

Endorsement



Additional Coverages Endorsement

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Add'l Prem.	Return Prem.
	PER CERTIFICATE OF INSURANCE		PER CERTIFICATE OF INSURANCE	\$40 INCLUDED IF ACTIVE MEMBER OF CAR	N/A

Policyholder:

AS PER CERTIFICATE OF INSURANCE

Producer:

SEE DECLARATIONS

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Colorado Real Estate Brokers Professional Liability Insurance Policy

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

I. The Declarations are amended as follows:

A. Insuring Agreement C. in Item 5. of the Declarations is replaced with the following:

Limits of Liability		Deductibles	
Insuring Agreement C: Fair Housing Discrimination Liability			
Each per Claim limit:	\$ 50,000	Each Claim deductible:	\$ 1,000
Aggregate limit:	\$ 50,000		

B. The following is added to Item 5 of the Declarations:

Limits of Liability		Deductibles	
Insuring Agreement D: Subpoena Assistance Costs			
Each per subpoena limit:	\$ 5,000	Each subpoena	\$ 0
Aggregate limit:	\$ 5,000		

C. Item 8 in the Declarations is replaced by the following:

Item 8. Notices to **Underwriter**

<p>A. Address for notice of Claims, or Potential Claims or Subpoena Assistance:</p> <p>Zurich North America Attn: Management Solutions Claims P. O. Box 968041 Schaumburg, IL 60196-8041 Facsimile: (866) 255-2962 Email: msgclms@zurichna.com</p>	<p>B. Address for all other notice:</p> <p>Zurich North America Attn: Financial Lines 165 Broadway, 33rd Floor New York, NY 10006 Fax: (866) 240-0155 E-mail: usz_zip@zurichna.com</p>
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II. Section I. INSURING AGREEMENTS is amended by adding the following:

D. SUBPOENA ASSISTANCE COST COVERAGE

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

III. Section II. DEFENSE AND SETTLEMENT is amended as follows:

A. The second paragraph of Section II.A is replaced with the following:

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

1. the amount for which such **Claim** could have been settled by the **Underwriter** plus **Defense Costs** up to the date the **Insured** refused to settle such **Claim**; plus
2. fifty percent (50%) of any **Loss** in excess of A.1. above incurred in such **Claim**. The remaining **Loss** will be uninsured and borne by the **Insured** at its own risk.

B. The following is added to Section II. DEFENSE AND SETTLEMENT:

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

IV. Section III.B. Extended Reporting Period is amended by adding the following:

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

V. Section IV. DEFINITIONS is amended as follows:

A. The following is added to Definition E. **Claim**:

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

A **Claim** shall mean a **Regulatory Complaint** seeking injunctive relief, other non-monetary relief, or rescission as outlined in Subsection VII.G.

B. The following is added to Definition H. **Defense Costs**:

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

C. The following additional Definitions are added:

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

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

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

Subpoena Assistance shall not mean **Claim**.

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

VI. Section V. EXCLUSIONS is amended as follows:

A. The following is added to Exclusion M:

provided, however, the **Underwriter** will pay on behalf of the **Insured** any applicable **Loss** and **Defense Costs**, incurred solely as a result of **Claims** alleging a failure to detect, disclose, report or assess the effects of or advise of the existence of **Pollutants**, up to a maximum sum of \$20,000 for each **Claim** and \$40,000 for all **Claims** in the aggregate for the **Policy Period**. Such payments shall be part of and not in addition to the applicable Limit of Liability and subject to the applicable Deductible(s).

B. The following additional Exclusion is added:

The **Underwriter** shall not be liable for **Loss** or **Defense Costs** on account of any **Claim** based upon, arising out of or attributable to any **Real Estate Services** relating to residential investment property in which the **Insured** or the **Insured's** spouse, including any entity, corporation, partnership or trust in which the **Insured** or the **Insured's** spouse maintains a financial ownership interest; provided, however, this exclusion shall not apply if:

- (1) a seller disclosure form is signed by the **Insured** and acknowledged in writing by the buyer prior to closing;
- (2) a home warranty is purchased;
- (3) a written home inspection report by an independent, certified or licensed home inspector is obtained prior to closing;
- (4) a local or state board approved standard sales contract or franchise approved sales contract is used; and
- (5) the **Insured** or the **Insured's** spouse, including any entity, corporation, partnership or trust in which the **Insured** or the **Insured's** spouse maintains a financial ownership interest owned the residential investment property for at least one hundred eighty (180) days.

VII. Section VI. LIMITS OF LIABILITY AND DEDUCTIBLES is amended as follows:

A. Section A. is amended by adding the following:

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

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

B. The following is added to Section B.:

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

VIII. Subsection VII.G. is amended by adding the following:

Notice of a Regulatory Complaint

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

Further, the **Underwriter** will pay on behalf of the **Insured** all **Defense Costs** incurred in the defense of a **Regulatory Complaint** up to a maximum sum of \$7,500 for all **Regulatory Complaints** in the aggregate for the **Policy Period** provided such **Regulatory Complaint** arises from a **Wrongful Act** that would otherwise be covered under this Policy. Such payments shall be part of and not in addition to the applicable Limit of Liability, and subject to the applicable Deductible(s).

Notice of a request for Subpoena Assistance

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

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.