



DELLOS
INSURANCE

A stock company

REAL ESTATE SERVICES ERRORS AND OMISSIONS INSURANCE

DECLARATIONS

NOTICE THIS IS A CLAIMS - MADE POLICY. PLEASE REVIEW THE POLICY CAREFULLY

THE POLICY IS LIMITED TO LIABILITY FOR ONLY THOSE CLAIMS THAT ARE FIRST MADE AGAINST THE INSURED AND REPORTED TO THE COMPANY DURING THE POLICY PERIOD UNLESS, AND TO THE EXTENT, THE EXTENDED REPORTING OPTION APPLIES.

POLICY NUMBER: **DCR-8010091-00**

1. NAMED INSURED AND MAILING ADDRESS: **Brokerage Firm, LLC**
D.B.A. Exit Realty Central
711 N. Orlando Ave., Suite #302
Maitland, FL 32751

2. STATUS OF THE INSURED: **LLC**

3. POLICY PERIOD (AT 12:01 AM STANDARD TIME AT THE NAMED INSURED'S MAILING ADDRESS SHOWN ABOVE) FROM **11/16/2011 TO 11/16/2012**

4. LIMITS OF LIABILITY:	EACH CLAIM	\$1,000,000
	AGGREGATE	\$1,000,000
	LOCK BOX LIABILITY	\$25,000
	DISCRIMINATION DEFENSE	\$10,000

5. DEDUCTIBLE: **\$5000 EACH CLAIM**

6. PRIOR ACTS DATE: **Real Estate 11/16/2008**

IF A DATE IS INDICATED, THIS INSURANCE WILL NOT APPLY TO ANY NEGLIGENT ACT, ERROR, OMISSION, OR PERSONAL INJURY WHICH HAPPENED PRIOR TO SUCH DATE.

7. PREMIUM: Premium
\$7,598.00
See Invoice
Minimum Premium \$600

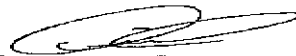
THIS POLICY IS MADE AND ACCEPTED SUBJECT TO THE PRINTED CONDITIONS IN THIS POLICY TOGETHER WITH THE PROVISIONS, STIPULATIONS AND AGREEMENT CONTAINED IN THE FOLLOWING FORM(S) OR ENDORSEMENT(S):

- Change Endorsement
- Delos Privacy
- Organic Growths Exclusion
- Claims Expenses Included Within Limits of Liability
- Discrimination Defense Limit
- Specified Ops Exclusion

Policy is issued to Brokerage Firm, LLC d.b.a. D.B.A. Exit Realty Central as a Participating Member of The Real Estate Agents Alliance Purchasing Group, a Purchasing Group established pursuant to the Liability Risk Retention Act of 1986, as amended.

AGENT: CRES Insurance Services, LLC
P.O. Box 500810
San Diego, CA 92150

Countersigned: 11/9/2011
(Date Printed)

By: 
(Authorized Representative)

The insurer for the purchasing group may not be subject to all the insurance laws and regulations of your state. The insurance insolvency guaranty fund may not be available to the purchasing group.



REAL ESTATE SERVICES ERRORS AND OMISSIONS INSURANCE

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

CHANGE ENDORSEMENT

Policy provides coverage for the sale of Business Opportunities. The policy specifically excludes coverage for claims of projected income, profit or valuation of that business.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

The premium for this endorsement is included in the premium shown on the Declarations unless a specific amount is shown here. Additional Premium \$ 0
Return Premium \$

Insured: Brokerage Firm, LLC d.b.a Exit Realty Central

ENDORSEMENT NUMBER: RESEO-CHANGE EFFECTIVE DATE: 11/16/2011

This endorsement is attached to and forms a part of your coverage under policy number: DCR-8010091-00
Coverage is provided by: DELOS INSURANCE COMPANY

Date Printed: 11/09/11

RESEO-CHANGE

EXECUTIVE OFFICE: 15373 Innovation Drive, # 250
San Diego, CA 92128



DELOS
INSURANCE

REAL ESTATE SERVICES ERRORS AND OMISSIONS INSURANCE

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

Claims Expenses Included Within the Limits of Liability

A. The following provision supersedes a provision to the contrary in Section II Coverage.
Claim Expenses shall be part of, and not in addition to, the Limits of Liability described in the Declarations.

B. Section IV. LIMITS OF LIABILITY are replaced by the following:

IV. LIMITS OF LIABILITY

Regardless of the number of insureds under this insurance or the number of claims made, the company's liability is limited as follows:

1. **Claim Expenses** are included within the Limits of Liability as specified in the Declarations, the Limit of Liability stated in the Declarations as applicable to "**Each Claim**" is the limit of the Company's liability for all **Damages** and **Claims Expenses** because of each **Claim** covered hereby. All **Claims** arising from the same or related negligent act, error, omission or **Personal Injury** shall be considered a single **Claim** for the purpose of this insurance and shall be subject to the same Limit of Liability.

The Limit of Liability stated in the Declarations as "Aggregate" is, subject to the above provision respecting "each **Claim**", the total limit of the Company's liability under this policy for all **Damages** and **Claims Expenses**.

2. The Company's Liability for **Damages** and/or **Claims Expenses** resulting from each **Claim** is in excess of the Deductible shown in the Declarations.

3. The purchase or application of any Extended Reporting Period option shall not increase the Limit of Liability stated in the Declarations.

4. The Company will pay, in addition to the applicable Limit of Liability:

Up to \$250 for loss of earnings to each individual **Insured** for each day or part of a day of such **Insured's** attendance at the Company's request at a trial, hearing, arbitration or mediation proceeding involving a civil suit against such **Insured** for covered **Damages**, but the amount so payable for any one or series of trials, hearings or arbitration proceedings arising out of the same negligent act, error or omission or **Personal Injury** shall in no event exceed \$5,000. These supplemental payments are not subject to the deductible.

INSURED: Brokerage Firm, LLC d.b.a Exit Realty Central

ENDORSEMENT NUMBER: RESEO-DI

EFFECTIVE DATE: 11/16/2011

This endorsement is attached to and forms a part of your coverage under policy number: DCR-8010091-00

Coverage is provided by: DELOS INSURANCE COMPANY

Date Printed: 11/09/11

RESEO-DI (05/04)

EXECUTIVE OFFICE: 15373 Innovation Drive, # 250
San Diego, CA 92128



DELOS
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REAL ESTATE SERVICES ERRORS AND OMISSIONS INSURANCE

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

Discrimination Defense Limit

In consideration of the premium shown it is agreed that Exclusion G. is deleted in its entirety and replaced by the following:

Arising out of discrimination on the basis of age, sex, race, religion, marital status, national origin, or sexual preference by any **Insured** including **Personal Injury** resulting therefrom. However, notwithstanding the foregoing, the Company shall pay **Claims Expenses** resulting from any **Claim** upon which suit may be brought on account of such alleged behavior by an **Insured**. The Company's obligation to pay such **Claims Expenses** shall not exceed the limit indicated below as a result of any one **Claim** or all such **Claims** during the **Policy Period**.

In no event will the limit of liability for Discrimination Defense exceed the Per **Claim** or Aggregate Limits of Liability shown on the Declarations page as Item 4.

The Company shall not be obligated to pay any **Claims Expenses** or to defend any Suit after the applicable sub-limit of the Company's liability has been exhausted.

Discrimination Defense Limit of Liability: **\$250,000**

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

The premium for this endorsement is included in the premium shown Additional Premium \$ 0
on the Declarations unless a specific amount is shown here. Return Premium \$

INSURED: Brokerage Firm, LLC d.b.a Exit Realty Central

ENDORSEMENT NUMBER: RESEO-DD

EFFECTIVE DATE: 11/16/2011

This endorsement is attached to and forms a part of your coverage under policy number: DCR-8010091-00

Coverage is provided by: DELOS INSURANCE COMPANY

Date Printed: 11/09/11
RESEO-DD(05/04)

EXECUTIVE OFFICE: 15373 Innovation Drive, # 250
San Diego, CA 92128



DELOS
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REAL ESTATE SERVICES ERRORS OMISSIONS INSURANCE

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

Organic Growths Exclusionary Endorsement

In consideration of the premium charged, it is hereby understood and agreed that this policy shall not apply to and no coverage will be afforded for any Claim, including any Loss or Claim Expenses, which, either in whole or in part, directly or indirectly, is for, based upon, relates to, or arises out of the formation, growth, detection, failure to detect or monitoring of any molds, fungi, spores, or other similar growths, including but not limited to aspergillums, penicillium, or any strain or type of Stachybotris, commonly collectively referred to as the "Black Molds"

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

The premium for this endorsement is included in the premium shown Additional Premium \$ 0
on the Declarations unless a specific amount is shown here. Return Premium \$

INSURED: Brokerage Firm, LLC d.b.a Exit Realty Central

ENDORSEMENT NUMBER: RESEO-MOLD EFFECTIVE DATE: 11/16/2011

This endorsement is attached to and forms a part of your coverage under policy number: DCR-8010091-00

Coverage is provided by: DELOS INSURANCE COMPANY

Date Printed: 11/09/11
RESEO-MOLD (05/04)

EXECUTIVE OFFICE: 15373 Innovation Drive, # 250
San Diego, CA 92128



DELOS
INSURANCE

REAL ESTATE SERVICES ERRORS AND OMISSIONS INSURANCE

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

Specified Operations Exclusion Endorsement

For and in consideration of the premium charged, it is agreed and understood that the following exclusions are added to the policy. Those exclusions denoted by a checkmark are included in Section V - EXCLUSIONS:

We do not cover claims arising out of or in connection with any of the below indicated operation:

- Business opportunities, business brokerage, including, but not limited to real property that is sold in connection with accounts receivable, goodwill, or other value not associated with value of the real property and the land upon which it sits. This exclusion does not apply to property sold where a rent cash flow is a component of the transaction in and only if estoppel certificates were duly delivered to every tenant.
- Commercial, industrial, or income properties. Commercial and industrial properties include those properties that constitute more than 4 residential units. Income property does not include residential property of 4 or fewer units that is rented or held for rent provided estoppel certificates were duly delivered to every tenant.
- Forecasts of financial appreciation, predictions of future values, cash flow analysis or breakeven analysis, including calculations of net present value and/or internal rates of return.
- Liability in any way arising out of the sale or purchase of any condominium or other cooperative to which material construction or changes have occurred within 2 years prior to the close of escrow. This exclusion applies whether the project in question was newly constructed, modified, or converted to condominiums.
- Liability in connection or in any way arising out of the use of an Internet Data Exchange (IDX) or Virtual Office Website (VOW). This exclusion does not apply to liability the insured would have had in the absence of an IDX/VOW.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

The premium for this endorsement is included in the premium shown on the Declarations unless a specific amount is shown here. Additional Premium \$ 0
Return Premium \$

INSURED: Brokerage Firm, LLC d.b.a Exit Realty Central

ENDORSEMENT NUMBER: RESEO-SPOPS

EFFECTIVE DATE: 11/16/2011

This endorsement is attached to and forms a part of your coverage under policy number:

DCR-8010091-00

Coverage is provided by: DELOS INSURANCE COMPANY

Date Printed: 11/09/11
RESEO-SPOPS (05/04)

EXECUTIVE OFFICE: 15373 Innovation Drive, # 250
San Diego, CA 92128



**RISK MANAGEMENT PROGRAM
MEMBER ENROLLMENT CERTIFICATE**

NOTICE

THE SERVICES PROVIDED THROUGH THE RISK MANAGEMENT PROGRAM ARE NOT INSURANCE PRODUCTS AND ARE NOT A PART OF ANY POLICY OF INSURANCE

RISK MANAGEMENT ENROLLMENT NUMBER: 302601

1. PROGRAM MEMBER Brokerage Firm, LLC
D.B.A. Exit Realty Central
711 N. Orlando Ave., Suite #302
Maitland, FL 32751
2. ELIGIBLE PROGRAM PERIOD: FROM 11/16/2011 TO 11/16/2012
3. FEE: See Invoice

THE ABOVE REFERENCED MEMBER IS ELIGIBLE FOR THE FOLLOWING SERVICES LISTED ON THE RISK MANAGEMENT PROGRAM PLAN DOCUMENT:

- #1-Phone Consultations
- #2-Contact & Document Reviews
- #3-Website
- #4-Attorney Letters

- #7-Case Alerts
- #8-Sample Documents

AGENT: CRES Insurance Services, LLC.
P.O. Box 500810
San Diego, CA 92150

Countersigned: 11/9/2011 (Date Printed)
(Date)

By: 
(Authorized Representative)



REAL ESTATE SERVICES ERRORS AND OMISSIONS INSURANCE

NOTICE

THIS IS A CLAIMS - MADE POLICY. PLEASE REVIEW THE POLICY CAREFULLY. THE POLICY IS LIMITED TO LIABILITY FOR ONLY THOSE CLAIMS THAT ARE FIRST MADE AGAINST THE INSURED AND REPORTED TO THE COMPANY DURING THE POLICY PERIOD UNLESS, AND TO THE EXTENT, THE EXTENDED REPORTING OPTION APPLIES.

DELOS INSURANCE COMPANY ("we", "us", "our") agrees with the **Insured**, in consideration of the payment of the premium, and in reliance upon the statements as set forth in the Declarations and subject to the limits of liability, exclusions, conditions and other terms of the policy, as follows.

INSURING AGREEMENTS

I. DEFINITIONS

Used anywhere in this policy:

"Asbestos" includes, but is not limited to:

- a. Asbestos or any other mineral wools.
- b. Any mineral wool products, fibers, or dust.
- c. Any other mineral wools contained in products or materials.

"Claim(s)" means a demand for money or for services that alleges a negligent act, error, or omission in the rendering of or failure to render **Professional Services**. Filing of suit or demand for arbitration or mediation proceeding naming the **Insured** qualifies as a **Claim**. **Claim** does not include actions that seek injunctive or other non-pecuniary relief. **Claim** does not include any administrative actions before any board of real estate agents or any committee or sub-committee thereof, except as provided in Section **IV(4)**.

"Claim(s) Expense(s)" are all of the following:

- a. Attorney fees charged by counsel designated or approved by us.
- b. Other fees, costs, and expenses resulting from the investigation, adjustment, and defense of a **Claim**.
- c. Fees and costs incurred by us, or by the **Insured** with our consent.
- d. All costs taxed against the **Insured** in such suits and interest on any covered judgment which accrues after entry of the judgment.
- e. Premiums on appeal bonds and bonds to release attachments. We have no obligation to pay for or furnish any bond.

"Damage(s)" means judgments, awards, and settlements. **Damages** do not include civil or criminal fines, sanctions, penalties, or forfeitures. Damages also do not include punitive or exemplary damages.

"Insured(s)" means any person or organization qualifying as an **Insured** in the "Persons Insured" provision of this policy. This insurance applies separately to each **Insured** against whom a **Claim** is made, except with respect to the Limit of Liability.

"Named Insured" means the person or organization named in Item 1. of the Declarations page of this policy.

"Personal Injury" means any injury that is caused by any of the following.

- a. False arrest, detention or imprisonment.
- b. Wrongful entry or eviction, other invasion of the right of private occupancy.
- c. Malicious prosecution.
- d. Abuse of process.
- e. Publication or utterance of a libel, slander or other defamatory or disparaging material.
- f. Violation of and individual's right of privacy.

"Policy Period" means the period from the inception date of this policy to the policy expiration date. These dates are set forth in the Declarations. An earlier termination date may apply.

"Professional Services " means services performed by the **Insured** in the **Insured's** capacity as a licensed broker, buyer's broker, agent, appraiser of real estate, a real estate consultant, counselor or property manager, pursuant to the Business and Professions Code or any other statutory authority which requires such professional services to be licensed, certified or bonded. It includes incidental services rendered by any **Insured** as a notary public, title agent, escrow officer or as a member of a formal accreditation, standards review or similar board or committee. Unlicensed employees of an **Insured** licensed agent or broker are covered when acting on behalf of the **Insured** licensed agent or broker. **Professional Services** includes such services provided through email, the internet, telecommunications, or similar systems.

"Salesperson" means an independent contractor engaged in the practice of real estate as a broker or agent or employee of such duly licensed independent contractor practicing his or her profession under the laws of all jurisdictions in which he or she practices. Salesperson includes any person or entity that would qualify as a Salesperson except that their relationship with the Named Insured has terminated.

II. COVERAGE

We will pay on behalf of the **Insured** all sums that the **Insured** shall become legally obligated to pay as **Damages for Claims** first made against the **Insured** and reported to us during the **Policy Period**. The **Claim** must arise out of a negligent act, error, or omission in the rendering of or failure to render **Professional Services**. The negligent act, error, omission or **Personal Injury** must happen:

- a. During the **Policy Period**; or
- b. Prior to the **Policy Period** provided that:
 1. Such negligent act, error, omission or **Personal Injury** happened on or after the Prior Acts Date shown on the Declarations page, and
 2. The **Insured** did not know and could not have reasonably expected a **Claim** would be made against an **Insured** or any client of an insured before the effective date of such coverage.

We have the right and duty to defend any suit against an **Insured** seeking **Damages** to which this insurance applies. This duty exists even if the allegations of the suit are groundless, false or fraudulent. We have the right to select defense counsel. The **Insured** may engage counsel, solely at their own expense, to associate in their defense of any **Claim**. We have the right to investigate any **Claim** and negotiate settlement.

We shall not settle any **Claim** without the **Insured's** consent. If we recommend a settlement agreeable to the claimant and the **Insured** does not agree, our limit of liability is reduced to the total of the amount for which the **Claim** could have been settled plus the amount of **Claim Expense** up to the time that we made the recommendation.

No **Insured** shall, except at their own expense, assume any obligations, or incur any cost, charges, or expenses. No **Insured** may enter into any settlement agreement without our written consent. **Claim Expenses** shall be in addition to the Limits of Liability as shown on the Declarations page.

We are not obligated to pay **Damages** or **Claims Expenses** or to defend any suit if the applicable Limit of Liability has been exhausted. We have no duty to defend any **Insured** against any **Claims** or pay any **Damages** for any negligent act, error, or omission to which this insurance does not apply.

III. PERSONS INSURED

Each of the following is an **Insured** under this policy:

- (a) If the **Named Insured** is designated as an independent contractor in Item 2. of the Declarations, coverage is only afforded to the individual designated as the **Named Insured** in Item 1. of the Declarations.
- (b) If the **Named Insured** is designated as a sole proprietorship in Item 2. of the Declarations, the **Named Insured** designated in Item 1. of the Declarations and any current or former employee, **Salesperson** or licensed real estate agent thereof of the **Named Insured** but only while acting on behalf of the **Named Insured** and within the scope of their duties.

- (c) If the **Named Insured** is designated as a partnership in Item 2. of the Declarations, the partnership so designated and any current or former partner, employee, **Salesperson** or licensed real estate agent thereof of the **Named Insured** but only while acting on behalf of the **Named Insured** and within the scope of their duties.
- (d) If the **Named Insured** designated in Item 2. of the Declarations is other than an independent contractor, a sole proprietorship or partnership, the organization so designated and any current or former executive officer, director or stockholder, employee, **Salesperson** or licensed real estate agent thereof of the **Named Insured** but only while acting on behalf of the **Named Insured** and within the scope of their duties.
- (e) If the **Named Insured** is designated as a Limited Liability Company in Item 2. of the Declarations, the LLC so designated and any current or former member, manager, employee, **Salesperson** or licensed real estate agent thereof of the **Named Insured** but only while acting on behalf of the **Named Insured** and within the scope of their duties as such.

IV. LIMITS OF LIABILITY

Regardless of the number of **Insureds** under this insurance or the number of **Claims** made, our liability is limited as follows.

1. The Limit of Liability stated in the Declarations as applicable to "each **Claim**" is the limit of our obligation to pay for **Damages** resulting from each **Claim**. There is a separate and equal limit of liability applicable to **Claim Expenses** for any **Claim**. All **Claims** arising from the same or related negligent acts, errors, omissions are a single **Claim** for the purpose of this insurance and shall be subject to one limit of liability.

The Limit of Liability stated in the Declarations as the "aggregate" is the total limit of our liability under this policy to pay for all **Damages**. A separate "aggregate" limit of liability applies to all **Claim Expenses** incurred in the defense of all **Claims** covered by this policy.
2. The Company's liability for **Damages** resulting from each **Claim** is in excess of the deductible amount stated in the Declarations. The named insured shall pay all claim, damage, and expenses up the amount of the deductible. The deductible applies separately to each **Claim**.
3. The purchase or application of any Extended Reporting Period option shall not increase the Limit of Liability as stated in the Declarations.
4. We will pay, in addition to the applicable Limit of Liability:
 - (a) Up to \$250 for loss of earnings to each individual **Insured** for each day or any part of a day of attendance at trial, arbitration, or mediation. This coverage applies only if we request attendance. We will only pay these expenses if there is a covered claim. The most we will pay for any one or series of trials, hearings or arbitration proceedings arising out of the same claim is \$5,000. No deductible applies to this coverage.
 - (b) Up to \$2,500 per **Policy Period** per **Insured** for attorney fees and other costs, expenses or charges resulting from the investigation or defense of a proceeding before any licensing board. State or local real estate boards or governmental regulatory bodies are included. The proceeding must be noticed to the **Insured** and reported to us during the **Policy Period**. The proceeding also must arise from a negligent act, error, or omission incurred by the rendering, or failing to render **Professional Services** by an **Insured** covered under this policy. Proceedings involving commission of fee disputes are not covered.

V. EXCLUSIONS

This insurance does not apply to, and we will not defend or pay for, **Claims**:

- A.** Arising out of any:
1. Dishonest, fraudulent, criminal or malicious act or omission.
 2. Deliberate misrepresentation.
 3. Actual or alleged violations of state or federal anti-trust, price-fixing, restraint of trade or deceptive trade practice laws, rules or regulations

This exclusion applies whether the acts or omissions were committed by, at the direction of or with the knowledge of any **Insured**.

- B.** Arising out of the insolvency or bankruptcy of any **Insured**.
- C.** Based on or arising out of any disputes involving any **Insured's** fees or charges. Charges include premium, escrow, tax, or commission. Any claim of conversion, misappropriation, commingling or defalcation of funds or other property is not covered. Escrow does not mean the holding of Earnest Money Deposits.
- D.** Made by an **Insured** against any other **Insured**.
- E.** Based on or arising out of the rendering of or failure to render **Professional Services** by any **Insured** as an employee, owner, partner, stockholder, director or officer of any sole proprietorship, partnership or corporation or other business enterprise not listed in the Declarations.
- F.** Arising out of or connected to in any way with bodily injury, sickness, disease or death, including any loss of wages or consortium or other related claims, of any person or physical injury to or destruction of or loss of use of tangible property; provided, however, that this exclusion does not apply:
- a. to the performance of **Professional Services** by an **Insured** solely in the distribution, maintenance, operation or use of a lock box on property not owned or occupied by or leased to the **Insured**. The Limit of Liability available for **Claims** arising from the distribution, maintenance, operation or use of a lock box shall not exceed \$25,000 per **Claim**. This Limit shall be part of the Each Claim and Aggregate Limit of Insurance, and not in addition to, the Limits of Liability stated in the Declarations. The deductible provision shall apply.
 - b. To any claim by a purchaser of real property that solely alleges diminution in value of real property related to bodily injury, sickness or death of any person.
- G.** Arising out of discrimination based on age, sex, race, religion, marital status, national origin or sexual preference by any **Insured**. This exclusion does not apply to **Claims Expenses** arising from of any **Claim** alleging such behavior. The most we will pay shall be \$50,000 with respect to all expenses incurred in the defense of any such **Claim** or suit. This limit is part of the Each Claim and Aggregate Limits of Insurance. It does not increase the Limits of Liability stated in the Declarations.
- H.** Arising out of any obligations for which the **Insured** or any carrier acting as his or her insurer may be liable under any:
1. Workers' compensation, unemployment compensation law.
 2. Disability or pension benefits law, or any similar laws.
 3. Employee Retirement Income Security Act of 1974 and any amendments thereof.
- I.** Arising out of any violation of the Securities Act of 1933, or the Securities Exchange Act of 1934, as amended. Also excluded are claims based on any state "blue sky" or securities law, or any similar state or federal statutes, including any rules or regulations arising from them.
- J.** Arising out of Professional Services of the **Insured** involving:
1. Property syndication.
 2. Real estate investment trusts.
 3. Limited or general partnerships.

partner in any such entity. This exclusion applies to all corporate entities or ventures.

- K.** Arising out of the sale or purchase of insurance, or the failure to effect or maintain proper levels or types of insurance. Liability assumed by the **Insured** under any contract or agreement, including any warranty, is also excluded.
- L.** Arising out of activities of the **Insured** as:
 - 1. A mortgage banker, mortgage counselor, or mortgage broker.
 - 2. A third party escrow agent.
 - 3. A construction advisor, builder or property developer.
 - 4. An insurance agent or broker.
- M.** Involving real property in which one or more **Insureds** holds at least 25% interest. This exclusion does not apply where title is held by such **Insureds** for the purpose of resale. If this real property is held for over 365 days, it must be listed by an agent with no ownership interest in the property. This exclusion shall not apply to claims involving real property owned by an **Insured**, used as their primary residence, listed, and sold by an **Insured** who holds no ownership interest.
- N.** **Personal Injury** based on publications or utterances related to advertising, broadcasting or telecasting activities by or on behalf of the **Named Insured**.
- O.** Based on or arising out of **Professional Services** in connection with any action, judgment, liability, settlement, loss, defense, or expense arising out of actual, alleged, or threatened pollution, contamination, or any environmental impairment. This exclusion includes **Claims** resulting from seepage, discharge, dispersal, release, presence, or escape of any solid, liquid, gaseous, or radioactive matter. These include, but are not limited to **Asbestos**, lead, lead piping or lead paint, smoke, vapors, soot, fumes, acids, alkalis, chemicals, mold, radon gas, or toxic matter; or wash material or oil or other petroleum substances or derivatives (including any oil refuse or oil mixed with waste), or thermal or vibratory effect including. Sound or noise, or heat or cold, into or upon land, the atmosphere, or any water course or body of water, underground water or water table supplies are included, whether they result directly, indirectly, or in concurrence or in any sequence from the **Insured's** activities or the activities of others and whether or not sudden or accidental, or inevitable and wherever or however such occurs.
- P.** Arising from the valuation of a business in conjunction with any property that is sold.
- Q.** Resulting for actual or alleged infringement or violation of copyright, trade dress, trademark and other intellectual property right.
- R.** Resulting from any actual or alleged infringement of any patent or trade secret.
- S.** From liability for damages to:
 - (1) A person arising out of any:
 - (a) Refusal to employ.
 - (b) Termination of employment.
 - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, discipline, defamation, harassment, humiliation or discrimination directed at that person.
 - (2) Any relative of that person because of injury to that person at whom any of the employment-related practices described in paragraphs (a), (b), or (c) above is directed.

This exclusion applies:

 - (1) Whether **the Insured** may be liable as an employer or in any other capacity; and
 - (2) To any obligation to share damages with or repay someone else who must pay damages

because of the injury.

VI. CONDITIONS

1. **Premium:** All premiums for this policy will be computed based on with our rules, rates, rating plans. The **Named Insured** shall maintain records of the information necessary for premium computation and shall send copies of the records to us when requested.
2. **Policy Period, Territory:** The insurance afforded by this policy applies to **Claims** that are first made and reported to us during the **Policy Period**. **Claim** must be made and suit brought within the United States of America its territories, possessions or Canada.
3. **When Claim Is to be Considered as First Reported:** A **Claim** shall be considered as being first reported at the earlier of the following times:
 - A. When we first receive written notice from the **Insured** that a **Claim** has been made.
 - B. When we first receive written notice from the **Insured** of specific circumstances involving a particular person or entity that may result in a **Claim**.
4. **Assistance and Cooperation of Insured:** If any **Insured** becomes aware of any negligent act, error, omission or **Personal Injury** which one could reasonably expect to form the basis of a **Claim**, written notice shall be given by the **Insured** to us. The **Insured** shall furnish us the most complete information obtainable. The **Insured** shall immediately forward to us every demand, notice, summons or other process received by the **Insured** or the **Insured's** representative. The **Insured** shall cooperate with us and assist in making settlements, defending suits, and in enforcing any right of contribution or indemnity against any person or organization. The **Insured** shall attend hearings and trials and assist in securing and giving evidence and obtaining the attendance of witnesses. The **Insured** shall not, except at the **Insured's** own cost, voluntarily make any payments, assume any obligation or incur any expense.
5. **Waiver of Exclusion and Breach of Conditions:** Whenever coverage under any provision of this policy would be excluded, suspended or lost because of:
 - A. **EXCLUSION A.**, relating to any judgment arising out of any dishonest, fraudulent, criminal, malicious or wrongful acts or omissions by any **Insured**; or
 - B. Noncompliance with paragraph 2. Section VI, CONDITIONS, relating to the giving of notice to us with respect to which any other **Insured** shall be in default just because of the default or concealment of such default by one or more partners or employees responsible for the loss or damage otherwise insured hereunder, we agree that such insurance as would otherwise be afforded under this policy shall apply with respect to each and every **Insured** who did not personally commit or personally participate in committing one or more of the acts, errors, or omissions described in any such exclusion or condition; provided that if the condition be one with which such **Insured** can comply, after receiving knowledge thereof, the **Insured** entitled to the benefit of the Waiver of Exclusions and Breach of Conditions shall comply with such conditions promptly after obtaining knowledge of the failure of any other **Insured** or employee to comply therewith.

With respect to provision 5. A. above, our obligation to pay in the event of such waiver shall be in excess of the deductible (if applicable) and in the excess of the full extent of any assets in the firm of any **Insured** who is not a beneficiary to the waiver.
6. **Assignment:** The interest of any **Named Insured** is not assignable. If any **Insured** dies or is deemed incompetent, this insurance shall terminate for such person. The insurance will accrue to the **Insured's** legal representative as the **Insured** with respect to liability previously incurred.
7. **Action Against Us:** No action shall lie against us unless there has been full compliance with all of the terms of this policy. No action shall lie until the **Insured's** obligation to pay shall have been finally determined either by judgment after actual trial or by written agreement of the **Insured**, the claimant and us.
8. **Conformity to Statute:** If any terms or conditions of this contract conflict with any law applicable to the coverage afforded hereunder, the terms of this contract are amended to conform to such law or laws.

9. **Other Insurance:** If there is other valid insurance that may apply against a loss or **Claim** covered by this policy, this insurance is excess insurance over and above the applicable limit of all other insurance or self-insurance. This holds true whether the other insurance is primary, excess, contingent or self-insurance. Other insurance includes Extended Reporting Period coverage from a prior insurer.

We have no duty under this policy to defend any **Claim** or suit that any other insurer or self-insurer has a duty to defend. If the other insurer or self-insurer refuses to defend such **Claim** or suit, we shall be entitled to the **Insured's** rights against all such other insurers or self-insurers for any defense costs incurred by us.

If both this insurance and any other insurance or self-insurance apply to a **Claim** on the same basis, we are not liable under this policy for a greater proportion of the total loss than the applicable Limit of Liability of this policy for such loss bears to the total Limit of Liability of all valid and collectible insurance. If a loss occurs involving two or more policies, each of which provides that its insurance shall be excess, each will contribute pro rata.

10. **Subrogation:** We are subrogated to all the **Insured's** rights of recovery therefore against any person, organization or entity. The **Insured** shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. The **Insured** shall do nothing after any loss to prejudice such rights.
11. **Changes:** The terms of this policy shall not be waived or changed except by endorsement issued to form part of this policy.
12. **Bankruptcy or Insolvency of Insured:** Bankruptcy or insolvency of the **Insured** or of the **Insured's** estate shall not relieve us of any of our obligations hereunder.

13. **Cancellation and Non-renewal Conditions**

CANCELLATION

This insurance may be canceled by the **Named Insured** at any time by giving written notice or by surrender of this insurance policy to the us or its authorized representative. We shall refund the paid premium, less the earned portion thereof, including any customary short-rate charge. Refunds will be paid within 30 days of the date of cancellation.

We may cancel this insurance only on the occurrence of one or more of the following:

- a. Nonpayment of premium, including payment due on any prior policy during the current policy term covering the same risks.
- b. Discovery of fraud or material misrepresentation by:
 - (i) Any insured or his or her representative in obtaining this insurance; or
 - (ii) You or your representative in pursuing a claim under this policy.
- c. A judgment by a court or an administrative tribunal that you have violated any State or Federal law, having as one of its necessary elements an act that materially increases any of the risks insured against.
- d. Discovery of willful or grossly negligent acts or omissions or of any violations of state laws or regulations establishing safety standards, by you or your representative, which materially increase any of the risks insured against.
- e. Failure by you or your representative to implement reasonable loss control requirements, agreed to by you as a condition of policy issuance.
- f. Where conditions precedent to our use of a particular rate or rating plan is not adhered to, if that failure materially increases any of the risks insured against.
- g. A determination by the Commissioner of Insurance that the:
 - (i) Loss of, or changes in, our reinsurance covering all or part of the risk would threaten our financial integrity or solvency; or
 - (ii) Continuation of the policy coverage would either cause us to violate State law or threaten our solvency.

- h. A change by you or your representative in the activities or property of the commercial or industrial enterprise, which results in a materially added, increased or changed risk. This section does not apply if the added, increased or changed risk is included in the policy.

We or our authorized representative will mail or deliver advance written notice of cancellation by sending notice to the first **Named Insured** as shown in the Declarations, by first class, registered or certified mail, to the mailing address of the **Named Insured** (or its authorized agent) last known to us and any producer of record, at least:

- (1) 10 days before the effective date of cancellation if we cancel for reasons **a** or **b**.
- (2) 30 days before the effective date of cancellation if we cancel for any other reason.

NONRENEWAL

If we elect not to renew this policy, we will mail or deliver written notice stating the reason for nonrenewal to the first **Named Insured** as shown in the Declarations and to any producer of record. This notice will be sent at least 60 days, but not more than 120 days, before the expiration or anniversary date. We are not required to send this notice of nonrenewal in the following situations.

- a. If the transfer or renewal of a policy, without any changes in terms, conditions or rates, is between us and a member of our insurance group.
- b. If the policy has been extended for 90 days or less, if notice has been given in accordance with this section.
- c. If you have obtained replacement coverage, or if the first **Named Insured** has agreed, in writing, within 60 days of the termination of the policy, to obtain that coverage.
- d. If the policy is for a period of no more than 60 days and you are notified at the time of issuance that it will not be renewed.
- e. If the first **Named Insured** requests a change in the terms, conditions, or risks covered by the policy within 60 days of the end of the policy period.
- f. If we have made a written offer to the first **Named Insured**, in compliance with paragraph 14 below to renew the policy under changed terms or conditions or at an increased premium covered by the policy within 60 days of the end of the policy period.

- 14. **Renewal Rate Increase or Change In Policy Term:** We will notify you if we increase your rate by more than 25%, change the deductible, reduce the limit(s) of insurance and/or substantially reduce coverage at renewal. Notice will be to the first **Named Insured** at least sixty (60) days prior to the effective date of that increase or change. The notice will provide:

- A. Notice of any change in coverage terms.
- B. An estimate of the rate increase.

A rate increase is any factor that would change the premium other than a change in exposure.

Any notice of renewal rate increase or change in policy terms will be mailed by first class registered or certified mail to the first **Named Insured** at the last mailing address known to us. Proof of mailing will be sufficient proof of notice.

- 15. **Deductible:** The **Insured's** has an obligation to pay the deductible amount because of any single **Claim**. The obligation shall not exceed the amount stated in the Declarations as "DEDUCTIBLE: EACH CLAIM". Our obligation to pay **Damages** and/or **Claims Expense** on behalf of the **Insured** is in excess of the deductible. The **Insured** shall pay **Damages** and/or **Claims Expenses** for each **Claim** equal to the amount of the deductible.

- 16. **Declarations and Application:** The **Insured** agrees that the statements in the Declarations and application are the **Insured's** agreements and representations. They are deemed material. This policy is issued in reliance upon the representations and the policy embodies all agreements existing between the **Insured** and us or any of our agents relating to this insurance.

- 17. **Extended Reporting Period Option:**

- (a) **Automatic Extended Reporting Period ("ERP"):**

If this policy is cancelled or non-renewed for any reason other than non-payment of premium or failure to comply with the terms or conditions of this policy, an automatic sixty (60) day extended reporting period applies. This ERP is effective at the termination of the **Policy Period** and will be provided no additional cost. This section does not apply if this insurance is replaced with the same or similar type of insurance or self-insurance. Deductibles, limits, and restrictions need not be similar to those provided under this policy to make this extension inapplicable.

This Extended Reporting Period option shall extend the time in which the **Insured** can give written notice to us of **Claims** first made against the **Insured** during this Extended Reporting Period. Coverage under this section is subject to all policy terms, limitations, exclusions and conditions.

(b) Cancellation/Non-Renewal: The **Named Insured** has the right to an Extended Reporting Period unless either of the following has occurred.

1. This policy was Cancelled or for non-payment of premium.
2. This policy has a different prior acts date from one previously applied by us.

There is an additional premium charge for the Extended Reporting Period. The premium depends on the length requested.

- (1) 100% of the full annual premium for this policy for a twelve (12) month ERP.
- (2) 135% of the full annual premium for this policy for a twenty-four (24) month ERP.
- (3) 150% of the full annual premium for this policy for a thirty-six (36) month ERP.

The ERP allow the **Insured** additional time to give written notice to us of **Claims** first made against the **Insured** during this Extended Reporting Period. The ERP is subject to its terms, limitations, exclusions and conditions of this policy. The ERP affords no coverage for claims that did not occur before the original expiration date of the policy.

This right must be exercised by giving us written notice. The notice must include the ERP term requested and the payment of the full premium. The right expires unless exercised within thirty (30) days after the effective date of cancellation or non-renewal.

(c) Unlimited Extended Reporting Period: The **Named Insured** may be entitled to an unlimited Extended Reporting Period. The unlimited ERP is available in the following situations

- (1) The **Named Insured** is designated in the declarations as an independent contractor. The **Named Insured** cancels or fails to renew this policy because of retirement from active business.
- (2) The **Named Insured** is designated as a sole proprietorship. The proprietor cancels or fails to renew the policy because of retirement from active business.
- (3) The **Named Insured** is designates as a partnership. The partnership dissolves and cancels or fails to renew this policy because of dissolution.

In only these three cases, the **Named Insured** has the right to unlimited period following the effective date of cancellation or non-renewal

The unlimited ERP allows the **Insured** unlimited time to give written notice to us of **Claims** first made against the **Insured** during this Extended Reporting Period. The ERP is subject to its terms, limitations, exclusions and conditions of this policy. This ERP affords no coverage for claims that did not occur before the original expiration date of the policy.

This right must be exercised by giving us written notice. The notice must include the ERP term requested and the payment of the 200% premium charge. The right expires unless exercised within thirty (30) days after the effective date of cancellation or non-renewal.

- (d) **Termination of Extended Reporting Period:** Premium paid for any Extended Reporting Period is fully earned at inception. We are not liable to return to the **Insured** any portion of the premium for the Extended Reporting Period.

The fact that the period during which **Claims** must be first made against the **Insured** under this policy is extended by virtue of any Extended Reporting Period option shall not in any way increase the limit of liability of this policy. The limit of liability available under any Extended Reporting Period option is part of, not in addition to, the limit of liability available under the last policy issued to the **Named Insured**.

18. **Reimbursement:** While we have no duty to do so, we retain the right to reimbursement if we pay **Damages** or **Claims Expenses** that are:

- (a) Within the amount of the applicable deductible; or
- (b) In excess of the applicable Limit of Liability.

All **Insureds** shall be jointly and severally liable to us for such amounts. The **Insured** shall repay such amounts to us within thirty (30) days of request.

19. **Your Right to Claim and "Occurrence" Information:** We will provide the first **Named Insured** information relating to this and any preceding Real Estate policy we have issued. Available information is limited to:

- a. A record of each **Claim** made. The record will include the claims made date.
- b. A summary by policy year, of payments made and amounts reserved.

Amounts reserved are based on our judgment. They are subject to change and should not be regarded as ultimate settlement values.

This information must not be disclosed to any claimant or any claimant's representative without our consent.

We compile **Claims** information and exercise reasonable care in doing so. However, we make no representations or warranties concerning the accuracy of this information.



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Congratulations on joining the CRES Real Estate Errors & Omissions Program. We are confident that you will continue to find our pricing competitive, our coverage excellent and our service outstanding.

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- The Supplement to the Purchase Agreement
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Delos Insurance Group Privacy Policy

Delos Insurance Company and Naxos Insurance Company

We value your business and trust in us and respect the privacy and confidentiality of your nonpublic personal information.

Our Practices Regarding Privacy and Confidentiality

We are committed to keeping your information secure and confidential, regardless of whether information is received by mail, telephone, Internet or in person.

The nonpublic personal information about you that is collected is utilized only to the extent necessary to effect, deliver, administer or enforce insurance service to you and is disclosed only as permitted by law. We may also disclose certain information to nonaffiliated third parties.

If you prefer that we not disclose nonpublic personal information about you to third parties, you may opt out of those disclosures, that is, you may direct us not to make those disclosures by contacting us at the address and phone number listed below.

Likewise, to the extent we utilize other organizations, such as general agents and third party administrators, to support our business, we require them to abide by the requirements of the applicable privacy laws and by our privacy policy.

Information We Collect

We gather information about you in connection with providing our products and services to you and to support our business operations. This includes information you may provide to us, such as from your insurance application, and information about you from another source, such as a credit bureau.

Information We May Disclose To Affiliates or Third Parties

Except as noted herein, we do not disclose nonpublic personal information unless authorized by you. We may, without authorization but only as permitted or required by law, provide nonpublic personal information about you to persons or organizations both inside and outside of Delos Insurance Group in order to fulfill a transaction requested, service policies, investigate and/or handle claims, detect and/or prevent fraud, participate in insurance support organizations, or comply with lawful requests from regulatory or law enforcement authorities or a court of law. These include, for example: affiliated companies, claims adjusters or administrators, insurance agents or brokers, medical providers, program managers, consumer reporting agencies, governmental agencies, auditors, lienholders, mortgagees, and assignees.

Information Confidentiality and Security

We restrict access to nonpublic personal information about you to those employees who need to know that information in order to provide products or services to you. We maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.

Access to Your Information

You have the right to know what kind of information we keep in our files about you, to have the reasonable access to it and receive a copy. Contact us at the address noted below should you have questions about what information we may have on file. All written requests must include your name, address, telephone number, and a photocopy of a picture ID for identification purposes. We are dedicated to maintaining accurate customer records and shall strive to correct any inaccurate information noted in a timely manner.

Delos Insurance Group

120 West 45th Street, 36th floor

New York, New York 10036

212-702-3700 Attention: Privacy Manager