



Great American Insurance Company

Real Estate Appraisers
Liability Insurance Policy

Real Estate Appraisers Liability Insurance Policy

Great American Insurance Company – Professional Liability Division:
Post Office Box 1178, Cincinnati, OH 45201

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GREAT AMERICAN INSURANCE GROUP®

Headquarters: 301 E. Fourth Street, Cincinnati, Ohio 45202

THIS IS A CLAIMS MADE POLICY. THIS POLICY APPLIES TO THOSE CLAIMS THAT ARE FIRST MADE DURING THE POLICY PERIOD OR ANY APPLICABLE EXTENDED REPORTING PERIOD.

CLAIM EXPENSES, INCLUDING LEGAL DEFENSE, ARE WITHIN AND REDUCE THE LIMIT OF LIABILITY. THE LIMIT OF LIABILITY AVAILABLE TO PAY DAMAGES MAY BE REDUCED BY UP TO 50% BY CLAIM EXPENSES.

PLEASE READ THE ENTIRE POLICY CAREFULLY.

In consideration of the payment of the premium and in reliance upon all statements made and information furnished to the insurance company identified in the Declarations (a stock insurance company, hereinafter called the **Company**), and subject to all terms, conditions, and limitations of the Policy, the **Named Insured** and the **Company** agree as follows.

Section I. Insuring Agreement

The **Company** will pay on behalf of the **Named Insured** all sums in excess of the deductible that the **Named Insured** becomes legally obligated to pay as **Damages** and **Claim Expenses** as a result of a **Claim** first made against the **Named Insured** during the **Policy Period** or any applicable **Extended Reporting Period** by reason of an act or omission, including **Personal Injury**, in the performance of **Appraisal Services** by the **Named Insured**, provided that:

- A. no such act or omission, or **Related Act or Omission**, was committed prior to the **Retroactive Date**; and
- B. prior to the inception date of the first policy issued by the **Company**, and continuously renewed, the **Named Insured** had no basis to believe that any such act or omission, or **Related Act or Omission**, might reasonably be expected to be the basis of a **Claim**.
- C. the **Claim** must be reported in accordance with Section IX. Notice of **Claims** and Potential **Claims**.

The **Company** has the right and duty to defend any **Claim** against the **Named Insured** even if any of the allegations of the **Claim** are groundless, false or fraudulent. Defense counsel may be designated by the **Company** or, at the **Company's** option, by the **Named Insured** with the **Company's** written consent and subject to the **Company's** guidelines.

Section II. Definitions

- A. “**Appraisal Services**” means services performed for others by the **Named Insured** in the capacity as a properly licensed or certified appraiser of real estate, notary public, or a member of a real estate accreditation, standards review or similar real estate board or committee; provided, however, **Appraisal Services** does not include the supervision of, subcontracting to, assignment to or referral of any portion of any contract, project or engagement by the **Named Insured**.
- B. “**Bodily Injury**” means physical injury, sickness or disease sustained by any person including death resulting from any of these at any time. **Bodily Injury** also means mental illness, mental anguish, emotional distress, pain, suffering, or shock sustained by any person, whether or not resulting from physical injury, sickness, disease or death of such person.

C. “Claim” means:

- (1) a written demand for money or services received by the **Named Insured**; or
- (2) a civil proceeding in a court of law, or arbitration proceeding, against the **Named Insured**, commenced by the service of summons or receipt of an arbitration demand;

arising out of an act or omission in the performance of **Appraisal Services**.

D. “Claim Expenses” means:

- (1) fees and costs charged by attorneys designated by the **Company** or designated by the **Named Insured** with the **Company's** prior written consent;
- (2) all other reasonable and necessary fees, costs and expenses resulting from the investigation, adjustment, negotiation, arbitration, mediation, defense or appeal of a **Claim**, if incurred by the **Company** or by the **Named Insured** with the **Company's** prior written consent; and
- (3) premiums on appeal bonds, attachment bonds or similar bonds; provided, however, the **Company** is not obligated to apply for or furnish any such bond.

Claim Expenses do not include fees, costs or expenses of employees or officers of the **Company**, or salaries, loss of earnings or other remuneration by or to the **Named Insured**.

E. “Company” means the insurance company identified in the Declarations.

F. “Damages” means any monetary judgment or award which the **Named Insured is legally obligated to pay. **Damages** also means a monetary settlement to which the **Company** agrees on the **Named Insured's** behalf. However, **Damages** do not include:**

- (1) the return, restitution, reduction, compromise or refund of fees, commissions, expenses or costs for **Appraisal Services** performed, or to be performed, by the **Named Insured** and injuries that are a consequence of any fees, commissions, expenses or costs charged by the **Named Insured**;
- (2) fines, penalties, forfeitures or sanctions;
- (3) the multiplied portion of any multiplied awards;
- (4) the cost of compliance with any order for, grant of, or agreement to provide non-monetary relief, including services or injunctive relief; or
- (5) punitive or exemplary amounts;
- (6) any amounts uninsurable as a matter of law or public policy.

G. “Disciplinary Action” means a proceeding before any state licensing board, local real estate board or other governmental body regulating professional conduct, alleging misconduct in providing **Appraisal Services; provided, however, **Disciplinary Action** does not include any criminal charges.**

- H. “**Discrimination Claims**” means any **Claim** arising out of **Appraisal Services** rendered on behalf of the **Named Insured**, alleging discrimination on the basis of race, creed, color, age, gender, national origin, religion, disability, marital status or sexual preference, including any resulting **Personal Injury**. **Discrimination Claims** do not include any **Claim** based upon, arising out of, relating to, directly or indirectly resulting from or in consequence of sexual misconduct or sexual abuse that the **Named Insured** actually or allegedly participated in, directed, or knowingly allowed to occur.
- I. “**Extended Reporting Period**” means the period of time after the end of the **Policy Period** for reporting **Claims** to the **Company** that are made against the **Named Insured** during the applicable **Extended Reporting Period** by reason of an act or omission, which was committed prior to the end of the **Policy Period** and on, or subsequent to, the **Retroactive Date** and is otherwise covered by this Policy.
- J. “**Named Insured**” means the person specified in Item 1. in the Declarations.
- K. “**Personal Injury**” means injury other than **Bodily Injury** arising out of one or more of the following offenses, by reason of an act or omission by the **Named Insured** in the performance of **Appraisal Services**:
- (1) false arrest, detention or imprisonment;
 - (2) malicious prosecution;
 - (3) the wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, if such eviction, entry or invasion is by or on behalf of its owner, landlord or lessor;
 - (4) oral or written publication, in any manner, of material that:
 - (a) slanders or libels a person or organization or disparages a person’s or organization’s goods, products or services; or
 - (b) violates a person’s right of privacy;except, in either case, oral or written publication in any manner which arises out of advertising, broadcasting or telecasting activities conducted by, or on behalf of, the **Named Insured**.
- L. “**Policy Period**” means the period of time from the effective date stated in Item 3. in the Declarations to the earliest of the date of termination, expiration or cancellation of this Policy.
- M. “**Pollutants**” means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
- N. “**Property Damage**” means:
- (1) physical injury to tangible property, including all resulting loss of use of that property; or
 - (2) loss of use of tangible property that is not physically injured.
- O. “**Related Claims**” means all **Claims** arising out of a single act or omission or **Related Act or Omission** in the performance of **Appraisal Services**.

- P.** “**Related Act or Omission**” means all acts or omissions that are logically or causally connected by any common fact, circumstance, situation, transaction, event, advice or decision.
- Q.** “**Residential Real Property**” means a one to four family dwelling.
- R.** “**Retroactive Date**” means the date stated in Item 7. in the Declarations.

Section III. Exclusions

This Policy does not apply to any **Claim**:

- A.** based on or arising out of any dishonest, intentionally wrongful, fraudulent, criminal or malicious act or omission by the **Named Insured**;
- B.** based on or arising out of **Bodily Injury or Property Damage**;
- C.** based on or arising out of discrimination, humiliation, harassment, or misconduct including, but not limited to, **Claims** based on allegations relating to an individual’s race, creed, color, age, gender, national origin, religion, disability, marital status or sexual preference; provided, however, this exclusion does not apply to any **Damages** or **Claims Expenses** from **Discrimination Claims** up to the sub-limit provided pursuant to Section IV. C. of the Policy;
- D.** based on or arising out of the insolvency or bankruptcy of the **Named Insured**;
- E.** based on or arising out of:
- (1) any disputes involving the **Named Insured’s** fees, commissions or charges;
 - (2) the conversion, misappropriation, commingling or defalcation of funds or other property;
 - (3) the failure to pay or collect premium, escrow or tax money; or
 - (4) the gaining of any personal profit or advantage to which the **Named Insured** is not legally entitled;
- F.** based on or arising out of the representation of clients in connection with any securities transaction (either registered or exempt) including, but not limited to, bond or other debt offerings, public stock offerings, property syndication or real estate investment trusts;
- G.** based on or arising out of the actual or attempted purchase of property by the **Named Insured**;
- H.** based on or arising out of the actual or attempted appraisal of property by the **Named Insured** on or after the date or time of the act or omission giving rise to such **Claim**, if:
- (1) the **Named Insured** owned such property in any part;
 - (2) the **Named Insured** was the developer, builder, real estate broker or salesperson of such property;
 - (3) such **Appraisal Services** were in exchange for stock, partial ownership or investment in such property; or
 - (4) the **Named Insured** was employed or subcontracted by a real estate broker or sales person who was a party to any transaction involving the appraised property;

- I.** based on or arising out of actual or attempted purchase of property by, or appraisal of property developed, constructed or owned by:
- (1) any entity in which the **Named Insured** has financial interest;
 - (2) any entity which has any financial interest in the **Named Insured**; or
 - (3) any entity which is under the same financial control as the **Named Insured**, provided that such financial interest existed at the time of the act or omission giving rise to the **Claim**;
- J.** based on or arising out of any actual or alleged violation of:
- (1) The Employee Retirement Income Security Act of 1974;
 - (2) The Securities Act of 1933;
 - (3) The Securities Exchange Act of 1934; or
 - (4) Any state Blue Sky or Securities law;
- or any rules, regulations or amendments issued in relation to such acts, or similar state or federal statutes or regulations, including any **Claim** based upon common law principles of liability;
- K.** based on or arising out of any guarantee or promise of future status, performance or valuation in the course of performing **Appraisal Services** by the **Named Insured**;
- L.** based on or arising out of:
- (1) the actual, alleged or threatened emission, discharge, dispersal, seepage, release or escape of **Pollutants**;
 - (2) any injury, damage, payments, costs or expense incurred as a result of any testing for, monitoring, removal, containment, treatment, detoxification, neutralization or cleanup of **Pollutants**;
- M.** based on or arising out of the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, any asbestos on or within a building or structure, including its contents, regardless whether or not the asbestos was at any time airborne in the form of fibers, particles or dust or was contained in or formed part of a product; or any loss, cost or expenses arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, asbestos by the **Named Insured** or by any other person or entity;
- N.** based on or arising out of liability assumed by the **Named Insured** under any contract or agreement, unless such liability would have attached to the **Named Insured** even in the absence of such contract or agreement;
- O.** based on arising out of actual or alleged misappropriation of trade secret or infringement of patent, copyright, trademark, trade dress or any other intellectual property right or unauthorized use of confidential, privileged or non-public material or information;
- P.** based on or arising out of the sale of insurance, the failure to advise of the need for, or type of, insurance or failure to effect or maintain adequate levels of insurance;

- Q. based on or arising out of the alleged notarized certification or acknowledgement by the **Named Insured** of a signature on any document that the **Named Insured** did not witness being placed on the document;
- R. based on or arising out of the rendering of, or failure to render, **Appraisal Services** by the **Named Insured** as an employee, owner, partner, stockholder, director or officer of any business enterprise not named in the Declarations; or
- S. based on or arising out of any activity relating to:
 - (1) right-of-way appraisals; or
 - (2) proposed construction or land development appraisals, unless the appraisal is solely intended for **Residential Real Property**.

Section IV. Limits of Liability

A. **Limit of Liability - Each Claim**

Subject to paragraph B. below, the **Company's** liability from each **Claim** first made during the **Policy Period** will not exceed the amount stated in Item 4.A. in the Declarations for "Limit of Liability - Each **Claim**". The **Company's** limit of liability for each **Claim** may be reduced by up to fifty percent (50%) by the payment of **Claim Expenses** if the limit of liability shown in item 4.A. in the Declarations for "Each **Claim**" is at least \$500,000. If the **Company's** limit of liability for each **Claim** is reduced by fifty percent (50%) by the payment of **Claim Expenses**, any additional **Claim Expenses** paid by the **Company** shall not further reduce the limit of liability for each **Claim**.

B. **Limit of Liability - Policy Aggregate**

The **Company's** liability from all **Claims** first made during the **Policy Period** will not exceed the aggregate amount stated in Item 4.B. in the Declarations as the "Limit of Liability - Policy Aggregate". The Policy aggregate limit of liability stated in the Declarations is the maximum amount the **Company** will pay under this Policy for **Damages** and **Claim Expenses**, regardless of the number of **Claims** or claimants. The **Company's** limit of liability for all **Claims** may be reduced by up to fifty percent (50%) by the payment of **Claim Expenses** if the limit of liability shown in item 4.A. in the Declarations for "Each **Claim**" is at least \$500,000. If the **Company's** limit of liability for all **Claims** is reduced by fifty percent (50%) by the payment of **Claim Expenses**, any additional **Claim Expenses** paid by the **Company** shall not further reduce the limit of liability for all **Claims**.

C. **Limit of Liability – Discrimination Claims**

The **Company's** liability for all **Damages** and **Claim Expenses** from all **Discrimination Claims** first made during the **Policy Period** will not exceed \$100,000, which sum is within and not in addition to the Limit of Liability – Policy Aggregate stated in the Declarations. Provided, however, that this Policy shall only provide such coverage if the **Claim** arises from the **Named Insured's** vicarious liability for discriminatory acts of others or by reason of the **Named Insured's** acts or omissions which result in disparate impact discrimination.

Section V. Deductible

- A. The deductible amount stated in Item 5.A. in the Declaration is the **Named Insured's** obligation for each **Claim** and applies to the payment of **Damages**. The deductible will be paid by the **Named Insured** before the **Company** has any obligation under this Policy to pay any **Damages** as to any **Claim**. The limits of liability are in addition to, and in excess of, the deductible.
- B. **Related Claims** made against the **Named Insured** under this Policy or under any renewal of this Policy will be considered a single **Claim** first made when the earliest of the **Related Claims** was first made. A single deductible and single Each **Claim** limit of liability shall apply to any such single **Claim**.
- C. If a **Claim** is resolved by settlement, with the consent of the **Named Insured** and the **Company**, as reflected in a settlement agreement, order, dismissal, or judgment, within one (1) year following the date that the **Claim** is reported to the **Company**, the **Named Insured** will be reimbursed or credited 50% of the deductible paid for all such **Claims** during the **Policy Period** resolved or concluded in accordance with this section of the Policy.

Section VI. Supplementary Payments

The following supplementary payments are not subject to the deductible and are in addition to the limits of liability.

A. Reimbursement for Loss of Earnings

The **Company** will pay up to \$500.00 for loss of earnings to the **Named Insured** for each day, or part of a day, the **Named Insured** is in attendance, at the **Company's** request, at a trial, hearing, mediation or arbitration proceeding involving a **Claim** against the **Named Insured**. The maximum amount payable, regardless of the number of trials, hearings, mediations or arbitration proceedings, shall be \$7,500 per **Claim** and \$25,000 for all **Claims** during the **Policy Period**.

B. Disciplinary Actions

The **Company** will pay on behalf of the **Named Insured** reasonable attorneys' fees, costs and expenses incurred in responding to a **Disciplinary Action** first received by the **Named Insured** and reported in writing to the **Company** during the **Policy Period** by reason of an act or omission in the performance of **Appraisal Services**, provided that no act or omission alleged in the **Disciplinary Action** is the same as, or is a **Related Act or Omission** with, an act or omission alleged in a **Claim** made prior to the **Retroactive Date** or a notice of circumstance or potential claim given to a prior insurer. The maximum amount payable shall be \$2,500 per **Disciplinary Action** and \$25,000 for all **Disciplinary Actions** during the **Policy Period**, regardless of the number of **Disciplinary Actions**. The **Company** shall not be obligated to defend any **Disciplinary Action**, or pay any fine, penalty or award resulting from any **Disciplinary Action**.

C. Subpoena Expenses

Subject to an aggregate \$5,000 limit of liability per **Policy Period**, the **Company** will pay for all legal defense fees and expenses incurred in responding to a subpoena for documents or testimony first received by the **Named Insured** during the **Policy Period** by reason of an act or omission in the performance of **Appraisal Services** by the **Named Insured** or by any person for whom the **Named Insured** is legally liable. The **Company** will at the **Named Insured's** request, and upon receipt of a copy of the subpoena, retain an attorney to provide advice regarding the production of documents, prepare the **Named Insured** for sworn testimony and represent the **Named Insured** at their deposition, provided that:

- (1) the subpoena arises out of a lawsuit to which the **Named Insured** is not a party; and

- (2) the **Named Insured** has not been engaged to provide advice or testimony in connection with the lawsuit, nor has the **Named Insured** provided such advice or testimony in the past.

Any notice given to the **Company** of such subpoena shall be deemed notification under Section IX. of this Policy.

Section VII. Defense and Settlement

- A.** The **Company** will have the right to make, with the consent of the **Named Insured**, any settlement of a **Claim** under this Policy. If the **Named Insured** refuses to consent to a settlement within the Policy's applicable limit of liability that is recommended by the **Company** and acceptable to the claimant, then the **Company's** maximum liability under this Policy for such **Claim** will be the sum of the **Damages** for which the **Claim** could have been settled and the **Claim Expenses** incurred up to the date on which the **Named Insured** refused to consent to the settlement.
- B.** The **Company** is not obligated to pay any **Damages** or **Claim Expenses** or to defend or continue to defend any **Claim** after the applicable limit of liability has been exhausted.

Section VIII. Extended Reporting Periods

A. Automatic Extended Reporting Period

Upon termination of coverage by either the **Company** or by the **Named Insured**, or if the **Company** offers, or the **Named Insured** requests, any change in coverage less favorable to the **Named Insured**, including but not limited to a decrease in limits, reduction of coverage, increase in deductible or self-insured retention or new exclusion, the **Company** will provide to the **Named Insured** an automatic, non-cancelable **Extended Reporting Period** starting at the termination of the **Policy Period**. This automatic **Extended Reporting Period** will terminate after sixty (60) days.

B. Optional Extended Reporting Period

- (1) Upon termination of coverage by either the **Company** or by the **Named Insured**, or if the **Company** offers, or the **Named Insured** requests, any change in coverage less favorable to the **Named Insured**, including but not limited to a decrease in limits, reduction of coverage, increase in deductible or self-insured retention or new exclusion, then the **Named Insured** will have the right to purchase an optional **Extended Reporting Period** of one, two or three years. Within thirty (30) days after termination of coverage the **Company** will advise the **Named Insured** in writing of the automatic **Extended Reporting Period** coverage and the availability of, the premium for and the importance of purchasing optional **Extended Reporting Period** coverage. Such right must be exercised by the **Named Insured** within sixty (60) days of the termination of the **Policy Period** or thirty (30) days from the date of mailing or delivery of the advice required by paragraph (1) of this subdivision, whichever is greater, by providing:
- (a) a written acceptance to the **Company**; and
 - (b) with the written acceptance, the amount of additional premium described below.

- (2) The non-refundable additional premium for the optional **Extended Reporting Period** shall be:
 - (a) for a one (1) year **Extended Reporting Period**, 100% of the annual premium for the Policy; or
 - (b) for a two (2) year **Extended Reporting Period**, 135% of the annual premium for the Policy; or
 - (c) for a three (3) year **Extended Reporting Period**, 150% of the annual premium for the Policy.
- (3) The first sixty (60) days of the optional **Extended Reporting Period**, if it is purchased, shall run concurrently with the automatic **Extended Reporting Period**.

C. Death or Disability Extended Reporting Period

In the event the **Named Insured** dies or becomes permanently and totally disabled during the **Policy Period**, an unlimited **Extended Reporting Period** will be granted at no additional premium, provided that within ninety (90) days of the of the death or permanent and total disability:

- (1) the **Named Insured** or the **Named Insured's** estate requests the unlimited **Extended Reporting Period**; and
- (2) the **Named Insured's** estate furnishes written evidence and proof of the **Named Insured's** death or the **Named Insured** provides evidence and proof of the permanent and total disability, including the date of the actual disability and written certification by the **Named Insured's** attending physician.

D. Retirement Extended Reporting Period

- (1) If, after the **Named Insured** reaches the age of 65, and having been continuously insured by the **Company** on a claims-made basis for a minimum of five (5) years, the **Named Insured** retires during the **Policy Period**, an unlimited **Extended Reporting Period** will be granted at no additional premium; or
- (2) If the **Named Insured** retires from the appraisal business during the **Policy Period**, an unlimited **Extended Reporting Period** can be purchased for a non-refundable additional premium of 160% of annual premium.

Such right must be exercised by the **Named Insured** within sixty (60) days of the retirement by providing:

- (a) a written acceptance to the **Company**; and
- (b) with the written acceptance, the amount of additional premium described in paragraph D.2. above, if applicable.

There shall be no right to the retirement **Extended Reporting Period** if the **Named Insured's** license has been suspended, revoked or surrendered at the request of any regulatory authority.

E. Extended Reporting Period Limits of Liability

- (1) The limit of liability of the **Company** for all **Claims** reported during the automatic **Extended Reporting Period** will be part of and not in addition to the limits of liability for the **Policy Period** set forth in Item 4. in the Declarations.
- (2) The limit of liability of the **Company** for all **Claims** reported during an optional **Extended Reporting Period** shall be:
 - (a) equal to one hundred percent (100%) of the Policy's annual aggregate limit where the **Named Insured** has been continuously insured by the **Company** for three years or more; or
 - (b) if the **Named Insured** has been continuously insured by the **Company** for less than three years, the limit liability shall be at least equal to the greater of:
 - i. the amount of coverage remaining in the Policy's annual aggregate limit of liability, or
 - ii. fifty percent (50%) of such Policy's annual aggregate liability limit.

F. Elimination of Right to Any Extended Reporting Period

There is no right to any optional **Extended Reporting Period** if the **Named Insured** has been insured by the **Company** for less than one (1) year and this Policy has been terminated due to nonpayment of premium or fraud.

G. Extended Reporting Period - Not a New Policy

The **Extended Reporting Period** will not be construed to be a new policy and any **Claim** submitted during such period will otherwise be governed by this Policy.

Section IX. Notice of Claims or Potential Claims

- A.** The **Named Insured**, as a condition precedent to the obligations of the **Company** under this Policy, will give written notice to the **Company**, as soon as reasonable, of any **Claim** made against the **Named Insured**.
- B.** Failure to give any notice required by this Policy within the time prescribed shall not invalidate any **Claim** made by the **Named Insured**, an injured person or by any claimant, if it shall be shown that it was not reasonably possible to give such notice within the time prescribed and that notice was given as soon as reasonably possible thereafter. Moreover, failure to give any notice required to be given within the time prescribed shall not invalidate any **Claim** made by the **Named Insured**, or any other claimant, unless the failure to provide timely notice has prejudiced the **Company**, provided that the notice shall have been made during the **Policy Period** or any applicable **Extended Reporting Period**.
- C.** If during the **Policy Period** the **Named Insured** becomes aware of any act or omission which may reasonably be expected to be the basis of a **Claim** against the **Named Insured**, including, but not limited to, any notice, advice or threat, whether written or verbal, that any person or entity intends to hold the **Named Insured** responsible for any alleged act or omission and gives written notice to the **Company** with full particulars, including:
 - (1) the specific act or omission;

- (2) the dates and persons involved;
- (3) the identity of anticipated or possible claimants;
- (4) the circumstances by which the **Named Insured** first became aware of the possible **Claim**; and
- (5) potential damages or injury;

then any **Claim** that is subsequently made against the **Named Insured** arising out of such act or omission will be deemed to have been made on the date such written notice was received by the **Company**.

D. Notices pursuant to the foregoing paragraphs must be mailed or emailed to the **Company** at the following address:

- (1) Emailed to: PLDClaims@gaic.com;
- (2) Fax to: 855-806-8402; or
- (3) Mailed to: Great American Insurance Group Professional Liability Division
Attn: Claims Department
P.O. Box 1178
Cincinnati, OH 45201

Under this Section, written notice to any licensed agent of the **Company** in the State of New York shall be deemed notice to the **Company**.

Section X. General Conditions

A. Assistance and Cooperation

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

B. Action against the Company

- (1) No action may be brought against the **Company** unless, as a condition precedent thereto:
 - (a) the **Named Insured** has fully complied with all the terms of this Policy; and
 - (b) until the amount of the **Named Insured's** obligation to pay has been finally determined either by judgment against the **Named Insured** or by written agreement of the **Named Insured**, the claimant and the **Company**.

- (2) Nothing contained in this Policy will give any person or organization the right to join the **Company** as a defendant or co-defendant or other party in any action against the **Named Insured** to determine the **Named Insured's** liability.
- (3) If the **Company** denies coverage for a **Claim** or does not admit liability because the **Named Insured** or the injured person, someone acting for the injured person or other claimant fails to give the **Company** written notice as soon as practicable, then the injured person, someone acting for the injured person or other claimant may bring an action against the **Company**, provided the sole question is whether the denial of coverage or non-admission of liability is based on the failure to provide timely notice.

However, the injured person, someone acting for the injured person or other claimant may not bring an action if within 60 days after the **Company** denies coverage or does not admit liability, the **Company** or the **Named Insured**:

- (a) brings an action to declare the rights of the parties under the Policy; and
- (b) names the injured person, someone acting for the injured person or other claimant as a party to the action.

C. Bankruptcy

Bankruptcy or insolvency of the **Named Insured** or of the **Named Insured's** estate will not relieve the **Company** of any of its obligations hereunder.

D. Other Insurance

This Policy shall apply only as excess over, and shall not contribute with, any other valid and collectible policy or policies (except with respect to any excess beyond the amount or amounts of coverage under such other policy or policies), whether such other policy or policies are stated to be primary, contributory, excess, contingent, or otherwise. This Policy will not be subject to the terms of any other insurance.

E. Subrogation

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

F. Changes

Notice to any agent of the **Company**, or knowledge possessed by any such agent or by any other person, will not affect a waiver or a change in any part of this policy and will not prevent or preclude the **Company** from asserting or invoking any right or provision of this Policy. None of the provisions of this Policy may be waived, changed or modified except by a written endorsement issued by the **Company** to form a part of this Policy.

G. Cancellation/Nonrenewal

- (1) This Policy may be cancelled by the **Named Insured** by returning it to the **Company**. The **Named Insured** may also cancel this Policy by giving written notice to the **Company** stating at what future date cancellation is to be effective.

- (2) During the first 60 days this Policy is in effect, the **Company** may cancel this Policy by sending written notice to the **Named Insured** at the address shown in Item 2. in the Declarations and to the **Named Insured's** authorized agent or broker. The **Company** will provide such written notice at least twenty (20) days before such cancellation is to be effective if the cancellation is for any reason included in paragraph (3) below, or thirty (30) days before such cancellation is to be effective if such cancellation is for any reason not included in paragraph (3) below.
- (3) After this Policy has been in effect for 60 days, the **Company** may cancel this Policy by mailing to the **Named Insured** at the address shown in Item 2. in the Declarations and to the **Named Insured's** authorized agent or broker written notice stating when, not less than fifteen (15) days thereafter, such cancellation will be effective. Cancellation by the **Company** shall be limited to the following reasons:
 - (a) non-payment of premium provided that a notice of cancellation on this ground shall inform the **Named Insured** of the amount due; or,
 - (b) failure of the **Named Insured** to comply with the terms or conditions of this policy in a manner that substantially increases the hazard insured against; or
 - (c) revocation or suspension of the **Named Insured's** license to offer the professional services; or
 - (d) discovery of fraud or material misrepresentation in the obtaining of this policy or in the presentation of a claim.
- (4) The time of surrender of the Policy or the effective date and hour of cancellation stated in the notice will become the end of the **Policy Period**. Delivery of such written notice either by the **Named Insured** or by the **Company** will be equivalent to mailing.
- (5) If the **Company** cancels this Policy, the earned premium will be computed pro rata. If the **Named Insured** cancels this Policy, the **Company** will retain the customary short rate proportion of the premium. Premium adjustment may be made either at the time cancellation is effected or as soon as practicable after cancellation becomes effective, but payment or tender of unearned premium is not a condition of cancellation.
- (6) The offering of terms and conditions different from the expiring terms and conditions, including limits of liability, deductible or premium, shall not constitute a refusal to renew or a cancellation of this Policy.
- (7) If the **Company** elects not to renew this Policy, the **Company** shall send notice as provided in paragraph (9) below.
- (8) The **Company** shall send notice as provided in paragraph (9) below if the **Company** conditions the renewal of this Policy upon:
 - (a) change in limits;
 - (b) change in type of coverage;
 - (c) reduction of coverage;
 - (d) increased deductible;
 - (e) addition of exclusion;

- (f) increased premiums in excess of ten percent (10%), exclusive of any premium increase due to and commensurate with added or increased exposure; or as a result of experience rating, loss rating, retrospective rating, or audit.
- (9) If the **Company** decides not to renew this Policy or conditionally renew this Policy as provided in paragraphs (7) or (8), the **Company** shall mail or deliver written notice to the **Named Insured** at least sixty (60) days, but not more than one hundred twenty (120) days before:
 - (a) the expiration date; or
 - (b) the anniversary date if this is a continuous policy.

Notice will be mailed or delivered to the **Named Insured** at the address shown in the Declarations and to the **Named Insured's** authorized agent or broker. If notice is mailed, proof of mailing will be sufficient proof of notice. Notice will include the specific reason or reasons for nonrenewal or conditional renewal. The **Company** will not send the **Named Insured** notice of non-renewal or conditional renewal if the **Named Insured**, or its authorized agent or broker, or another insurer of the **Named Insured** mails or delivers notice that this Policy is replaced or no longer desired.

- (10) If the **Company** violates any of the provisions of paragraphs (7), (8) or (9) by sending the **Named Insured** an incomplete or late notice of nonrenewal or conditional renewal:
 - (a) coverage will remain in effect at the same terms and conditions of this Policy at the lower of the current rates or the prior period's rates until sixty (60) days after such notice is mailed or delivered, unless the **Named Insured**, during this sixty (60) day period, has replaced the coverage or elects to cancel.
 - (b) on or after the expiration date of this Policy, coverage will remain in effect at the same terms and conditions of this Policy for another **Policy Period**, at the lower of the current rates or the prior period's rates, unless the **Named Insured**, during the additional **Policy Period**, has replaced the coverage or elects to cancel.

The limit of liability of this Policy shown in the Declarations will be increased in proportion to any policy extension provided by this paragraph (10).

H. Territory

This Policy applies to an act or omission taking place anywhere in the world provided that any suit is brought against the **Named Insured** within the United States of America, its territories or possessions, Puerto Rico or Canada.

I. Entire Contract

By acceptance of this Policy, the **Named Insured** attests that:

- (1) all of the information and statements provided to the **Company** by the **Named Insured**, including, but not limited to, the application and any supplemental information, are true, accurate and complete and will be deemed to constitute material representations made by the **Named Insured**;
- (2) this Policy is issued in reliance upon the **Named Insured's** representations; and

- (3) this Policy, endorsements thereto, together with the completed and signed application and any and all supplementary information and statements provided by the **Named Insured** to the **Company** (all of which are deemed to be incorporated herein), embody all of the agreements existing between the **Named Insured** and the **Company** and shall constitute the entire contract between the **Named Insured** and the **Company**.

J. Notices

Other than **Claims**, any notices required to be given by the **Named Insured** will be submitted in writing to the **Company**, or its authorized representative. If mailed, the date of mailing of such notice will be deemed to be the date such notice was given and proof of mailing will be sufficient proof of notice.

K. Assignment

No assignment of interest of the **Named Insured** under this Policy is valid, unless the **Company's** written consent is endorsed hereon.

L. Liberalization

If the **Company** obtains approval for any state filing in the jurisdiction in which this Policy is issued that would expand coverage under this Policy without additional premium at any time during the current **Policy Period**, the expanded coverage will immediately apply to this Policy, except that it will not apply to **Claims** that were first made against the **Named Insured** prior to the effective date of such approval.

M. Examination of Named Insured's Books and Records

The **Company** may examine and audit the books and records of the **Named Insured**, as they relate to this Policy, at any time during the **Policy Period** and up to three (3) years afterward.

N. Reimbursement

While the **Company** has no duty to do so, if the **Company** pays **Damages** and **Claim Expenses**:

- (1) within the amount of the applicable deductible; or
- (2) in excess of the applicable limit of liability;

Upon written demand, the **Named Insured** shall repay such amounts to the **Company** within thirty (30) days.

O. Transfer of Duties Upon Exhaustion of a Limit of Liability

- (1) If the **Company** concludes that, based on any **Claims** which have been reported and to which this insurance may apply, the insurance afforded by this Policy is likely to be exhausted by the payment of **Damages**, the **Company** shall provide written notice to that effect to the **Named Insured** at the address shown on the Declarations.
- (2) In the event either the "Limit of Liability - Each **Claim**" or the "Limit of Liability - Policy Aggregate" stated on the Declarations has actually been exhausted by the payment of **Damages**:
 - (a) The **Company** shall notify the **Named Insured** in writing as soon as reasonably possible that:

- i. such limit has actually been exhausted; and
- ii. the **Company's** duty to defend **Claims** and suits seeking **Damages** subject to that applicable limit of liability has also ended.

- (b) The **Company** shall initiate, and cooperate in, the transfer of control to the **Named Insured** of all **Claims** and suits seeking **Damages** which are subject to that limit and which have been reported to the **Company** before the limit was exhausted. The **Named Insured** must cooperate in the transfer of control of said **Claims** and suits.

The **Company** agrees to take such steps, as the **Company** deems appropriate, to avoid a default in, or continue the defense of, any **Claims** or suits until such transfer is completed, provided the **Named Insured** is cooperating in such transfer.

The **Company** will take no action whatsoever with respect to any **Claim** or suit seeking **Damages** that would have been subject to the applicable limit of liability if the **Claim** or suit is reported to the **Company** after that limit has been exhausted.

- (c) The **Named Insured** must arrange for the defense of such **Claim** or suit within such time period as agreed to between the **Named Insured** and the **Company**. Absent any such agreement, arrangements for the defense of such **Claim** or suit must be made as soon as reasonably possible.

- (3) The **Named Insured** shall reimburse the **Company** for expenses incurred by the **Company** in taking these steps it deems appropriate in accordance with paragraph (2)(b) above. The duty of the **Named Insured** to reimburse the **Company** will begin on:

- (a) the date on which the applicable limit of liability is exhausted, if the **Company** sent notice in accordance with paragraph (1) above; or
- (b) the date on which the **Company** sent notice in accordance with paragraph (2)(a) above, if the **Company** did not send notice in accordance with paragraph (1) above.

- (4) The exhaustion of any limit of liability by the payment of judgment or settlements, and the resulting end of the **Company's** duty to defend, will not be affected by the **Company's** failure to comply with any of the provisions of this paragraph.

P. Conformity to Law

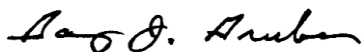
Any terms of this Policy which are in conflict with the terms of any applicable laws are hereby amended to conform to such laws.

Q. Representative of the Company

Great American Insurance Group, Professional Liability Division, Post Office Box 1178, Cincinnati, OH, 45201 shall act on behalf of the **Company** for all purposes including, but not limited to, the giving and receiving of all notices and correspondence.

In witness whereof the **Company** has caused this Policy to be signed by its President and Secretary.

GREAT AMERICAN INSURANCE COMPANY®



President



Secretary