functioning of real property; or
8. record keeping relating to the management of such real property.

However, **Property Management Services** does not include **Property Improvement Services**.

Y. **Real Estate Firm** means a legal entity with which real estate **Brokers** or **Salespersons** are affiliated and which employs licensees.

Z. **Real Estate Services** means services performed or advice given by the **Insured** as described and required in the Mississippi Real Estate Brokers License Law, including **Property Management Services** as well as the following services: consultant, counselor, notary public services provided in connection with such **Real Estate Services**.

Provided, however, that **Real Estate Services** shall not include services performed or advice given by an **Insured** in connection with activities as a(n):

1. registered, licensed or certified real estate appraiser;
2. mortgage banker, mortgage broker or correspondent;
3. construction manager;
4. property developer;
5. lawyer;
6. insurance agent;
7. title agent;
8. title abstractor;; or
9. escrow agent.

Sample

AA. **Regulatory Complaint** means a proceeding, dispute or complaint before the **Commission** alleging **Wrongful Acts** by an **Insured**.

BB. **Retroactive Date** means the **Retroactive Date** stated in the **Insured's Certificate of Insurance**. If no **Retroactive Date** is stated therein, then the **Insured's Retroactive Date** means the earlier of the following dates

1. the date the **Insured's** coverage began under this Policy;
2. the date the **Insured's** coverage began under a previous claims-made policy, but only if such previous claims-made policy (i) provided professional liability coverage similar to that which is provided under this Policy and (ii) had been in continuous effect up to the date on which the Insured's coverage under this Policy became effective..

CC. **Salesperson** means any person defined as such under the Mississippi Real Estate Brokers License Law.

DD. **Subpoena Assistance** means a request from an **Insured** to the **Underwriter** to provide **Subpoena Costs** relating to a subpoena issued in connection with a civil or criminal suit pending in a court of competent jurisdiction, or a regulatory action, and served upon the **Insured** in compliance with such court or regulatory authority's rules and regulations.

Provided, however, that **Subpoena Assistance** shall apply only to subpoenas issued when:

1. the underlying lawsuit relates to **Real Estate Services**;
2. no **Insured** is a party to the underlying lawsuit;
3. the underlying lawsuit does not relate to, arise from or involve property in which the **Insured** or the **Insured's** spouse maintains a financial or ownership interest which exceeds twenty-five percent (25%); and
4. the subpoena is first served against an **Insured** during the **Policy Period** and reported to the **Underwriter** during the **Policy Period** or the applicable Extended Reporting Period, if any, pursuant to Subsection VII.G. of this Policy.

Subpoena Assistance shall not mean **Claim**.

EE. **Subpoena Costs** means the reasonable costs, charges, fees (including but not limited to attorneys' fees) and expenses (other than regular or overtime wages, or salaries or wages of the employees of the **Insured**) incurred in connection with responding to, producing documents for and/or appearing to testify in connection with a subpoena.

Subpoena Costs shall not mean **Defense Costs**.

FF. **Underwriter** means the insurer designated in the Declarations providing this insurance.

GG. **Wrongful Act** means any actual or alleged negligent act, error, omission, misstatement, misleading statement, neglect, breach of duty committed or attempted by an **Insured** solely in connection with the **Insured's** rendering or failure to render **Real Estate Services.**

V. EXCLUSIONS

The **Underwriter** shall not be liable for **Loss** or **Defense Costs** on account of any **Claim**:

A. based upon, arising out of, or attributable to any:

1. dishonest, fraudulent, criminal, or malicious **Wrongful Act**, including concealment or intentional misrepresentation; or

2. unfair competition, antitrust, piracy, or any theft or wrongful taking of concepts or other intellectual property, including but not limited to any violations of the Sherman or Clayton Acts;

provided, however, this exclusion shall not apply to **Defense Costs** or the **Underwriter's** duty to defend any such **Claim** unless and until there is a judgment against, binding arbitration decision against, adverse admission under oath by, finding of fact against, or plea of *nolo contendere* or no contest by, the **Insured** which establishes such **Wrongful Act** occurred or such profit, remuneration, financial or non-financial advantage was gained, at which time the **Insured** shall reimburse the **Underwriter** for any **Defense Costs** paid by the **Underwriter** on behalf of such **Insured** resulting from such **Claim**.

For the purposes of this exclusion, no facts pertaining to and knowledge possessed by any **Insured Person** shall be imputed to any other **Insured Person**.

Sample

B. based upon, arising out of or attributable to:

1. any fact, circumstance, or situation which has been the subject of any written notice given under any insurance policy or any policy of which this Policy is a direct or indirect renewal or replacement, or any policy expiring prior to the inception date of this Policy;

2. any act, error, omission, **Wrongful Act**, fact, circumstance or situation occurring prior to (i) the inception date of the earliest continuously maintained real estate licensee professional liability policy issued in accordance with Mississippi Statute 73:35-1, et seq., under which an **Insured** is afforded coverage, (ii) the inception date of the first policy in an uninterrupted series of real estate licensee professional liability policy issued to the **Policyholder** under which an **Insured** is afforded coverage, or (iii) the **Retroactive Date** shown in Item 6 of the Declarations, if on or before such earlier inception date or **Retroactive Date** the **Insured** knew or could have reasonably foreseen that such **Wrongful Act**, fact, circumstance or situation would give rise to a **Claim**; or

3. any written demand, suit or proceeding pending, or order, decree or judgment entered, against any **Insured** on or prior to the effective date of this Policy or the effective date of any policy issued by the **Underwriter** of which this Policy is a continuous renewal, replacement, or is alleging or derived from the same or substantially the same **Wrongful Act**, **Interrelated Wrongful Acts**, fact, circumstance or situation underlying or alleged therein;

C. based upon, arising out of, or attributable to **Bodily Injury, Property Damage, Advertising Injury** or **Personal Injury**; provided, however, this exclusion shall not apply to **Lock Box Property Damage**;

D. based upon, arising out of or attributable to any actual or alleged violation by the **Insured** of: (1) the Employee Retirement Income Security Act of 1974; (2) the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Company Act of 1940, the Investment Advisors Act, or any other foreign, federal, state or local blue sky or securities law, or similar state of federal statutes; or (3) any rules or regulations promulgated under the statutes listed in V.D.(1).or V.D.(2); any amendments thereof, or any other foreign, federal, state or common law similar thereto;

E. based upon, arising out of or attributable to any actual or alleged:

(1) refusal to employ; (2) termination of a person's employment, including constructive dismissal; (3) violations of employment-related practices, policies, acts, or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination, malicious prosecution; or (4) other wrongful employment-related practices, provided this exclusion applies:

a. whether such conduct occurs before employment, during employment or after employment of that person; or

b. whether the **Insured** may be liable as an employer or in any other capacity.

Provided, however, this exclusion shall not apply to any **Claim** alleging **Fair Housing Discrimination**;

F. based upon, arising out of or attributable to any:

1. **Real Estate Services** relating to property in which the **Insured** or the **Insured's** spouse, including any entity, corporation, partnership or trust in which the **Insured** or the **Insured's** spouse maintains a financial or ownership interest which exceeds twenty-five percent (25%); or

2. **Real Estate Services** relating to property that is constructed or developed by the **Insured** or the **Insured's** spouse, including any entity, corporation, partnership or trust in which the **Insured** or the **Insured's** spouse maintains a financial or ownership interest which exceeds fifteen percent (15%);

   Provided, however, this exclusion shall not apply to:

   a. The management or sale of property acquired by the **Insured** under a **Guaranteed Sale Listing Contract** within the first year the **Insured** acquires such property, provided the property is listed for sale during the entire year;

   b. The sale of an **Insured's** real property by an **Insured** who is not the property owner, builder or developer of such real property provided that the property owner, builder or developer was not the selling, listing or closing agent; or

   c. The sale or listing of an **Insured's** primary or principle residence of two (2) or fewer units provided that the sale or listing is performed under the Mississippi Real Estate Brokers License Law;

G. based upon, arising out of, or attributable to any actual or alleged:

1. conversion, misappropriation, commingling, or defalcation of funds or other property;

2. failure to pay, collect or return fees or commissions, including finder's fees or commissions;

3. inability or failure to pay, collect or return money held for others including, but not limited to, escrow monies, earnest money deposits and security deposits; provided, however, the **Underwriter** will pay up to a maximum sum of $5,000 per **Claim** for **Loss**, and $10,000 for all **Claims** in the aggregate arising from such activities provided that:

   a. the **Insured** has met the requirement of the Mississippi Real Estate Brokers License Law governing client funds; and

   b. No fraudulent, dishonest, criminal or malicious act was committed by the **Insured**.

Any coverage provided herein is subject to the aggregate Limit of Liability and all **Loss** paid hereunder shall be included in such limit and shall be subject to the deductible set forth in Item 5 of the Declarations;

H. based upon, arising out of, or attributable to, the failure to purchase or maintain any insurance or bonds;

I. based upon, arising out of or attributable to liability assumed under any indemnity or hold harmless agreement; provided, however, that this exclusion shall not apply to liability the **Insured** would have in the absence of such agreement;

J. based upon, arising out of, or attributable to the formation, syndication, operation or administration of any corporation, general or limited partnership, joint venture or real estate investment trust;

K. based upon, arising out of or attributable to any **Insured** notarizing, certifying or acknowledging any signature not signed before such **Insured** at the time of such notarization, certification or acknowledgement;

L. based upon, arising out of, or attributable to any **Claim** made by any **Insured** under this Policy against any other **Insured** from the same **Real Estate Firm** or for compensation disputes between licensees; provided, however, this exclusion shall not apply to any **Claim** arising solely from **Real Estate Services** one **Insured** performs for another;

M. based upon, arising out of, or attributable to:

Sample

1. the actual, alleged or threatened discharge, release, escape, seepage, migration or disposal of **Pollutants** into or on real or personal property, water or the atmosphere; or

2. any direction or request that any **Insured** test for, monitor, clean up, remove, contain, treat, detoxify or neutralize **Pollutants**, or any voluntary decision to do so;

provided, however, the **Underwriter** will pay on behalf of the **Insured** any applicable **Loss** and **Defense Costs** incurred solely as a result of **Claims** alleging a failure to detect, disclose, report or assess the effects of or advise of the existence of **Pollutants,** up to a maximum sum of $10,000 for each **Claim** and $20,000 for all **Claims** in the aggregate for the **Policy Period**. Such payments shall be part of and not in addition to the applicable Limit of Liability and subject to the applicable Deductible(s).

N. based upon, arising out of, or attributable to any **Wrongful Act** committed by an **Insured** which has the status of an **Inactive Licensee**; provided, however, this exclusion shall not apply to any **Wrongful Act** committed by an **Insured** prior to an **Insured's** transfer to the status of **Inactive Licensee** or subsequent to the reinstatement of their license, provided however, that the Policy shall remain in effect for the full **Policy Period**;

O. based upon, arising out of, or attributable to any services performed or advice given by an **Insured** in connection with activities as a registered, licensed or certified real estate appraiser unless such coverage is evidenced on the **Certificate of Insurance** issued to such **Insured Person**;

P. for violation of any of the following:

1. any law governing workers' compensation, unemployment insurance, social security or disability benefits;

2. the Employee Retirement Income Security Act of 1974, (except Section 510 thereof);

3. the Fair Labor Standards Act (except the Equal Pay Act) and any other law concerning wage and hour practices, including, but not limited to any **Claim** for off-the-clock work, failure to provide rest or meal periods, failure to reimburse expenses, improper classification of employees as exempt or non-exempt, failure to timely pay wages, conversions, unjust enrichment, or unfair business practices;

4. any law governing the rights of employees to engage in, or to refrain from engaging in, union or other collective activities, including but not limited to the National Labor Relations Act, or the enforcement of any collective bargaining agreement;

5. the Worker Adjustment and Retraining Notification Act;

6. the Consolidated Omnibus Budget Reconciliation Act of 1985;

7. the Occupational Safety and Health Act;

8. the Racketeer Influenced and Corrupt Organizations Act;

9. the Federal False Claims Act; or

10. any other federal, state, local or foreign law similar to those described in this subsection.

Sample

VI. LIMITS OF LIABILITY AND DEDUCTIBLES

A. Limits of Liability

1. Solely with respect to Insuring Agreement A, the maximum aggregate liability of the **Underwriter** under this Policy for all **Loss** on account of all **Claims** covered under this Policy shall not exceed the Limit of Liability for such Insuring Agreement as shown in Item 5 of the Declarations. The Limits of Liability stated in the Declarations applies separately to each **Insured Person** regardless of the number of **Claims** that are filed.

2. Solely with respect to Insuring Agreement B, the maximum aggregate liability of the **Underwriter** under this Policy for all **Loss** on account of all **Claims** for **Lock Box Property Damage** covered under this Policy shall not exceed the Limit of Liability for such Insuring Agreement as shown in Item 5 of the Declarations. The Limits of Liability stated in the Declarations applies separately to each **Insured Person** regardless of the number of **Claims** that are filed.

3. Solely with respect to Insuring Agreement C, the maximum aggregate liability of the **Underwriter** under this Policy for all **Loss** and **Defense Costs** on account of all **Claims** for **Fair Housing Discrimination** covered under this Policy shall not exceed the Limit of Liability for such Insuring Agreement as shown in Item 5 of the Declarations. The Limits of Liability stated in the Declarations applies separately to each **Insured Person** regardless of the number of **Claims** that are filed.

4. Solely with respect to Insuring Agreements A and B, **Defense Costs** are in addition to any applicable Limit of Liability or Sublimit, and the payment by the **Underwriter** of **Defense Costs** does not reduce such applicable

Limits of Liability or Sublimits. Solely with respect to Insuring Agreement C, **Defense Costs** are within, and not in addition to, the applicable Limit of Liability.

5. **Subpoena Costs** are in addition to any applicable Limit of Liability or Sublimit, and the payment by the **Underwriter** of **Subpoena Costs** does not reduce such applicable Limits of Liability or Sublimits. Solely with respect to Insuring Agreement D, the maximum aggregate liability of the **Underwriter** under this Policy for all **Subpoena Assistance** shall not exceed the Limit of Liability stated in the Declarations. The Limit of Liability for **Subpoena Assistance** applies on a per subpoena limit for all **Insureds** regardless of the number of subpoenas that are received during the **Policy Period** and is subject to the aggregate **Subpoena Assistance** Limit of Liability shown in Item 5 of the Declarations applicable to all **Insureds**.

   If exhausted during the **Policy Period**, the **Subpoena Assistance** Limit of Liability is not subject to reinstatement.

6. If any Limit of Liability or Sublimit applicable to any **Claim** is exhausted prior to settlement or judgment of such **Claim**, the **Underwriter's** obligations under the respective Insuring Agreement shall be terminated, includig payment of **Defense Costs**, and the **Underwriter** shall have the right to withdraw from the further investigation or defense of any **Claim** which is subject to such exhausted Limit of Liability or Sublimit by tendering control of such investigation or defense to the **Insured**, and the **Insureds** agree, as a condition to the issuance of this Policy, to accept such tender.

B. Deductibles

1. The **Underwriter's** liability for **Loss** on account of each **Claim** shall apply only to that part of such **Loss** in excess of the applicable Deductibles for Insuring Agreements A through C, as shown in Item 5 of the Declarations. The portion of the **Loss** within the Deductible shall be borne by the **Insureds** at their own risk. The **Underwriter** shall have no obligation for any **Loss** within such Deductible.

2. **Defense Costs** are not subject to a Deductible.

3. The **Subpoena Assistance Costs** Limit of Liability is not subject to a Deductible.

VII. CONDITIONS

Sample

A. Action Against the **Underwriter**

No action shall lie against the **Underwriter** unless, as a condition precedent thereto, there has been full compliance with all the terms of this Policy. No person or organization shall have any right under this Policy to join the **Underwriter** as a party to any action against the **Insureds** to determine the **Insureds**' liability nor shall the **Underwriter** be impleaded by the **Insureds** or their legal representatives.

B. Alteration and Assignment

No change in, modification of, or assignment of interest under this Policy shall be effective except when made by a written endorsement to this Policy which is signed by an authorized representative of the **Underwriter**.

C. Bankruptcy

Bankruptcy or insolvency of an **Insured** or of the estate of any **Insured Person** shall not relieve the **Underwriter** of its obligations nor deprive the **Underwriter** of its rights or defenses under this Policy.

D. Conformity to **Other States' Mandatory Programs**

Any part of this Policy which conflicts with any law provided by an **Other States' Mandatory Programs** shall be automatically amended to conform with the law of such **Other States' Mandatory Programs,** provided the **Insured**:

1. holds a valid real estate license issued under the laws of such **Other States' Mandatory Programs**;

2. is not a resident in the state of such **Other States' Mandatory Programs**; and

3. conducts his or her **Real Estate Services** in the state of such **Other States' Mandatory Programs**.

E. Conformity to Statutes

If applicable law is in conflict with this Policy, the Policy is amended to confirm to that law.

F. Governmental Agency

It is hereby agreed that in any **Claim** covered by this Policy, the **Underwriter** will not, except upon written request of the **Insured** by its duly authorized officer, deny liability of the **Insured** through the use of the defense of immunity because the **Insured** is a governmental agency.

G. Notice

1. Notice of **Claims**

The **Insureds** shall, as a condition precedent to their rights under this Policy, give to the **Underwriter** written notice of any **Claim** first made against any **Insured** as soon as practicable but in no event later than:

a. ninety (90) days after expiration of the **Policy Period**; or

b. if purchased, the termination date of the Optional Extended Reporting Period.

Coverage, if any, for a **Claim** first made during the **Policy Period** or any applicable Extended Reporting Period and reported to the **Underwriter** after the **Policy Period** as described above shall be determined under this Policy, not any renewal or replacement policy issued by the **Underwriter** in effect at the time such **Claim** is reported to the **Underwriter**.

2. Notice of Potential **Claims**

If during the **Policy Period** the **Insureds** become aware of specific **Wrongful Act(s)** which could give rise to a **Claim** and the **Insureds** give written notice of such specific **Wrongful Act(s)** to the **Underwriter** during the **Policy Period**, then any **Claim** subsequently arising from such **Wrongful Act(s)** shall be considered to have been made during the **Policy Period** in which such **Wrongful Act(s)** was first reported to the **Underwriter**.

3. Notice of a **Regulatory Complaint**

If during the **Policy Period** the **Insureds** become aware that they are the subject of a **Regulatory Complaint,** the **Insured** must give written notice of such **Regulatory Complaint** to the **Underwriter** during the **Policy Period**, then any **Claim** subsequently arising from such **Regulatory Complaint** shall be considered to have been made during the **Policy Period** in which such **Regulatory Complaint** was first reported to the **Underwriter**.

Further, the **Underwriter** will pay on behalf of the **Insured** all **Defense Costs** incurred in the defense of a **Regulatory Complaint** up to a maximum sum of $2,500 for each **Regulatory Complaint** and $5,000 for all **Regulatory Complaints** in the aggregate for the **Policy Period** provided such **Regulatory Complaint** arises from a **Wrongful Act** that would otherwise be covered under this Policy. Such payments shall be part of and not in addition to the applicable Limit of Liability, and subject to the applicable Deductible(s).

Sample

4. Address and Content of Notices

For a notice pursuant to Subsections VII.G.1., VII.G.2 and VII.G.3. above to be effective, the **Insureds** shall:

a. provide notice to the **Underwriter** at the address shown in Item 8 of the Declarations for notice of **Claims**, or potential **Claims**; and

b. include within any notice of **Claim** or potential **Claim**, a description of the **Claim** or potential **Claim**, the nature of the alleged **Wrongful Act(s)**, the nature of the alleged or potential damage or loss, the names of actual or potential claimants, and the manner in which the **Insureds** first became aware of the **Claim** or potential **Claim**; and

Notice attempted in any other manner or to any address other than the address shown in Item 8 of the Declarations for notice of **Claims**, or potential **Claims**, including without limitation information provided in connection with the application for a successor, renewal or replacement policy to this Policy, shall not be considered effective notice of a **Claim**, or potential **Claim**.

5. Notice of a request for **Subpoena Assistance**

If during the **Policy Period** the **Insureds** are served with a subpoena for which **Subpoena Assistance** is sought, the **Insured** must give written notice of a request for **Subpoena Assistance** by providing the subpoena, along with confirmation that the subpoena meets the requirements of the definition of **Subpoena Assistance**, to the **Underwriter** at the address shown in Item 8 of the Declarations for notice of **Subpoena Assistance**.

6. Form and Delivery of Notice

All notices under this Policy shall be in writing and given by prepaid express courier, certified mail, e-mail or facsimile, properly addressed to the appropriate party and shall be deemed to be received and effective upon actual receipt thereof by the respective party or one day following the date such notice is sent, whichever is earlier, subject to proof of transmittal.

H. Other Insurance

This insurance is excess over any other insurance, whether primary, excess, contingent or on any other basis, except when purchased specifically to apply in excess of this insurance. When both this insurance and other insurance apply to any **Claim**, whether primary, excess or contingent, the **Underwriter** shall not be liable under this Policy for a greater proportion of **Loss** than the applicable Limits of Liability under this Policy for such **Loss** bears to the total applicable Limits of Liability of all valid and collectible insurance against such **Claims.**

I. Policy Termination

This Policy shall terminate at the earliest of the following times:

1. upon expiration of the **Policy Period** as set forth in Item 3 of the Declarations;
2. at such other time as may be agreed upon in writing by the **Underwriter** and the **Policyholder**.
3. Cancellation

   a. This Policy may be canceled by the **Policyholder** by surrender thereof to the **Underwriter** or any of its authorized representatives, or by mailing to the **Underwriter** written notice stating when, thereafter, cancellation shall be effective. The **Policyholder** must notify the **Underwriter** at least ninety (90) days before the effective date of cancellation. If the **Policyholder** cancels the Policy, it is responsible for notifying each **Insured Person** of the effective date of cancellation.

   b. Written notice of cancellation shall be mailed or delivered by the **Underwriter** to the **Policyholder** at least:

      (1) ten (10) days prior to the effective date of cancellation, if this Policy is canceled for nonpayment of premium (plus three (3) days if mailed); or

      (2) sixty (60) days prior to the effective date of cancellation (plus three (3) days if mailed).

4. Nonrenewal

   If the **Underwriter** elects not to renew this Policy, the **Underwriter** shall send written notice of nonrenewal at least ninety (90) days prior to expiration unless the **Policyholder** has obtained replacement coverage with another insurance company.

5. Any notice of cancellation or nonrenewal shall be given as provided in Subsection VII.G.4. of this Policy.

J. Subrogation

In the event of any payment under this Policy, the **Underwriter** shall be subrogated to the extent of such payment to all the **Insureds**' rights of recovery, and the **Insureds** shall execute all papers required and shall do everything necessary to secure and preserve such rights, including the execution of such documents necessary to enable the **Underwriter** effectively to bring suit in the name of the **Insureds**.

K. Valuation

All premiums, Limits of Liability, Deductibles, **Loss**, and other amounts under this Policy are expressed and payable in the currency of the United States of America. If judgment is rendered, settlement is denominated or another element of **Loss** under this Policy is stated in a currency other than United States dollars, payment under this Policy shall be made in United States dollars at the rate of exchange published in *The Wall Street Journal* on the date the final judgment is reached, the amount of the settlement is agreed upon, or the other element of **Loss** is due, respectively.

L. Premium

The coverage under this Policy shall not be effective until the premium has been paid. Each **Insured's** premium shall be fully earned at the inception date of coverage.

M. Territory

Coverage under this Policy shall extend to **Wrongful Acts** taking place within the **Coverage Territory,** provided that the **Claim** is made against the **Insured** in the United States of America, its territories or possessions.

N. Multiple **Insureds**, **Claims**, and Claimants

The inclusion of more than one **Insured** in any **Claim**, or the making of **Claims** by more than one person or entity shall not increase the Limits of Liability. All **Claims** arising out of the same **Wrongful Act** and all **Interrelated Wrongful Acts** shall be deemed one **Claim**, and all such **Claims** shall be deemed to be first made when the earliest of such **Claims** is first made, whether before or during the **Policy Period** or any applicable Extended

Sample

Reporting Period. If a **Claim** involves two or more **Insureds** who are affiliated with the same **Real Estate Firm**, only one Deductible shall apply to such **Claim**.

Sample

Important Notice – In Witness Clause

In return for the payment of premium, and subject to the terms of this policy, coverage is provided as stated in this policy.

IN WITNESS WHEREOF, this Company has executed and attested these presents and, where required by law, has caused this policy to be countersigned by its duly Authorized Representative(s).

President

Corporate Secretary

QUESTIONS ABOUT YOUR INSURANCE? Your agent or broker is best equipped to provide information about your insurance. Should you require additional information or assistance in resolving a complaint, call or write to the following (please have your policy or claim number ready):

Zurich in North America
Customer Inquiry Center
1400 American Lane
Schaumburg, Illinois 60196-1056
1-800-382-2150 (Business Hours: 8am - 4pm [CT])
Email: info.source@zurichna.com

Sample

Advisory notice to policyholders regarding the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC") regulations

No coverage is provided by this policyholder notice nor can it be construed to replace any provisions of your policy. You should read your policy and review your declarations page for complete information on the coverages you are provided.

This notice provides information concerning possible impact on your insurance coverage due to directives issued by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC").

Please read this Notice carefully.

OFAC administers and enforces sanctions policy based on Presidential declarations of "national emergency". OFAC has identified and listed numerous:

- Foreign agents;
- Front organizations;
- Terrorists;
- Terrorist organizations; and
- Narcotics traffickers;

Sample

as "Specially Designated Nationals and Blocked Persons." This list can be located on the United States Treasury's web site – http://www.treasury.gov/about/organizational-structure/offices/Pages/Office-of-Foreign-Assets-Control.aspx.

In accordance with OFAC regulations, if it is determined that you or any other insured, or any person or entity claiming the benefits of this insurance has violated U.S. sanctions law or is a Specially Designated National and Blocked Person, as identified by OFAC, this insurance will be considered a blocked or frozen contract and all provisions of this insurance are immediately subject to OFAC restrictions. When an insurance policy is considered to be such a blocked or frozen contract, no payments or premium refunds may be made without authorization from OFAC. Other limitations on premiums and payments also apply.

Includes copyrighted material of Insurance Services Office, Inc., with its permission.

Endorsement # 1

Licensed Appraisal Endorsement

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Add'l Prem.	Return Prem.
EOC 9487185 01	07/01/2012	07/01/2013	PER CERTIFICATE OF INSURANCE	200.00	N/A

Policyholder and Mailing Address:
AS PER CERTIFICATE OF INSURANCE

Producer:
Williams Underwriting Group, a Division of Neace Lukins
2325 Green Valley Road, Suite 205
New Albany, IN 47150

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Mississippi Real Estate Licensee Professional Liability Policy

In consideration of the premium charged, it is hereby understood and agreed that:

1. Subsection IV.Z. **Real Estate Services** is replaced with the following:

   Real Estate Services means services performed or advice given by the **Insured** as described and required in the Mississippi Real Estate License Law, including **Property Management Services,** as well as the following services performed or advice given by the **Insured** in connection with such services: consultant, counselor, notary public and **Real Estate Appraisal Services**.

   Provided, however, that **Real Estate Services** shall not include services performed or advice given by an **Insured** in connection with activities as a(n):

   1. mortgage banker, mortgage broker or correspondent;
   2. construction manager;
   3. property developer;
   4. lawyer;
   5. insurance agent;
   6. title agent;
   7. title agent; or
   8. escrow agent.

2. The following definition is added to Section IV.:

   Real Estate Appraisal Services means the process of estimating the value of real estate or any interest in real estate, including establishing market value, investment value or other defined value of a specific item of real property, provided such services are conducted by a registered, licensed or certified real estate appraiser who also holds an active real estate license issued by the **Commission**.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

Sample

Endorsement # 2

Increased Limits of Liability Endorsement – Specified Insureds Only

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Add'l Prem.	Return Prem.
EOC 9487185 01	07/01/2012	07/01/2013	PER CERTIFICATE OF INSURANCE	79.00 or 142.00	N/A

Policyholder:

AS PER CERTIFICATE OF INSURANCE

Producer:

Williams Underwriting Group a Division of Neace Lukens
2325 Green Valley Road, Suite 205
New Albany, IN 47150

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

Mississippi Real Estate Brokers Professional Liability Policy

Sample

In consideration of the premium charged, it is hereby understood and agreed that:

Item 5 of the Declarations is replaced with the following:

Item 5. Coverage Schedule:

Limits of Liability		Deductibles	
Insuring Agreement A: Real Estate Brokers Professional Liability			
Each per **Claim** limit:	$ 250,000	Each **Claim** deductible:	$ 1,000
Aggregate limit:	$ 750,000		$
Insuring Agreement B: Lock Box Property Damage Liability			
Each per **Claim** limit:	$ 5,000	Each **Claim** deductible:	$ 0
Aggregate limit:	$ 10,000		
Insuring Agreement C: Fair Housing Discrimination Liability			
Each per Claim limit:	$ 25,000	Each **Claim** deductible:	$ 0
Aggregate limit:	$ 25,000		
Insuring Agreement D: Subpoena Assistance Costs			
Each per subpoena limit:	$ 2,500	Each subpoena	$0
Aggregate limit:	$ 2,500		

OR

Limits of Liability		Deductibles	
Insuring Agreement A: Real Estate Brokers Professional Liability			
Each per **Claim** limit:	$ 500,000	Each **Claim** deductible:	$1,000
Aggregate limit:	$ 1,000,000		
Insuring Agreement B: Lock Box Property Damage Liability			
Each per **Claim** limit:	$ 5,000	Each **Claim** deductible:	$ 0
Aggregate limit:	$ 10,000		
Insuring Agreement C: Fair Housing Discrimination Liability			
Each per **Claim** limit:	$ 25,000	Each **Claim** deductible:	$ 0
Aggregate limit:	$ 25,000		
Insuring Agreement D: Subpoena Assistance Costs			
Each per subpoena limit:	$ 2,500	Each subpoena	$0
Aggregate limit:	$ 2,500		

If this endorsement applies, the increased Limits of Liability will be evidenced on the **Certificate of Insurance** issued to the real estate licensee who has paid such additional premium.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

Sample

Endorsement # 3

Contingent Bodily Injury and Property Damage Exclusion Endorsement (Sublimit and Deductible)

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Add'l Prem.	Return Prem.
EOC 9487185 01	07/01/2012	07/01/2013	PERCERTIFICATE OF INSURANCE	25.00	NA

Policyholder: THE MISSISSIPPI REAL ESTATE COMMISION

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Mississippi Real Estate Brokers Professional Liability Policy

In consideration of the premium charged, it is hereby understood and agreed that:

1. Solely with respect to the coverage afforded by this Endorsement, Subsection V.C. is replaced with the following

   The **Underwriter** shall not be liable for **Loss** or **Defense Costs** on account of any **Claim**:

   C. based upon, attributable to, or arising out of **Bodily Injury**, **Property Damage**, **Advertising Injury** or **Personal Injury**; provided, however, this exclusion shall not apply to **Claims** under Insuring Agreement B. alleging **Lock Box Property Damage** or **Claims** under Insuring Agreement A, but solely arising from **Property Management Services**.

2. Solely with respect to the coverage afforded by this Endorsement, Subsection VI.A. is amended by adding the following:

   The maximum liability of the **Underwriter** under this Policy for all **Loss** on account of all **Claims** covered by reason of this endorsement shall not exceed $10,000. This paragraph creates a sublimit which is part of and not in addition to the Limits of Liability in Item 4 of the Declarations

3. Solely with respect to any coverage afforded by this Endorsement, the respective Deductibles in Item 5 of the Declarations for Insuring Agreements A and B are replaced with the following:

Deductibles	
Insuring Agreement A. **Real Estate Brokers Professional Liability**	$ 1,000
Insuring Agreement B. **Lock Box Property Damage Liability**	$ 0.00

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

Sample

Personal Identity Coverage Endorsement

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Add'l Prem.	Return Prem.
EOC 9487185 01	07/01/2012	07/01/2013	PER CERTIFICATE OF INSURANCE	15.00	N/A

Policyholder:

PER CERTIFICATE OF INSURANCE

Producer:

Williams Underwriting Group a Division of Neace Luckens
2325 Green Valley Road. Suite 205
New Albany, IN 47150

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

Mississippi Real Estate Brokers Professional Liability Policy

In consideration of the premium charged, it is hereby understood and agreed that:

Solely with respect to the coverage provided by this Endorsement, the Declarations Page and Policy are amended as follows:

Sample

Schedule

Limits of Liability		Deductibles	
Personal Identity Coverage			
Aggregate Limit	$ 25,000	Each **Stolen Identity Event** deductible:	$ 0
Sublimits of Liability for Each **Insured**			
Initial Legal Consultation	$ 250	Each **Stolen Identity Event** deductible:	$ 0
Lost Wages per Week	$ 1,000	Each **Stolen Identity Event** deductible:	$ 0
Travel Expenses	$ 500	Each **Stolen Identity Event** deductible:	$ 0
Elder Care and Child Care	$ 1,000	Each **Stolen Identity Event** deductible:	$ 0

1. Section I. INSURING AGREEMENTS is amended by adding the following:

   PERSONAL IDENTITY COVERAGE

   The **Underwriter** shall pay on behalf of an **Insured** any **Loss** resulting from **Stolen Identity Events** which first occurs during the **Policy Period** and is reported to the **Underwriter** within six (6) months of a **Stolen Identity Event**. The **Underwriter's** maximum liability under this Insuring Agreement is limited as described in Section VI. LIMITS OF LIABILITY AND DEDUCTIBLES.

2. Section IV. DEFINITIONS is amended as follows:

   A. Subsection IV.L. **Insured Person** is replaced with the following:

L. **Insured Persons** means any person who performs **Real Estate Services** and who holds a valid license issued by the **Commission** pursuant to the Mississippi Real Estate License Act, and has paid the premium charged for this Policy and is either:

1. a resident of the state of Mississippi working for or representing a **Real Estate Firm**;
2. a non-resident of the state of Mississippi working for or representing a **Real Estate Firm** whose active place of business is located within the state of Mississippi; or
3. a non-resident of the state of Mississippi who does not work for or represent a **Real Estate Firm**, but who holds an active real estate license issued by the **Commission**;

and has paid the additional premium charged for this Endorsement, including the spouse or domestic partner of the **Insured Person** described above and dependent children under the age of twenty-three (23) and who live in the same residence as the **Insured Person** described above.

B. Subsection IV.P. **Loss** is replaced with the following:

P. **Loss** means the reasonable and necessary **Costs**, **Lost Wages**, **Legal Defense Fees and Expenses** incurred within twelve (12) months of the **Insured's** discovery of a **Stolen Identity Event** and incurred within the United States of America.

C. The following Definitions are added:

Business means any employment, trade, hobby, profession or occupation.

Costs means the following reasonable and necessary costs incurred by the **Insured** as a result of a **Stolen Identity Event**:

1. cost of re-filing applications for loans, grants or other credit instruments when the application is rejected solely because the lender received incorrect credit information;
2. cost of notarizing affidavits or other similar documents for credit agencies, financial institutions, merchants or other credit grantors that require such affidavits, long distance telephone calls and postage to law enforcement agencies, credit agencies, financial institutions, merchants or other credit grantors solely as a result of the **Insured's** efforts to report a **Stolen Identity Event** and/or amend or rectify records as to the **Insured's** true name or identity;
3. cost of up to six credit reports from established credit bureaus (with no more than two reports from any one credit bureau);
4. costs approved by the **Underwriter**, for providing periodic reports on changes, inquiries or activities of the **Insured's** personal information contained in credit reports or public databases (including, but not limited to credit monitoring services);
5. cost of travel within the United States incurred as a result of the **Insured's** efforts to amend or rectify records as to the **Insured's** true name or identity;
6. costs for elder care or child care expenses incurred as a result of the **Insured's** efforts to amend or rectify records as to the **Insured's** true name or identity; and
7. costs of **Restoration Services**.

Legal Defense Fees and Expenses means the reasonable and necessary fees and expenses incurred by the **Insured** with the **Underwriter's** consent for an attorney retained by the **Insured** and approved by the **Underwriter** for:

1. An initial consultation with a lawyer to determine the severity of and appropriate response to a **Stolen Identity Event**;
2. Defending any civil suit brought against the **Insured** by a creditor, collection agency or other entity acting on behalf of a creditor for non-payment for goods or services or default on a loan solely as a result of a **Stolen Identity Event**;
3. Removing any civil judgment wrongfully entered against the **Insured** solely as a result of a **Stolen Identity Event**; and

Sample

4. Defending criminal charges brought against the **Insured** as a result of the **Stolen Identity Event**. However, the **Underwriter** will only pay for this after establishing by acquittal or dropping of charges that the **Insured** was not in fact the perpetrator.

Lost Wages means actual wages that would have been earned in the United States, whether partial or whole days, for time reasonably and necessarily taken off work and away from the **Insured's** work premises solely as a result of the **Insured's** efforts to amend or rectify records as to the **Insured's** true name or identity as a result of a **Stolen Identity Event**. **Lost Wages** also includes remuneration for vacation days, discretionary days, floating holidays, and paid personal days. Computation of lost wages for self-employed persons must be supported by, and will be based on, the prior year tax returns, and will not include losses for business interruption or future earnings. Coverage is limited to wages lost within twelve (12) months after the **Insured's** discovery of a **Stolen Identity Event**.

Restoration Services means the services described below and performed by a third party in response to a **Stolen Identity Event**, only after receipt of appropriate authorization from the **Insured**:

1. provide the **Insured** with a package of information which includes a description of the resolution process, educational articles, and guidance for avoiding future complications;
2. notify the three major credit bureaus and provide assistance with requesting that a fraud alert be placed on the **Insured's** credit files and affected credit accounts;
3. compile and organize the paperwork to help the **Insured** document the **Stolen Identity Event** and providing information to appropriate government agencies;
4. review the **Insured's** credit files with the **Insured** to determine the accuracy of the file and potential areas of fraud;
5. research and investigate potential damage to the **Insured's** identity;
6. notify as needed, the **Insured's** affected creditors, financial institutions, credit card companies, utility providers, and merchants of the identity fraud;
7. provide information to the Federal Trade Commission (FTC), and to other government agencies as appropriate;
8. when appropriate, provide assistance with obtaining and reviewing the **Insured's** Social Security Personal Earnings and Benefits Statement;
9. create and maintain a case file to document the identity fraud; and
10. when appropriate, provide other assistance the **Underwriter** might reasonably be able to offer to the **Insured** on a case by case basis, as determined by the **Underwriter's** sole and absolute discretion.

Stolen Identity Event means the theft of an **Insured's** personal identification, social security number, or other method of identifying the **Insured**, which has or could reasonably result in the wrongful use of such information. All **Loss** resulting from **Stolen Identity Event(s)** and arising from the same, continuous, related or repeated acts shall be treated as arising out of a single **Stolen Identity Event** occurring at the time of the first such **Stolen Identity Event**. **Stolen Identity Event** shall not include the theft or wrongful use of the **Insured's Business** name, d/b/a or any other method of identifying any **Business** activity.

3. Section V. EXCLUSIONS is replaced with the following:

The **Underwriter** shall not be liable for **Loss** or **Defense Costs** on account of any **Stolen Identity Event**:

A. based upon, arising out of, or attributable to any dishonest, criminal, malicious or fraudulent acts if the **Insured** personally participated in, directed or had knowledge of such acts;

B. based upon, arising out of, or attributable to any **Loss** reported to the **Underwriter** more than six (6) months after a **Stolen Identity Event** occurs;

C. based upon, arising out of, or attributable to:

1. war, including undeclared or civil war;
2. warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or

Sample

3. insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these;

D. based upon, arising out of or attributable to:

1. any fact, circumstance, or situation which has been the subject of any written notice given under any insurance policy or any policy of which this Policy is a direct or indirect renewal or replacement, or any policy expiring prior to the inception date of this Policy;

2. any written demand, suit or proceeding pending, or order, decree or judgment entered, against any **Insured** on or prior to the effective date of this Policy or the effective date of any policy issued by the **Underwriter** of which this Policy is a continuous renewal, replacement, or is alleging or derived from the same or substantially the same **Stolen Identity Event**, fact, circumstance or situation underlying or alleged therein;

E. based upon, arising out of, or attributable to **Bodily Injury, Property Damage, Advertising Injury** or **Personal Injury**;

F. based upon, arising out of or attributable to any actual or alleged violation by the **Insured** of: (1) the Employee Retirement Income Security Act of 1974; (2) the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Company Act of 1940, the Investment Advisors Act, or any other foreign, federal, state or local securities law; or (3) any rules or regulations promulgated under the statutes listed in V.D.(1).or V.D.(2); any amendments thereof, or any other foreign, federal, state or common law similar thereto;

G. based upon, arising out of or attributable to any actual or alleged:

(1) refusal to employ; (2) termination of a person's employment, including constructive dismissal; (3) violations of employment-related practices, policies, acts, or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination, malicious prosecution; or (4) other wrongful employment-related practices, provided this exclusion applies:

a. whether such conduct occurs before employment, during employment or after employment of that person; or

b. whether the **Insured** may be liable as an employer or in any other capacity.

Sample

4. Section VI. LIMITS OF LIABILITY AND DEDUCTIBLES, is amended by adding the following:

A. The Aggregate Limit of Liability stated in the Schedule of this Endorsement is the most we shall pay for **Loss**, in excess of any applicable Deductible, resulting from all **Stolen Identity Events** combined first occurring during the **Policy Period**.

B. The Aggregate Limit of Insurance stated in the Schedule of this Endorsement is solely for the coverage provided under this Endorsement for Personal Identity Coverage, and is in addition to the Limits of Liability stated in the policy Declarations.

C. All **Loss** arising out of the same, continuous, related or repeated **Stolen Identity Events** shall be subject to the terms, conditions, exclusions and single Aggregate Limit of Liability provided in the Schedule of this Endorsement in effect at the time the first such **Stolen Identity Event** occurs.

D. The maximum the **Underwriter** shall pay for an initial consultation with a lawyer shall not exceed the amount for Initial Legal Consultation as specified in the Schedule of this endorsement. All legal defense fees and expenses are part of, and not in addition to, the Aggregate Limit of Liability provided in the Schedule of this Endorsement for each **Insured**.

E. The maximum the **Underwriter** shall pay for **Lost Wages** shall not exceed the amount for Lost Wages as specified in the Schedule of this Endorsement. All **Lost Wages** are part of, and not in addition to, the Aggregate Limit of Liability provided in this Endorsement for each **Insured**.

F. The maximum the **Underwriter** shall pay for travel expenses shall not exceed the amount for Travel Expenses as specified in the Schedule of this Endorsement. All travel expenses are part of, and not in addition to, the Aggregate Limit of Liability provided in this Endorsement for each **Insured**.

G. The maximum the **Underwriter** shall pay for elder care and child care shall not exceed the amount for Elder Care and Child Care as specified in the Schedule of this Endorsement. All elder care and child care expenses are part

of, and not in addition to, the Aggregate Limit of Liability provided in the Schedule of this Endorsement for each **Insured**.

H. The **Insured** shall be responsible for the applicable Deductible amount shown in the Schedule of this Endorsement, and the **Insured** may not insure against it.

I. Regardless of the number of covered **Stolen Identity Events** first occurring during the **Policy Period** each **Insured** shall be responsible for only a single deductible during any one **Policy Period**.

5. Section VII. CONDITIONS, is amended by the following:

A. The following additional Condition is added:

Obligations of the Insured

1. If a **Stolen Identity Event** occurs, the **Insured** shall promptly, but no later than six (6) months after a **Stolen Identity Event** occurs, notify the **Underwriter** of a **Stolen Identity Event** at the address on Item 8 of the Declarations. The **Insured** shall also follow the written instructions of the **Underwriter** to mitigate potential **Loss** as set forth below.

2. If a **Loss** occurs, the **Insured** shall also:

a. promptly notify the **Underwriter** of the **Loss**, submit to the **Underwriter** the written proof of **Loss** and provide any other reasonable information or documentation that the **Underwriter** may request;

b. take all reasonable steps to mitigate **Loss** resulting from a **Stolen Identity Event** including, but not limited to, requesting a waiver for any applicable fees, loan application fees or credit bureau fees;

c. file a report with the appropriate police authority; and

d. provide all assistance and cooperation the **Underwriter** may require in the investigation and determination of any **Loss**, including but not limited to:

(1) Immediately forwarding to the **Underwriter** any notices, summons or legal papers received by the **Insured** in connection with a **Loss** or the identity theft;

(2) Authorize the **Underwriter** to obtain records and other information with regard to any **Loss**;

(3) Cooperating with and helping the **Underwriter** to enforce any legal rights the **Insured** or the **Underwriter** may have against anyone who may be liable to the **Insured**;

(4) Attending depositions, hearings and trials, securing and giving evidence, and obtaining the attendance of witnesses with regard to any **Loss**; or

(5) Answering the **Underwriter's** questions under oath at such times as may be reasonably required about any matter relating to this insurance or the **Insured's Loss**, as well as permitting the **Underwriter** to inspect your books and records. In such event, the **Insured's** answers under oath shall be signed.

B. Section VII.H. is replaced by the following:

H. Other Insurance

This insurance is excess over any other insurance, whether primary, excess, contingent or on any other basis, except when purchased specifically to apply in excess of this insurance. When both this insurance and other insurance apply to any **Stolen Identity Event**, whether primary, excess or contingent, the **Underwriter** shall not be liable under this policy for a greater proportion of **Loss** than the applicable Limits of Liability under this Policy for such **Loss** bears to the total applicable Limits of Liability of all valid and collectible insurance against such **Stolen Identity Event.**

ALL OTHER TERMS, CONDITIONS, PROVISIONS AND EXCLUSIONS OF THIS POLICY REMAIN UNCHANGED.

Sample