HDI GLOBAL INSURANCE COMPANY
An Illinois Corporation

Commercial Lines Policy

For Allstar Brokers Network

This is a non-participating policy with regard to paying dividends to policyholders.

Policy #: HGI-1000056-09
Policy Period: 08-01-2026 to 08-01-2027

Home Office:

161 North Clark Street, 48th Floor
Chicago, IL 60601

Administrative Office: (for claims, policy service, questions & complaints)

CRES A Gallagher Company
P.O. Box 4142
Clinton, IA 52733
(800) 880-2747

REAL ESTATE SERVICES ERRORS AND OMISSIONS LIABILITY INSURANCE POLICY

THIS IS A CLAIMS MADE AND REPORTED INSURANCE POLICY. PLEASE READ THE ENTIRE INSURANCE POLICY CAREFULLY.

YOUR POLICY INCLUDES THIS FRONT PAGE AND THE FOLLOWING PARTS:

PART 1. Declarations Page

PART 2. Notices

PART 3. Quick Reference to Policy Provisions

PART 4. Introduction

PART 5. Insuring Agreements and Exclusions

PART 6. Definitions Used in This Policy

PART 7. General Conditions

PART 8. Endorsements

PART 9. A Copy of **Your** Signed **Application** or **Renewal Application**

ALL OF THESE PARTS MUST BE INCLUDED TO MAKE A COMPLETE POLICY.

REAL ESTATE SERVICES ERRORS AND OMISSIONS INSURANCE

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PART 1.

DECLARATIONS PAGE

1. **Named Insured** / Address: Policy Number: HGI-1000056-09

   Allstar Brokers Network
   DBA: Homeland Mortgage; ABN; Listing Express; Innoduet Properties
   Physical Address: 1055 E. Colorado Blvd. Suite 500
   Pasadena, CA 91106
   Mailing Address: 1055 E. Colorado Blvd. Suite 500
   Pasadena, CA 91106

2. **Policy Period:** 08-01-2026 to 08-01-2027 (12:01 AM at address #1)

3. **Retroactive Date:** See Insured Services section. Retroactive date is bound to each insured service separately.

4. **Insured Services:**

Insured Service Name	Prior Acts Type	Retroactive Date
Commercial Real Estate Services: Listing, Sale, Referral, Broker Price Opinion, and Escrow Agent Services of commercial real estate, including 5+ residential units	Date Specific	07-01-2018
Residential Real Estate Services: Listing, Sale, Referral, Broker Price Opinion, and Broker-Held Escrow (BHE) Agent Services of 1-4 unit residential properties. BHE services must be under California DRE license authority	Date Specific	07-01-2008

5. Limit of Liability:

   a. Each **Wrongful Act** $1,000,000
   b. Aggregate $1,000,000
   c. Discrimination To Policy Limit
   d. Lockbox To Policy Limit
   e. Contingent Liability $100,000

6. Retention: $5,000
7. Premium:
8. Forms and Endorsements:

Endorsements	Form Number
Commercial Lines Policy Jacket	HDI E&O Jacket (0824)
Professional Liability Application	HDI-3006 (0824)
Real Estate Services Errors & Omissions Liability Insurance Policy	HDI-EO1009 (0824)
Discrimination Indemnity and Defense Coverage	HDI-0314 (0717)
Contingent Liability Coverage - $100,000	HDI-0311 (0824)

Agent Owned Property	HDI-2003 (0824)
Specific Limit Endorsement	HDI-0327 (1019)
Variable Retention Endorsement	HDI-0319 (0717)

9. Administrative Office: CRES A Gallagher Company
P.O. Box 4142
Clinton, IA 52733

Authorized Signature: _____ Date Issued: 07-06-2026

This Policy is issued to a participating member of the Real Estate Services Council Risk Purchasing Group LLC, a Risk Purchasing Group. The insurer for the purchasing group may not be subject to all the laws and regulations of **Your** state. Depending on the state, the insurance insolvency guarantee fund may not be available to the Purchasing Group.

REAL ESTATE SERVICES ERRORS AND OMISSIONS LIABILITY INSURANCE POLICY

PART 2. NOTICES

A. Claims Made and Reported Policy:

This insurance coverage is written on a claims made and reported basis. Coverage applies only to those **Claims** that are first made against **You** and reported to **Us** during the **Policy Period** and any Extended Reporting Period as those terms are described in the Policy. Coverage does not apply to any **Wrongful Acts** committed before the **Retroactive Date** stated on the Declarations Page.

B. **Defense Costs** Within the Limit:

This insurance coverage contains a provision that reduces the Limit of Liability stated in the Policy by the amount of **Defense Costs.**

C. Awareness:

Various provisions in this Policy restrict coverage. Read the entire Policy carefully to determine **Your** rights and duties, and what is and is not covered. **We** will not pay sums or perform acts or services unless explicitly provided for in this Policy.

PART 3. QUICK REFERENCE TO POLICY PROVISIONS

The following is a quick reference indexing of Your Policy's provisions, listed in sequential order. The descriptions in the quick reference are not binding. The quick reference should only be used to help **You** locate the actual Policy provisions.

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PART 4. INTRODUCTION

The words **We, Us** and **Our** refer to the Insurer named on the Declarations Page.

The words **You** and **Your** refer individually and collectively to:

1. The **Named Insured** as defined In **Part 6.I.;**
2. The **Named Insured's** stockholders, (members if the **Named Insured** is organized as an LLC) and partners (if the **Named Insured** is a partnership), but only for their liability as stockholders, members, or partners;
3. The **Named Insured's** officers, directors and employees, but only for **Wrongful Acts** within the scope of their authorized duties in such capacity for the **Named Insured;**
4. The spouse or qualifying domestic partner of any present or former business partner, member, officer, director, employee, or independent contractor, but only for liability arising out of real estate services actually or allegedly performed by such present or former business partner, member, officer, director, employee, or independent contractor on behalf of the **Named Insured. We** have no obligation to pay **Damages** or **Defense Costs** for any **Claim** arising from any act or service actually or allegedly provided by the spouse or domestic partner of any individual to whom this policy otherwise provides coverage.
5. Former officers, former directors and former employees of the **Named Insured,** but only for **Wrongful Acts** both:
   a. Within the scope of their duties in such capacity for the **Named Insured; and**
   b. Made while they were the **Named Insured's** partner, officer, director or employee;
6. In the event of death, incompetence, insolvency or bankruptcy of any of **You, Your** legal representative but only for **Wrongful Acts** within the scope of their duties for the **Named Insured;**
7. Any franchisor of the **Named Insured,** but only to the extent that liability arises solely out of an error or omission of the **Named Insured;**
8. Any professional association, standards or accreditation board of which the **Named Insured** is a member, but only to the extent that liability arises only out of an error or omission of the **Named Insured;** or
9. Any independent contractor (whether or not a Natural Person, including “Teams”) engaged in the practice of real estate as a broker or agent of the **Named Insured** at the time of the **Wrongful Act** (and unlicensed employees of such duly licensed independent contractor) practicing his or her profession under the laws of all jurisdictions in which he or she practices.
10. If **You** are covered as an Individual Licensee or Independent Contractor, **Named Insured** is limited to definitions 1, 6, 7 and 8 only.

Other words or phrases that are **bold-faced** have special meaning.

PART 5. INSURING AGREEMENTS AND EXCLUSIONS

A. What We Insure

We will pay on **Your** behalf those sums in excess of the Retention and up to the applicable Limit of Liability stated in Item **5.** of the Declarations Page that **You** become legally obligated to pay as **Damages** or **Defense Costs** because of **Claims** as a result of a **Wrongful Act** in performing **Insured Services. We** have the right and duty to appoint an attorney and defend any **Claim** to which this insurance applies, even if the allegations are groundless, false or fraudulent. **You** may engage additional counsel, solely at **Your** expense to associate in the defense of any **Claim** covered hereunder.

We also have the right to investigate any **Claim** and/or negotiate settlement thereof, as **We** deem expedient, but **We** shall not settle any **Claim** without **Your** consent. If **We** recommend settlement to **You,** which is agreeable to the claimant and **You** do 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. **You** agree not to unreasonably withhold **Your** consent to any settlement **We** negotiate that is acceptable to the claimant. **You** further agree that **We** may settle any **Claim** in an amount at or below the amount of the Retention set forth in **Item 6.** (Retention) of the Declarations Page without **Your** consent. **You** agree to promptly reimburse **Us** for the amount paid in settlement of any **Claim** that we settle at or below the amount of the Retention set forth in **Item 6.** (Retention) of the Declarations Page.

Our right and duty to defend and to pay on **Your** behalf ends when **We** have used up the applicable Limit of Liability in payment of **Damages** or **Defense Costs.**

B. What We Do Not Insure – Exclusions

1. This insurance does not apply to and **We** are not obligated to pay **Damages** or **Defense Costs** or to defend **Claims** for, or Claims arising directly or indirectly out of, or **Claims** in any way alleging:

a. Bodily Injury or **Property Damage** including any loss of wages or loss of consortium or other related **Claims,** of any person or loss of use of tangible property. This exclusion does not apply:

(1) to **Property Damage** arising from the performance of **Insured Services** by a **Named Insured** solely in the distribution, maintenance, operation or use of a lock box on property not owned or occupied by or leased to any **Named Insured.**

(2) to any **Claim** brought by a purchaser of real property that solely alleges diminution in value of real property as a direct result of **Bodily Injury** to any person;

(3) to any **Claim** brought against **You** for Damages because of **Bodily Injury** or **Property Damage** caused by an actual or alleged negligent act, error, or omission solely in the rendering of **Insured Services** for the listing, showing and/or conducting an open house for sale of 1-4 unit **Residential Property(ies).** The Damages must occur at the property. None of **You** can have an ownership or rental interest in the property.
Contingent Liability Coverage Sublimit of Liability: $10,000
The **"Contingent Liability Coverage Sublimit of Liability"** set forth above is the maximum amount that We are obligated to pay for Damages, for which You are legally liable, and **Defense Costs** combined for the total of all such **Claims** alleging **Bodily Injury** or **Property Damage** made during the Policy Period and any Extended Reporting Period, and is included within, and not in addition to the Aggregate Limit of Liability stated on the Declarations **Page.**
We may investigate and settle any **Claim** or suit that **We** decide is appropriate. Our duty to settle or defend ends when the **"Contingent Liability Coverage Sublimit of Liability"** has been exhausted.
This does not extend coverage to include: theft of property, communicable diseases, sexual molestation, corporal punishment or physical or mental abuse, controlled substances.

b. Infringement of:
(1) Copyright;
(2) Trademark, trade dress, trade name, service mark, service name, title or slogan;
(3) Patent; or
(4) Any other intellectual property right, including misappropriation of trade secrets;

c. Statutory or common law unfair competition, or federal, state or local unfair business practices, laws, or federal, state or local consumer protection laws, or statutory or common law restraint of trade or any other violation of antitrust laws;

d. Discrimination on the basis of age, sex, gender, military service, race, creed, color, religion, handicap, disability or health condition, marital status, national origin, sexual preference, or other federally protected classes, by **You,** including any **Claim** resulting therefrom. However, notwithstanding the foregoing, **We** shall pay **Defense Costs** resulting from any **Claim** alleging such conduct by **You.** Provided, however, **Our** obligation to pay such **Defense Costs** shall not exceed the Each **Wrongful Act** Limit of Liability set forth in Item **5.a.** of the Declarations Page, or $1,000,000, whichever amount is lesser, as a result of any one **Claim** or all such **Claims** during the **Policy Period ("Discrimination Defense Cost Sublimit of Liability").**

In no event will the **Discrimination Defense Cost Sublimit of Liability** exceed the Aggregate Limits of Liability set forth in Item **5.b.** of the Declarations Page.

We shall not be obligated to pay any **Defense Costs** or to defend any suit after the applicable **Discrimination Defense Cost Sublimit of Liability** has been exhausted.

e. Any gain, profit, or advantage to which any of **You** are not legally entitled;

f. The assumption of liability by any of **You** under any contract or agreement, including any warranty agreement or indemnification agreement. This exclusion does not apply to liability **You** would have incurred in the absence of such contract, agreement or warranty;

g. Any disputes involving fees, commission, charges, or rebates; or involving the failure of any person(s) or entity(ies) to collect, pay or disburse commissions, finder's fees, deposits, escrow funds, tax funds or other funds or sums of money; or involving any person(s) or entity(ies) conversion, misappropriation, comingling or defalcation of any funds, money, currency, negotiable instruments or any other tangible, intangible or real property.

h. Property syndication, real estate investment trusts, limited or general partnerships, including but not limited to corporate entities, or ventures when any such **Claim** is brought by or on behalf of an investor, shareholder or partner in any such entity;

i. Purchase of insurance, or the failure to effect or maintain adequate levels or types of insurance;

j. Acts by any of **You** related to any pension, healthcare, welfare, profit sharing, mutual or investment plans, funds or trusts; or any violation of any provisions of the Employee Retirement Income Security Act of 1974, or any amendment, regulation, ruling or order issued pursuant to the Act or any similar provisions of any federal, state or local law;

k. Violation of:

(1) The Security Act of 1933 as amended;

(2) The Securities Exchange Act of 1934 as amended;

(3) Any state blue sky or securities law;

(4) Any similar state or federal law; or

(5) Any order, ruling or regulation issued pursuant to the above laws;

l. Insolvency or bankruptcy of:

(1) Any of **You;** or

(2) Any enterprise in which any of **You** own an interest;

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 **Pollutant** on or within a building or structure, including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to the injury or damage; 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, any **Pollutant,** by **You** or by any other person or entity for which the insured is liable.

Provided, however, notwithstanding the above, **We** are obligated to pay **Damages** or **Defense Costs** up to the **Pollution Coverage Sublimit of Liability** set forth below, if, and to the extent that, a **Claim** solely results from **Your** failure to disclose the existence or presence of any **Pollutant** on a **Residential Property** with 1-4 residential units.
Pollution Coverage Sublimit of Liability: $100,000

The **"Pollution Coverage Sublimit of Liability"** as set forth above is the maximum amount that **We** are obligated to pay for both **Damages and Defense Costs** combined for the total of all such **Claims** alleging a failure to disclose the existence or presence of any **Pollutant** made during the **Policy Period** and any Extended Reporting Period, and is included within, and not in addition to the Aggregate Limit of Liability stated in Item **5.b.** of the Declarations Page.
"Pollutant" means any solid, liquid, gaseous or thermal irritant or contaminant, including, but not limited to:

(1) Smoke, vapor, soot, fumes, acids, alkalis, chemicals, byproducts resulting from the production of methamphetamine or similar substance, lead, mold or asbestos;

(2) Hazardous, toxic or radioactive matter or nuclear radiation;

(3) Waste, which includes material to be recycled, reconditioned or reclaimed;

(4) Any other pollutant as defined by applicable federal, state or local statutes, regulations, rulings or ordinances; or

(5) Radon, mold or other organic matter, including, but not limited to Aspergillus, Penicillium, or any strain or type of Stachybotris commonly collectively referred to as the "Black Molds";

In no event will **Our** liability exceed the lesser of either the most recent bona-fide sale price of the dwelling or the **Pollution Coverage Sublimit of Liability** as stated above;

n. Services involving property in which any of **You** or any:

(1) entity in which any of **You** has a financial interest;

(2) entity which has a financial interest in any of **You;** or

(3) entity which is under the same financial control as **You;**

have, had, or will have an ownership or equity interest, either direct or indirect, as an individual, partner, member, shareholder or fiduciary.

This exclusion does not apply to **Claims** involving only the actual or attempted sale (not purchase) of **Residential Property** that any of **You** did not construct or develop if:

a. A written Home Inspection Report is issued by a licensed or accredited home inspector, or buyer waives inspection, in writing, prior to closing;

b. An **Approved Home Warranty** is in place, or was provided by the builder for new construction, or buyer waives a home warranty, in writing, prior to closing;

c. All State required property transfer disclosure statements are properly completed, signed, and delivered;

d. Your ownership interest in the property was disclosed to the buyer in writing and acknowledged by the buyer prior to closing.;

An **Approved Home Warranty** means the home warranty company must be approved by the state insurance department. First party warranties or other un-filed "service contracts" do not constitute approved home warranties.

o. Ownership, syndication or development of property; mortgage or investment banking; feasibility studies; property surveys; opinions relating to zoning laws; or activities as an investment advisor/manager, **Construction Advisor/Manager,** risk manager, or title abstractor;

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

(1) management of facility construction, reconstruction and renovation plans;

(2) development and management of construction, reconstruction and renovation contracts and subcontracts;

(3) development of loss control and risk management plans in connection with the construction, reconstruction or renovation.

p. The performance of services by any of **You** which can only be performed by:

(1) A licensed, certified, or registered attorney or public accountant; or

(2) A professional investment advisor or financial management consultant;

q. Any financing term that is contained on addenda or otherwise not within the standard form real estate sales contract. This exclusion does not apply to such financing terms if they were disclosed to all lenders and borrowers prior to loan approval.

r. Any theft, fraud, conversion, embezzlement, misappropriation, financial elder abuse, or any other intentional wrongful conduct by any person(s) or entity(ies) arising out of or in any way resulting in money or property being parted with under false pretenses. This exclusion also excludes coverage under the Policy for any social engineering scheme, any hacking scheme, any phishing scheme, or any computer fraud; or for any other activity or conduct by any person(s) or entity(ies) which results in the electronic transfer of money, or the electronic transfer of real or tangible property, or the electronic transfer of personal or proprietary information or data.
Provided however, this exclusion shall not apply to **Claims** resulting from a client of any of **You** being intentionally deceived into wiring funds (which are partly or wholly unrecoverable) due to the negligence or error of an Insured in the provision of **Insured Services** subject to a **Sublimit of Liability of $35,000** for **Defense Costs** and **Damages** which shall be part of and not in addition to the **Aggregate Limit of Liability** specified in Item **5. b.** of the Declarations Page.

s. Knowledge by any of **You** of any circumstance which could reasonably be expected to lead to a **Claim** which was not disclosed on the **Application** or **Renewal Application.** This includes complaints (written or verbal) or any request for, or participation in, any mediation, arbitration, or lawsuit, involving any party to a transaction or **Insured Service.**

t. Requests or demands for the return, restitution or reduction of professional fees or arising from any **Claim** seeking equitable Relief. This exclusion does not apply to **Claims** arising from a buyer's **Claim** of specific performance seeking to compel the transfer of real property to which this insurance applies so long as the equitable relief is not sought against the insured.

u. Actual or alleged anti-trust law violation or agreement or conspiracy to restrain trade; any government inquiry or enforcement action, including but not limited to a Civil Investigative Demand. This exclusion does not apply to an otherwise covered matter arising in front of a local or state real estate board or licensing authority in connection with a disciplinary action against a real estate license, but only to the extent the matter implicates censure or revocation of that license.

v. Inability to **Develop** raw, vacant or partially improved land as intended, or **Claims** related to subterranean land rights including rights to oil, minerals, water, precious metals, or any other substances.

w. The **flipping** of any property where an insured has or had any ownership or financial interest either directly or indirectly as an investor, partner or owner.

This exclusion shall not apply, and a **Flipping Coverage Sublimit of Liability** of $50,000 shall be added, when the insured has made only cosmetic, or superficial, changes that do not require a permit. Repair or replacement of items recommended by a buyer's home inspections or required by the lender shall be considered cosmetic or superficial for the purposes of this coverage only.

The Flipping Coverage Sublimit of Liability is the maximum amount **We** are obligated to pay for both **Damages** and **Defense Costs** combined for the total of all such **Claims** arising from an agent-owned flipped property made and reported during the Policy Period and any Extended Reporting Period, and is included within, and not in addition to the Aggregate Limit of Liability stated in Item 5.b. of the Declarations Page.

x. **Claims** arising from any transaction where any insured receives, prior to the close of the transaction, notice of incapacity of any party to the transaction or defect in or unmarketability of title to the property involved in the transaction. This exclusion does not apply if, prior to the close of the subject transaction, the insured receives written legal advice from a lawyer, attorney or counselor at law, licensed in the jurisdiction relating to the incapacity or alleged title issue. In this event, the **Retention** listed in Item 6. of the Declarations Page is increased to the stated **Retention** plus the insured's commission payable on the subject transaction.

y. Any service requiring a license AND provided by any of **You** who is unlicensed at the time the service is rendered.

z. Any **Claim** arising from a transaction where any of **You** signed a legal contract/document on behalf of another party without proper legal authority, such as a power of attorney.

aa. The repurchasing of, and/or arrangement for the repurchasing of loans; or **Claims** arising out of demands by any lender or investor in connection with the credit quality of any borrower, or in connection with representations or warranties in connection with the procurement of a mortgage.

2. This insurance does not apply to and **We** are not obligated to pay **Damages** or **Defense Costs** or to defend **Claims** which, in whole or in part, is made by, in the right of, against, in connection with, or arising from:

a. Any enterprise:

(1) In which any of **You,** individually or collectively, directly or indirectly own an interest greater than 10% of the total ownership;

(2) In which any of **You** is a partner; or

(3) Which is a parent, affiliate or subsidiary company of any of **You;**

b. Any enterprise directly or indirectly controlled, operated or managed by an enterprise described in **Part 5.B.2.a.** above;

c. Any of **You;** or

d. Any present, former or prospective employees, officers or directors of any of **You** when the **Claim** is in any way related to the present, former or prospective employment relationship between the claimant and any of **You;**

3. This insurance does not apply to and **We** are not obligated to pay **Damages** or **Defense Costs** or to defend **Claims** for:

a. The breach of express warranties, guarantees or contracts;

b. An act or omission that a jury, court or arbitrator could find or does find to be dishonest, fraudulent, criminal, malicious or to have been intentionally committed while knowing it was wrongful;

This exclusion shall apply to any of **You** who had knowledge of or participated in the aforementioned conduct. For purposes of this exclusion only:

1. The knowledge of an Insured Person shall not be imputed to any other Insured Person;

2. The knowledge of the Named Insured's CEO, CFO, RM, and GC (or the functional equivalent of such positions for the Named Insured) shall be imputed to any Insured that is an entity. The knowledge of any other Insured, other than the aforementioned officers or employees, shall not be imputed to another Insured entity; or

c. Refunds, rebates, discounts, or any other fees or charges of any insured or others; or

d. Any punitive or exemplary **Damages,** fines, statutory penalties, or any award of **Damages** in which monetary **Damages** are doubled, trebled or otherwise multiplied by a judge, jury or arbitrator.

C. Where and When We Insure

1. Where We Insure

The insurance afforded by this policy applies only to **Claims** that are first made and reported to us during the **Policy Period.** A **Claim** must be made and suit brought, concerning property located within the United States of America, its territories, possessions or Canada.

2. When We Insure

a. **Claims** First Made

This insurance applies when a written **Claim** is first made against any of **You** and reported to **Us** as soon as practicable. However, in no event shall any notice of **Claim** be provided later than 7 days after the end of the **Policy Period.** To be covered, the **Claim** must also arise from a **Wrongful Act** committed during the **Policy Period.**

We will consider a **Claim** to be first made against **You** when a written **Claim** is first received by any of **You.**

This insurance also applies to **Claims** under the following conditions:

b. Prior Wrongful Acts

We will cover a written **Claim** first made against any of **You** arising from a **Wrongful Act** committed between the **Retroactive Date** and the **Effective Date** of this **Policy,** but only if all of the following conditions are met:

(1) The written **Claim** is first made against any of **You** during the **Policy Period** and reported to us as soon as practicable. However, in no event shall any notice of **Claim** be provided later than 7 days after the end of the **Policy Period. We** will consider a **Claim** to be first made against **You** when a written **Claim** is received by any of **You;**

(2) None of **You** knew, after inquiry of **Your** employees, agents, and clients of **Your** agents and employees, prior to the Effective Date of the first of one or more errors and omissions policies issued to **You** by **Us** or **Our** affiliates which together provided continuous coverage until the Effective Date of this **Policy,** of any fact, situation or Circumstance that could reasonably be expected to lead to the **Claim;** and

(3) There is no other valid and collectible insurance for the **Claim.**

c. Reported Wrongful Acts

We will cover a written **Claim** first made against any of **You** after the end of the **Policy Period,** but only if all of the following conditions are met:

(1) The **Wrongful Act** is committed between the **Retroactive Date** and the end of the **Policy Period;**

(2) **We** receive written notice from **You** during the **Policy Period** of the **Wrongful Act.** The notice must include all of the following information:

(a) The names of those persons or organizations involved in the **Wrongful Act;**

(b) The specific person or organization likely to make the **Claim;**

(c) A description of the time, place and nature of the **Wrongful Act;** and

(d) A description of the potential **Damages;**

(3) None of **You** knew, prior to the Effective Date of the first of one or more errors and omissions policies issued to **You** by **Us** or **Our** affiliates which together provided continuous coverage until the Effective Date of this Policy, of any fact, situation or **Circumstance** that could reasonably be expected to lead to the **Claim;** and

(4) There is no other valid and collectible insurance for the **Claim.**

A **Claim** first made after the end of the Policy Period and arising from a reported **Wrongful Act** will be covered under the provisions of the Policy in effect on the date **We** receive the notice of the **Wrongful Act.**

d. Automatic Extended Reporting Period

If this policy is cancelled or does not renew for any reason other than non-payment of premium or failure to comply with the terms or conditions of this policy, **We** will provide an automatic, non-cancelable extended reporting period to report **Claims** made against the insured during the **Policy Period,** starting at the termination of the **Policy Period,** but only if the **Named Insured** has not obtained another policy of real estate professional errors and omissions insurance regardless of the terms and conditions thereof, within sixty (60) days of the termination of the **Policy Period.** This automatic extended reporting period will terminate after sixty (60) days.

e. Extended Reporting Period

This section describes the provisions and conditions that apply to **Claims** first made after the end of the **Policy Period** when **You** have not reported a **Wrongful Act** during the Policy Period in accordance with **Part 5.C.2.c.** above. Such **Claims** are not automatically covered. To cover them, the First **Named Insured** must purchase an Extended Reporting Period from **Us.**

If the First **Named Insured** purchases an Extended Reporting Period, **We** will cover a **Claim** first made against any of **You** during the Extended Reporting Period, but only if all of the following conditions are met:

(1) The **Wrongful Act** is committed between the **Retroactive Date** and the end of the **Policy Period;**

(2) None of **You** knew, prior to the Effective Date of the first of one or more errors and omissions policies issued to **You** by **Us** or **Our** affiliates that provided continuous coverage until the Effective Date of this Policy, of a **Circumstance** that could reasonably be expected to lead to the **Claim;** and

(3) There is no other valid and collectible insurance for the **Claim.**

We will consider a **Claim** to be made during the Extended Reporting Period only if written **Claim** is first received by any of **You** after the Expiration Date of the **Policy Period** and prior to the Expiration Date stated in the Extended Reporting Period Endorsement.

The following provisions and conditions also apply to the Extended Reporting Period:

(1) If **You** or **We** cancel or nonrenew the Policy, and upon request by the First **Named Insured, We** will sell one of the Extended Reporting Period options listed below, unless **We** cancel or nonrenew the Policy because:

(a) Any of **You** failed to pay the premium or retention; or

(b) Any of **You** failed to comply with the Policy provisions.

Extended Reporting Period options and the respective percentage of Premium, as stated in Item **7.** of the Declarations Page. In the case of reporting form coverage, **We** will annualize reported premium. The premium You must pay to purchase the Extended Reporting Period are:

One Year	=	125%
Two Years	=	150%
Three Years	=	175%
Four Years	=	200%

Changes or proposed changes in premium or policy provisions shall not be construed as cancellation or nonrenewal of the Policy by **Us.**

(2) **We** must receive the First **Named Insured's** request for the Extended Reporting Period in writing within 30 days after the end of the **Policy Period.** On receipt and acceptance of the request, **We** will issue an endorsement showing the Extended Reporting Period in accordance with the option requested by the First **Named Insured.** At the same time, **We** will bill the additional premium, and **We** must receive payment within 30 days after the billing date for the endorsement to be effective.

(3) The endorsement shall also include the provisions and conditions applicable to the Extended Reporting Period. Once in effect, the Extended Reporting Period may not be cancelled and the premium therefore is fully earned.

(4) A **Claim** that is first made during the Extended Reporting Period will be deemed to have been made on the last day of the **Policy Period.** The provisions of the Policy in effect on the last day of the **Policy Period** will apply.

(5) The Extended Reporting Period does not reinstate or increase the Limit of Liability unless required by state law.

(6) The Extended Reporting Period does not extend the **Policy Period** or change the scope of coverage provided.

f. Multiple Claims

All **Claims** arising from the same **Wrongful Act,** or are related by any parties, facts, **Circumstances** or property, will be deemed to have been made at the earlier of the following times:

(1) The date the first of those **Claims** is made against any of **You;** or

(2) The first date **We** receive **Your** written notice of the **Wrongful Act.**

The provisions of the Policy in effect on that date will apply.

D. Limit of Liability, Retention and Reimbursement

1. Limit of Liability

a. Each **Wrongful Act**

The Each **Wrongful Act** Limit of Liability stated in Item **5.a.** of the Declarations Page is the most **We** will pay for **Damages** and **Defense Costs** combined for the total of all **Claims** made during the **Policy Period** and any Extended Reporting Period arising from one **Wrongful Act,** no matter how many:

(1) Of **You** this Policy covers;

(2) **Claims** are made; or

(3) Persons or organizations make **Claims.**

b. Aggregate

The Aggregate Limit of Liability stated in Item **5.b.** of the Declarations Page is the most **We** will pay for **Damages** and **Defense Costs** combined for the total of all **Claims** made during the Policy Period and any Extended Reporting Period, no matter how many:

(1)Of You this Policy covers;

(2)Claims are made;

(3)Persons or organizations make **Claims;** or

(4)Wrongful Acts are committed.

c. Absolute Tie-In Limits/Anti-Stacking

The maximum aggregate Limit of Liability under 1) this Policy and 2) any other Errors and Omissions/Professional Liability policy issued by the Company, combined, shall be no more than the largest Limit of Liability stated in item 5.b of the Declarations. This applies for all **Damages** & **Defense Costs** resulting from any **Claims** made under 1) or 2) above which arise out of the same transactions or **Wrongful Acts** or series of related or interrelated transactions or **Wrongful Acts.** Any payment of **Damages** or **Defense Costs** on account of **Claims** will erode the Limits of Liability of each Policy equally.

2. Retention

A separate Retention applies to each **Wrongful Act.** The Retention applies to **Damages** and **Defense Costs** combined, and **Our** obligation to pay **Damages** and **Defense Costs** applies only to the amount of **Damages** and **Defense Costs** in excess of the Retention. The Limit of Liability will not be reduced by the application of the Retention. The amount of **Your** Retention is stated in **Item 6.** of the Declarations Page.

a. Retention Reduction

In the event of a covered **Claim, We** will reduce **Your Retention** as long as the following criteria applies:

(1) $2,500 if, as part of the transaction/closing, a home warranty was placed on the property. The home warranty company must be approved by the state insurance department, for at least 15 years. First party warranties or other un-filed "service contracts" do not constitute approved home warranties. This reduction does not apply to any **Claim** where the Insured did not act solely in the capacity of a listing, selling or referral real estate broker/salesperson. The **Retention** will be reduced only when the home warranty is ultimately paid for by the real estate broker or salesperson.

and/or

(2) $2,500 if, as part of the transaction/closing, a comprehensive permit report was provided to the buyer or their representative. Comprehensive permit reports are documentation of the building permit history of the property that is the subject of the Claim in question which includes information on sewer/septic permits, where available, and the option to purchase a Claims/litigation history report. The Retention will be reduced only when the permit report is ultimately paid for by the real estate broker or salesperson, where a fee applies.

and/or

(3) In the event of a covered **Claim,** We will reduce Your Retention amount by 50%, up to a maximum of $20,000, if the **Claim** is settled prior to litigation or arbitration.

Litigation means the process of resolving disputes by filing or answering a complaint through the public court system.

Retention reduction will never "reduce" the retention to less than zero.

3. Reimbursement

If, at **Our** option, **We** have paid any amounts for **Damages** or **Defense Costs** in excess of the applicable Limit of Liability or if **We** have paid part or all of any Retention, the **Named Insured** shall be liable to reimburse such amounts to **Us** promptly upon demand.

E. Supplementary Payments

Payments under this section are not in addition to the Limit of Liability shown on the Declarations Page.

1. Reimbursement of Expenses

We will reimburse **You** up to $750 a day, subject to a maximum of $50,000 per **Policy Period,** for **Your** actual loss of earnings for attendance, at Our request, at a trial, hearing, mediation or arbitration involving a covered **Claim** against **You.** The maximum amount payable per **Claim,** regardless of the number of trials, hearings, mediations or arbitrations proceedings or number of insureds shall be $10,000. The **Retention** does not apply to this coverage.

2. Disciplinary or Regulatory Proceedings

We will reimburse **You** up to $20,000 per disciplinary proceeding and $5,000 per regulatory proceeding, subject to a maximum of $50,000 per **Policy Period,** for reasonable attorneys' fees and other necessary costs, expenses or fees resulting from the investigation or defense of a proceeding before a real estate licensing board, disciplinary or regulatory official, board or agency as a result of an act or omission in the performance of **Insured Services** by **You** between the Retroactive Date and end of the **Policy Period.** The notice of proceeding must be first received by You and reported to Us during the policy period and within 30 days of when the letter was issued to be eligible for reimbursement. The Retention applies to this coverage.

3. Public Relations Advisory Services

We will reimburse **You** up to $25,000 per **Public Relations Event,** subject to a maximum of $50,000 per **Policy Period,** for reasonable **Public Relations Expenses** incurred by the **Named Insured** for Public Relations Advisory Services provided by a public relations firm to the **Named Insured** as a result of a **Public Relations Event** which occurs during the **Policy Period.** The **Retention** does not apply to this coverage.

4. Subpoena Assistance

We will reimburse **You** expenses incurred in responding to a subpoena that **You** first receive and report in writing to **Us** during the **Policy Period** resulting from the performance of **Insured Services** by **You. We** will reimburse up to $30,000 in expenses per subpoena. All subpoenas arising out of related claims shall constitute a single subpoena for the purposes of this section. **We** must be notified within 21 days of receipt of the subpoena for this coverage to apply. The **Retention** does not apply to this coverage.

5. Security Breach Remediation Coverage

We will reimburse the **Named Insured** up to $50,000 per **Policy Period** for the cost of hiring a third-party consultant or adviser approved by **Us,** including client notification costs, to mitigate the potential for **Claims** arising from an actual security breach which results in the loss or theft of confidential client information. **We** shall have the right to conduct client notification before reimbursing costs.
Coverage shall be excess of and provide the same terms and conditions as all valid and collectible coverage provided to **You** under any specific policy, Business Owners Policy or similar coverage. The **Retention** does not apply to this coverage.

PART 6. DEFINITIONS USED IN THIS POLICY

A. **"Application** or **Renewal Application"** means all the following:

1. The **Named Insured's** signed Errors and Omissions Liability Insurance Policy Application;
2. The **Named Insured's** signed Errors and Omissions Liability Insurance Renewal Application, if this is a renewal of a Policy issued by **Us;** and
3. All attachments to the **Application** or **Renewal Application** and any other information furnished to **Us** for the purpose of applying for the insurance. All such attachments and information will be kept on file by **Us** and deemed attached to and a part of the Policy as if physically attached to it.

B. **"Bodily Injury"** means physical injury, sickness or disease sustained by a person, including death resulting from any of these at any time. **Bodily Injury** also means disability, emotional distress, mental anguish, mental injury, shock or fright resulting in or from **Bodily Injury.**

C. **"Circumstance"** means an act or omission from which an Insured could reasonably expect that a **Claim** could be made including complaints (written or verbal) or any request for, or participation in, any mediation, arbitration, or lawsuit, involving any party to a transaction or **Insured Service.**

D. **"Claim"** means a demand for money or for services that alleges a negligent act, error, or omission in the rendering of or failure to render **Insured 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 or committee or sub-committee thereof.

E. **"Commercial Property"** includes real property zoned and certified by state, county or local laws, codes or ordinances for commercial, business, or industrial use or occupancy. **Commercial Property** as used in this Policy includes transactions involving condominiums, cooperatives, apartment buildings or apartment complexes which consist (or will consist) of five or more family unit dwellings. **Commercial Property** as used in this Policy also includes real property zoned for "mixed-use" commercial and residential occupancy, regardless of the count of residential units.

F. **"Construct"** means to build, erect, raise, manufacture, fabricate, fashion, or create a property from the ground up, or at a minimum twenty five percent (25%) more than the initial structure.

G. **"Damages"** means money judgment, award or settlement, except those for which insurance is prohibited by law. **Damages** do not include fines or penalties; or fees, deposits, commissions or charges for goods or services.

H. **"Defense Costs"** means expenses incurred by **Us** or by **You** with **Our** consent in the investigation, adjustment, negotiation, arbitration, mediation and defense of covered **Claims,** whether paid by **Us** or **You** with **Our** consent. **Defense Costs** include:

1. Expenses **We** incur, other than salary or adjustment expenses of **Our** regular employees or officials or fees and expenses of independent adjusters;
2. Reasonable and necessary attorney's fees incurred by **Us** in the defense of **You;**
3. Costs taxed against **You** in any suit defended by **Us** and to which this insurance applies, however **Defense Costs** does not include any claimant's attorney's fees awarded against **You,** or any claimant's attorney's fees taxed against **You** as costs;

4. Pre-judgment interest and the interest on the full amount of any judgment that accrues after entry of the judgment and before **We** have paid, offered to pay or deposited in court the part of the judgment that is within the applicable Limit of Liability;

5. The cost of appeal bonds or bonds to release attachments, but only for bond amounts within the applicable Limit of Liability. **We** do not have to furnish these bonds; and

6. Reasonable expenses Incurred by **You** at **Our** request other than:

   a. Loss of earnings; and

   b. Salaries or other compensation paid to any of **You.**

I. **"Develop"** means real estate or property development and encompasses the renovation of existing buildings to the purchase of raw land and the sale of raw land and the sale of **Developed** land or parcels to others. Development can include buying land, financing real estate deals, building or having builders **Construct** projects, create, imagine, control or orchestrate the development from beginning to end. Remodeling or improving existing property up to twenty five percent (25%) is not development for purposes of this definition.

J. **"Flipping"** means the purchase of property, whether or not remodeled or reconstructed after its purchase, that is sold or transferred to a new owner within six (6) months of its purchase.

K. **"Insured Services"** means only those services stated in Item **4.** of the Declarations Page.

L. **"Named Insured"** means:

1. The person or entity listed In Item **1.** of the Declarations Page; and

2. Any entity which is created or acquired during the Policy Period and which is wholly-owned by another **Named Insured.** This provision applies only:

   a. To **Insured Services** performed on or after the date of creation or acquisition of the new **Named Insured;**

   b. If **You** advise **Us** within 60 days of the creation or acquisition and provide reasonable information for **Us** to evaluate for material changes in conditions which may affect insurance afforded by the Policy; and

   c. If **You** agree to pay any additional premium **We** believe is reasonable and necessary as a result of the material changes.

   d. If **You** are an Individual Licensee or Independent Contractor (whether or not a Natural Person including "Teams"), **Named Insured** is limited to an independent contractor engaged in the practice of a professional service as a broker or agent (and unlicensed employees of such duly licensed independent contractor) practicing his or her own profession under the laws and jurisdictions in which he or she practices.

The First **Named Insured** is the **Named Insured** first listed on the Declarations Page.

M. **"Policy Period"** means the period of time stated In Item **2.** of the Declarations Page, or any shorter period resulting from Policy cancellation.

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. **"Public Relations Event"** means:

1. Incapacitation, life threatening illness or death of any partner, member, officer (manager if the **Named Insured** is organized as an LLC), director, or sole proprietor owner;
2. Compulsory dissolution of **Named Insured;** or
3. Violent act, kidnapping, sexual assault, criminal firearm use, or workplace accident resulting in negative regional or national media coverage or the **Named Insured.**

P. **"Public Relations Expense"** means reasonable fees and expenses incurred by the **Named Insured** for advisory services provided.

Q. **"Related** Acts or Omissions" means all acts or omissions in the rendering of **Insured Services** that are logically or casually connected by any common fact, **Circumstance,** situation, transaction, event, advice or decision.

R. **"Residential Property"** means only real property zoned for and certified by state, county or local laws, codes or ordinances for residential use and occupancy and consisting exclusively of one to four unit family dwellings. As used in this Policy **"Residential Property"** does not include buildings, structures, complexes, or premises which are zoned for or licensed or certified by state, county or local laws, codes or ordinances for any commercial, industrial or business use or occupancy. As used in this Policy **"Residential Property"** does not include any real property zoned for or licensed or certified by state, county or local laws, codes or ordinances for residential use or occupancy where the property involved in the transaction consists of five or more unit family dwellings or any "mixed use" commercial-residential property.

S. **"Retroactive Date"** means the date, if any, stated in Item **3.** of the Declarations Page.

T. **"Wrongful Act"** means an actual or alleged negligent act, error or omission in the performance of **Insured Services** by **You** or by any person or organization for whom **You** are legally liable:

All **Wrongful Acts** that:

1. Take place between the **Retroactive Date** and the end of the **Policy Period** of the last policy **We** issue to **You,** and
2. Are logically or causally connected by common facts, **Circumstances,** situations, transactions, events and/or decisions will be treated under this Policy as one **Wrongful Act.**

PART 7. GENERAL CONDITIONS - These conditions apply to the entire Policy.

A. Special Rights and Duties of the First Named Insured

The First **Named Insured** is responsible for the payment of all premiums and Retentions. The First **Named Insured** has exclusive authority to act on behalf of all of **You** with respect to matters relating to this Policy, including:

1. Giving and receiving notice of cancellation and nonrenewal;
2. Receiving refunds;
3. Agreeing to any changes to this Policy; and
4. Purchasing an Extended Reporting Period.

B. What to Do if You Have a Claim or Suit

1. If there is a **Claim** or a fact, situation or **Circumstance** likely to result in a **Claim, You** must do the following:
   a. Notify **Us** in writing as soon as practicable; this notice must:
      (1) Be sent to Us at the address specified in Item **9.** of the Declarations Page or via email to GGB.LV2.CRES.Claims@ajg.com ;and
      (2) Contain details that identify **You,** the claimant and also reasonably obtainable information concerning the time, place and other details of the **Wrongful Act** and **Claim;**
   b. Immediately send **Us,** at the address specified in Item **9.** of the Declarations Page or via email to GGB.LV2.CRES.Claims@ajg.com where possible, copies of all demands, notices, summonses or legal papers received in connection with the **Claim;**
   c. Authorize **Us** to obtain, and assist **Us** in obtaining documents and records (including hardcopy and electronic transaction files, notes and messages), and other information, and upon **Our** request provide a recorded statement and/or submit to examination under oath;
   d. Cooperate with and assist **Us** in the investigation, settlement and defense of the **Claim;** and
   e. Assist **Us,** upon **Our** request, in enforcing any rights of contribution or indemnity against another who may be liable to any of **You.**
2. None of **You** will, except at **Your** own cost, voluntarily make a payment, admit liability, assume any obligation or incur any expense without **Our** prior written consent.

C. Legal Action Against Us

No person or organization has a right under this insurance:

1. To join **Us** as a party or otherwise bring **Us** into a suit asking for **Damages** from any of **You;** or
2. To sue **Us** on this insurance unless all of the Policy's provisions have been fully complied with.

A person or organization may sue **Us** to recover on **An Agreed Settlement** or on a final judgment against **You** obtained after an actual trial; but **We** will not be liable for **Damages** and **Defense Costs** that are not payable under the provisions of this insurance or that are in excess of the applicable Limit of Liability. **"An Agreed Settlement"** means a settlement and release of liability signed by **Us, You** and the claimant or the claimant's legal representative.

D. Bankruptcy

The bankruptcy or insolvency of **You** or **Your** estate will not relieve **Us** of **Our** obligation under this insurance. However, this insurance will not apply to liability directly or indirectly due to such bankruptcy, insolvency, receivership or subsequent liquidation.

E. Other Insurance

This insurance is specifically excess over any other insurance, whether primary, excess, contingent, or on any other basis. This insurance does not apply until any [other / individual licensee's] insurance that covers any insured is completely exhausted. In no event will this coverage apply or be for a greater proportion of the **Damages** or **Claim Expenses** than the applicable Limits of Liability or Sublimits of Liability under this policy, for such **Damages** bears to the total applicable Limits of Liability and Sublimits of Liability of all valid and collectible insurance against such **Claims.**

F. **Transfer of Rights of Recovery Against Others to Us**

You and **We** may have rights to recover all or part of any payment **You** or **We** make under this insurance. If so, those rights are transferred to **Us.**

You must do nothing to impair such rights. At **Our** request, **You** will bring suit or transfer those rights to **Us** and help **Us** enforce them. Any recoveries shall be applied as follows:

1. First, to **Us** up to the amount of **Our** payment for **Damages** and **Defense Costs;**
2. Then, to the First **Named Insured** as recovery of Retention amounts paid as **Damages** and **Defense Costs.**

G. **Changes in Policy Provisions; Changes in Your Operations**

1. This Policy contains all the agreements between the **Named Insured** and **Us** concerning the insurance afforded by this Policy. This Policy's provisions can be amended or waived only by written endorsement issued by **Us** and made a part of this Policy.
2. This Policy applies only to the **Insured Services** described in Item **4.** of the Declarations Page and **Named Insured(s)** as defined in the Policy or by endorsement as of the Effective Date of the **Policy Period.** This Policy shall not apply to any other services or enterprises unless such services or enterprises are added by written endorsement issued by **Us** and made a part of this Policy. If an endorsement is added, **You** shall promptly pay any additional premium that may become due.

H. **Transfer of Your Rights and Duties Under the Policy**

Your rights and duties under this Policy may not be transferred without **Our** written consent.

I. **Cancellation**

1. The First **Named Insured** may cancel this Policy by mailing or delivering to **Us** or **Our** authorized representative advance written notice of cancellation.
2. **We** may cancel this Policy by mailing or delivering to the First **Named Insured** written notice of cancellation at least:
   a. 10 days before the effective date of cancellation if **We** cancel for nonpayment of premium; or
   b. 60 days before the effective date of cancellation if **We** cancel for any other reason.

   We will mail or deliver notice to the address stated in Item **1.** of the Declarations Page or the email address **You** have consented to receive electronic notices.

   Notice of cancellation will state the effective date of cancellation. The **Policy Period** will end on that date.

   If this Policy is canceled, **We** will send the First **Named Insured** any premium refund due and the refund will be pro rata, less any minimum premium shortfall and customary short-rate calculation. The cancellation will be effective even if **We** have not made or offered a refund.
   If notice is mailed, proof of mailing will be sufficient proof of notice.

J. **Nonrenewal**

We may elect to nonrenew this Policy by mailing or delivering to the First **Named Insured** written notice of nonrenewal at least 60 days before the Expiration Date. **We** may extend the Expiration Date of this Policy, where permitted by state law, in order to give proper written notice and **You** shall pay the pro-rata extension premium. **We** will mail or deliver **Our** notice to the address stated in Item **1.** of the Declarations Page or the email address **You** have consented to receive electronic notices.

K. **Representations**

By accepting this Policy, You agree:

1. The statements in the **Application** or **Renewal Application** for this insurance furnished to **Us** are accurate and complete;
2. Those statements furnished to **Us** are representations the **Named Insured** made to **Us** on behalf of all of **You;**
3. Those representations are a material inducement to **Us** to issue this Policy;
4. **We** have issued this Policy in reliance upon those representations; and

5. If this Policy is a renewal of a policy issued by **Us, Your** representations include the representations made in **Your** original **Application,** but only as of the Effective Date of the original policy issued by **Us** or **Our** affiliates. The representations **You** make on **Your Renewal Application(s)** apply as of the Effective Date of **Your** renewal policy(ies).

L. **Concealment, Misrepresentation or Fraud**

This Policy is void in any case of concealment, misrepresentation, or fraud by **You** as it relates to this Policy at any time. This Policy is also void if **You** at any time conceal from **Us** or misrepresent to **Us** any material facts concerning:

1. **Your Application** or **Renewal Application** for this Policy;
2. The Policy;
3. **Your** prior, current or future legal or equitable interest in any real property that is the subject of a **Claim** under this Policy;
4. **Your** conduct, activity, communications or other involvement in any real estate transaction that is the subject of any **Claim** under this Policy; and
5. Any **Claim** under this Policy.

PART 8. ENDORSEMENTS - Required endorsements are attached to the back of this page.

THIS ENDORSEMENT CHANGES THE REAL ESTATE SERVICES ERRORS AND OMISSIONS LIABILITY INSURANCE POLICY. PLEASE READ IT CAREFULLY.

AGENT OWNED PROPERTY ENDORSEMENT

You and **We** agree, **PART 5. INSURING AGREEMENTS AND EXCLUSIONS, B. What We Do Not Insure – Exclusions, item 1.n..is** replaced by the following:

n. Services involving property in which any

(1) of **You;**

(2) entity in which any of **You** has a financial interest;

(3) entity which has a financial interest in **You;** or

(4) entity which is under the same financial control as **You;**

have or had, or will have an ownership or equity interest, either direct or indirect, as an individual, partner, member, shareholder or fiduciary.

This exclusion does not apply to **Claims** involving:

a. the actual or attempted sale (not purchase) of **Residential Property** that any of **You** did not construct or develop; or **Commercial Property** that any of **You** did not construct or develop; or Land if:

1. All State required property transfer disclosure statements are properly completed, signed, and delivered;
2. **Your** ownership interest in the property was disclosed to the buyer in writing and acknowledged by the buyer prior to closing;

or

b. the leasing or management of **Residential Property** if **Your** ownership interest in the property was disclosed to the tenant in writing and acknowledged by the tenant prior to the start of the lease or rental agreement;

An **Agent Owned Leasing/Property Management Sublimit of Liability** of $25,000 per claim and $50,000 per policy shall apply. This is the maximum amount **We** will pay for both **Damages** and **Defense Costs** combined for the total of all such **Claims** and is included within, and not in addition to the Aggregate Limit of Liability stated on the Declarations Page.

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE REAL ESTATE SERVICES ERRORS AND OMISSIONS LIABILITY INSURANCE POLICY. PLEASE READ IT CAREFULLY.

CONTINGENT LIABILITY COVERAGE ENDORSEMENT

In consideration of the premium charged, **You** and **We** hereby agree that this Policy is amended as follows:

In Part 5. INSURING AGREEMENTS AND EXCLUSIONS, B. What We Do Not Insure – Exclusions, item 1.a., the phrase **"Contingent Liability Coverage Sublimit of Liability:** $10,000" is deleted and replaced with:

Contingent Liability Coverage Sublimit of Liability: $100,000

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE REAL ESTATE SERVICES ERRORS AND OMISSIONS LIABILITY INSURANCE POLICY. PLEASE READ IT CAREFULLY.

DISCRIMINATION INDEMNITY AND DEFENSE COVERAGE ENDORSEMENT

You and **We** agree **Part 5.B.1.d.** is replaced by the following:

d. Discrimination on the basis of age, sex, gender, military service, race, creed, color, religion, handicap, disability or health condition, marital status, national origin, or sexual preference by **You,** including any **Claim** resulting therefrom. However, notwithstanding the foregoing, **We** shall pay both **Damages** and **Defense Costs** resulting from any **Claim** upon which suit may be brought on account of such alleged behavior by **You.** **Our** obligation to pay such **Damages** and **Defense Costs** shall not exceed the lesser of the Each **Wrongful Act limit,** shown on the Declarations Page as Item 5, or $1,000,000.00 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 Indemnity and Defense Coverage exceed the Aggregate Limits of Liability shown on the Declarations Page as Item 5.

We shall not be obligated to pay any **Damages** and/or **Defense Costs** or to defend any suit after the applicable sub-limit of **Our** liability has been exhausted.

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE REAL ESTATE SERVICES ERRORS AND OMISSIONS LIABILITY INSURANCE POLICY. PLEASE READ IT CAREFULLY.

VARIABLE RETENTION ENDORSEMENT

You and **We** agree that the Retention on the Declarations Page is modified with respect to **Claims** arising out of the following described activity(ies):

A retention of $10,000 is applied to any transaction greater than $3,000,000.

All other terms and conditions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE REAL ESTATE SERVICES ERRORS AND OMISSIONS LIABILITY INSURANCE POLICY. PLEASE READ IT CAREFULLY.

SPECIFIC LIMIT ENDORSEMENT

You and **We** agree that the **Limit of Liability** on the Declarations Page is modified with respect to **Claims** arising out of the following described Activity(ies):

Activity	Sublimit of Liability
Any property with a sale/listing price greater than $2,000,000	$250,000.00

The **Sublimit of Liability** does not increase the Limit of Liability set forth in Item 5.b. of the Declarations Page and in no event will the combined **Sublimit(s) of Liability** exceed the **Limit of Liability.**

We shall not be obligated to pay any **Defense Costs** or to defend any suit after the applicable **Sublimit of Liability** has been exhausted.

All other terms and conditions of this Policy remain unchanged.

PART 9. APPLICATION – A copy of **Your Application** or **Renewal Application** is attached behind this page.

CRES insurance services

PROFESSIONAL LIABILITY APPLICATION

This application must be completed by the Licensed Broker or designee on behalf of the firm and signed by an owner, officer or principal of the firm.

P.O. Box 4142 | Clinton, IA 52733 | (858) 618-1648 | Fax (858) 618-1655 | www.cresinsurance.com

Your Insurance Agent: _____

Phone: 800-880-2747 Email: GGB.LV2.CRES.CustSvc@ajg.com

Principal Contact: Joe Wang License # 1116343

Best Phone# to Reach You: 626-674-5702 Email: accounting@allstarbrokers.com

Named Insured Information

Primary Activity State: California Additional Activity States (include percentage): _____

If you have a current E&O policy, provide a summary (attach current declarations page):

Effective Date	Prior Acts/Retroactive Date	Carrier Name	Liability Limits	Deductible	Premium
08-01-2026	07-01-2008	HDI	$1,000,000/$1,000,000	$5,000	1874

Proposed Named Insured: Allstar Brokers Network License# 1345654

Preferred DBA Name (if any): Homeland Mortgage; ABN; Listing Express; Innoduet Properties

Address: 1055 E. Colorado Blvd. Suite 500

City: Pasadena State: California Zip: 91106

Mailing Address: 1055 E. Colorado Blvd. Suite 500

City: Pasadena State: California Zip: 91106

Professional Memberships [i.e. Nat'l Assoc of Realtors (NAR)]: CAR

Franchise Affiliation (if any): _____

Staff Size: Full Times: 29 Part Time/Inactive (Less than $20k annual income): 5

Underwriting Questions

CONSIDER YOU OR ANY OF YOU TO WHOM THIS INSURANCE WOULD APPLY:

- ☐ YES ☑ NO Any claims made during the past 5 years against you, current/past agents, brokers, employees in connection with your provision of professional services? **(IF YES, CURRENT LOSS RUNS NEEDED)**
- ☐ YES ☑ NO Any claims made during the past 5 years against any of you that have not been reported to your current/past insurance carrier? **(IF YES, PROVIDE DETAILS)**
- ☐ YES ☑ NO Aware of any subpoena, request for records, complaint or demand, whether verbal or written, where you/your firm provided professional services? **(IF YES, PROVIDE DETAILS)**
- ☐ YES ☑ NO Had your license revoked, been investigated or been subject to any disciplinary action by any licensing board or other regulatory body during the past 5 years?
- ☐ YES ☑ NO Been declined, cancelled or non-renewed in the past 5 years, for reasons other than a carrier exiting the market?

Professional Services Questions

CONSIDER YOU OR ANY OF YOU TO WHOM THIS INSURANCE WOULD APPLY:

- ☐ YES ☐ NO Any material changes to your business in the past or projected 12 months? **(IF YES, PROVIDE DETAILS)**
- ☐ YES ☐ NO Has your gross revenue or total transaction count fluctuated more than 15% in the past 12 months?
- ☐ YES ☐ NO Do you anticipate a fluctuation in your gross revenue or total transaction count of more than 15% in the coming 12 months?
- ☐ YES ☐ NO Does more than 25% of total revenue come from a single client?

☐ YES ☐ NO Involved in, or considering getting involved in, wholesale real estate transactions? **(IF YES, PROVIDE DETAILS)**

Professional Services Information SELECT THE ACTIVITIES FOR WHICH YOU DESIRE COVERAGE

Select all activities for which you desire coverage – activities you have done in the past, you are currently doing, or plan to be active in for the coming 12 months. Coverage will not extend to activities not selected. Provide the gross revenue breakdown of the past and future activities that you would like to cover. Gross revenues are defined as all fees and commissions BEFORE expenses:

ACTIVITY	Past 12 Months		Projected Next 12 Months	
Desired Coverage Selection	Gross Revenue	Total Transactions (Count Dual Agent as 2)	Projected Gross Revenue	Total Trans Count Dual as 2
REAL ESTATE SALES				
☑ 1-4 Residential Units Includes Broker Held Escrow, Broker Price Opinions and Referrals	$85,975	4	$	
☐ 5+ Residential Units	$0	0	$	
☑ Office, Warehouse, Non-Anchor Retail	$0	0	$	
☐ Raw, Vacant, or Partially Developed Land	$0	0	$	
PROPERTY MANAGEMENT				
☐ 1-4 Residential Units	$0		$	
☐ 5+ Residential Units	$0		$	
☐ Commercial	$0		$	
☐ Seasonal/Vacation Units	$0		$	
☐ HOA/Community Management	$0		$	
LEASING				
☐ 1-4 Residential Units	$0		$	
☐ 5+ Residential Units	$0		$	
☐ Commercial	$0		$	
MISCELLANEOUS				
☐ Mortgage Brokering*	$0	0	$	
☐ Mortgage Banking**	$0	0	$	
☐ 3rd Party Escrow*** (Lic# _____)	$0	0	$	
☐ Real Estate Counseling/Consulting	$0	0	$	
☐ Residential Real Estate Appraisal	$0		$	
☐ Business Brokerage/Opportunities	$0	0	$	
☐ Auctioneering of Real Property	$0		$	
☐ Transaction Coordination	$0	0	$	
☐ Other (Describe:[])	$0	0	$	
☐ Other (Describe:[])	$0	0	$	

Complete the appropriate sections with additional information for all applicable activities

**Property Management coverage requires an Approved Property Management Agreement (executed document detailing scope of services & landlord/owner indemnity & defense provision).*

***Mortgage Brokering does NOT provide coverage for: underwriting duties, servicing loans, commercial, reverse mortgages, soliciting/using own capital, loans funded without prior commitment.*

****Mortgage Banking does NOT provide coverage for: loans held longer than 9 months.*

*****3rd Party Escrow strictly limited to Real Property Escrow for Residential Property and Raw, Vacant or Partially-developed Land.*

Residential Real Estate Details 1-4 UNIT RESIDENTIAL

Average Residential Sales Price in the past 12 Months: $951,250

Top 3 Residential Sales Prices in the past 12 Months: $ 1,400,000 $ 1,150,000 $ 720,000

Highest Sales Price in the past 12 Months? (If no sales, Projected Top Deal): ☐ Less than $1mil ☑ $1mil - $5mil ☐ Greater than $5mil

Percent of closings: utilizing a Home Warranty: 100% utilizing a Transaction Coordinator (someone other than the broker): 100%

CONSIDER YOU OR ANY OF YOU TO WHOM THIS INSURANCE WOULD APPLY:

- ☐ YES ☑ NO Represent both sides of a single transaction (same person OR different persons within your agency) more than 25%?
- ☐ YES ☑ NO More than 25% of your real estate services for properties owned by an agent or direct relative?
- ☐ YES ☑ NO Engaged in flipping properties (flipping refers to buying, rehabbing & re-selling within a short amount of time)?
- ☐ YES ☐ NO Ownership interest and/or relationship with any developer, builder or construction company? **(IF YES, PROVIDE DETAILS)**

Commercial Real Estate Details

OFFICE, WAREHOUSE, NON-ANCHOR RETAIL, MIXED-USE AND 5+ UNIT RESIDENTIAL

Average Commercial Sales Price in the past 12 Months: $ _____

Top 3 Commercial Sales Prices & Description in the past 12 months:

$ 0 Description: _____

$ 0 Description: _____

$ 0 Description: _____

CONSIDER YOU OR ANY OF YOU TO WHOM THIS INSURANCE WOULD APPLY:

- ☐ YES ☑ NO Sell or anticipate to sell Apartment buildings that exceed 30 + units, Industrial/Manufacturing, Anchor Retail, Entitlement Operations, Research & Development? (IF YES, PROVIDE DETAILS)
- ☐ YES ☑ NO Manage/Lease buildings that exceed 30 units.
- ☐ YES ☑ NO Manage/Lease Industrial/Manufacturing, Anchor Retail, Entitlement Operations or Research & Development?

NOTE: Early cancellations subject to minimum earned premium as stated on your proposal and/or a short rate charge of 10%. Per transaction policies are subject to a service charge for late payments up to $15.

THIS APPLICATION IS FOR QUOTATION PURPOSES ONLY AND DOES NOT BIND THE COMPANY TO ISSUE INSURANCE.

NOTICE TO NEW YORK APPLICANTS: Any person who knowingly and with intent to defraud any Insurance Company or other person files an application for insurance or statement of claims containing any materially false information, or conceals for the purpose of misleading information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime, and shall also be subject to a civil penalty not to exceed five thousand dollars and the stated value of the claim for each such violation.

Name: Joe Wang **Title:** _____

Signature: _____ **Date:** 07-07-2026

NOTICE TO ALABAMA APPLICANTS: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or who knowingly presents false information in an application for insurance is guilty of a crime and may be subject to restitution, fines, or confinement in prison, or any combination thereof.

NOTICE TO ARKANSAS, LOUISIANA, RHODE ISLAND & WEST VIRGINIA APPLICANTS: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit, or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

NOTICE TO CALIFORNIA APPLICANTS: For your protection California law requires the following to appear on this form: Any person who knowingly presents a false or fraudulent claim for the payment of a loss is guilty of a crime and may be subject to fines and confinement in state prison.

NOTICE TO COLORADO APPLICANTS: It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the Company. Penalties may include imprisonment, fines, denial of insurance and civil damages. Any Insurance Company or agent of an Insurance Company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado Division of Insurance within the Department of Regulatory Agencies.

NOTICE TO DISTRICT OF COLUMBIA APPLICANTS: Warning: it is a crime to provide false or misleading information to an insurer for the purpose of defrauding the insurer or any other person. Penalties include imprisonment and/or fines. In addition, an insurer may deny insurance benefits if false information materially related to a claim was provided by the applicant.

NOTICE TO FLORIDA APPLICANTS: Any person who knowingly and with intent to injure, defraud, or deceive any insurer files a statement of claim or an application containing any false, incomplete or misleading information is guilty of a felony in the third degree.

NOTICE TO IDAHO APPLICANTS: Any person who knowingly and with intent to injure, defraud, or deceive any Insurance Company, files a statement of claim containing any false, incomplete or misleading information is guilty of a felony.

NOTICE TO INDIANA APPLICANTS: Any person who knowingly and with the intent to defraud an insurer files a statement of claim containing any false, incomplete or misleading information commits a felony.

NOTICE TO KANSAS APPLICANTS: It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines and denial of insurance benefits.

NOTICE TO KENTUCKY APPLICANTS: Any person who knowingly and with the intent to defraud any Insurance Company or other person files an application for insurance containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime.

NOTICE TO MAINE APPLICANTS: It is a crime to provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the Company. Penalties may include imprisonment, fines or a denial of insurance benefits.

NOTICE TO MICHIGAN APPLICANTS: Any person who knowingly and with intent to injure or defraud any insurer submits a claim containing any false, incomplete or misleading information shall upon conviction, be subject to imprisonment for up to one year for a misdemeanor conviction or up to ten years for a felony conviction and payment of a fine of up to $5,000.

NOTICE TO MINNESOTA APPLICANTS: A person who files a claim with intent to defraud or helps commit a fraud against an insurer is guilty of a crime.

NOTICE TO NEVADA APPLICANTS: Pursuant to NRS 686A.291, any person who knowingly and willfully files a statement of claim that contains any false, incomplete or misleading information concerning a material fact is guilty of a felony.

NOTICE TO NEW HAMPSHIRE APPLICANTS: Any person who, with purpose to injure, defraud or deceive any Insurance Company, files a statement of claim containing any false, incomplete or misleading information is subject to prosecution and punishment for insurance fraud, as provided in RSA 638:20.

NOTICE TO NEW JERSEY APPLICANTS: Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties.

NOTICE TO NEW MEXICO APPLICANTS: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to civil fines and criminal penalties.

NOTICE TO MARYLAND APPLICANTS: Any person who knowingly or willfully presents a false or fraudulent claim for payment of a loss or benefit or who knowingly or willfully presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

NOTICE TO OHIO APPLICANTS: Any person who, with intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud.

NOTICE TO OKLAHOMA APPLICANTS: Any person, who knowingly and with intent to injure defraud or deceive any Insurer, makes a Claim for the Proceeds of an Insurance Policy containing any false Incomplete or misleading Information, is guilty of a felony. Oklahoma Statutes 36 O.S. 3613.1 O.R. 365: 15-1-10(c)

NOTICE TO OREGON APPLICANTS: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or who knowingly presents false information in an application for insurance may be guilty of a crime and may be subject to fines and confinement in prison.

NOTICE TO PENNSYLVANIA APPLICANTS: Any person who knowingly and with the intent to defraud any Insurance Company or other person files an application for insurance or statement of claim containing any fact materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

NOTICE TO SOUTH DAKOTA APPLICANTS: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

NOTICE TO TENNESSEE, VIRGINIA & WASHINGTON APPLICANTS: It is a crime to knowingly provide false, incomplete or misleading information to an Insurance Company for the purpose of defrauding the Company. Penalties include imprisonment, fines and denial of insurance benefits.

NOTICE TO VERMONT APPLICANTS: Any person who knowingly presents a false statement in an application for insurance may be guilty of a criminal offense and subject to penalties under state law.

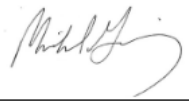
For all states not listed above, the following fraud warning notice applies:

NOTICE TO APPLICANTS: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claims containing any materially false information or conceals, for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime, and may subject such person to criminal and substantial civil penalties.

This policy consists of:	Policy Jacket Policy, including Declarations Page Forms & Endorsements Application

HDI Global Insurance Company

In Witness Whereof, we have caused this policy to be executed and attested, and, if required by state law, this policy shall not be valid unless countersigned by our authorized representative.



Chief Legal Officer & Corporate Secretary
Michael Gooding

CEO & President
James Clark

HDI GLOBAL INSURANCE COMPANY
CALIFORNIA CONSUMER COMPLAINT NOTICE
IMPORTANT NOTICE

We are here to serve you beyond issuing a policy and providing insurance coverage.

As our policyholder, your satisfaction is very important to us. If you have a question about your policy, if you need assistance with a problem, or if you have a claim, you should first contact your insurance agent or broker to answer your question or resolve your problem. If you are unable to receive a satisfactory answer or resolution to your problem, please contact us directly.

To obtain information or make a complaint you may call HDI Global Insurance Company for information at the following toll-free telephone number:

1-888-319-7471

For complaints, you may contact us via email at the following:

complaints@us.hdi.global

You may also contact us in writing at the following address:

161 N. Clark Street, 48th Floor Chicago, IL 60601

If after contacting your agent, broker or HDI Global Insurance Company, you are still not satisfied, you may contact the following State Agency:

CALIFORNIA DEPARTMENT OF INSURANCE CONSUMER COMMUNICATIONS BUREAU
300 South Spring Street Los Angeles, CA 90013
Toll Free Number: 1-800-927-4357 (HELP)
www.insurance.ca.gov

ATTACH THIS NOTICE TO YOUR POLICY: This notice is for information only and does not become a part of the attached document.

HDI GLOBAL INSURANCE COMPANY
HDI SPECIALTY INSURANCE COMPANY

PRIVACY NOTICE

We value your business and your trust in HDI. The privacy and confidentiality of your personal information is among our top priorities. This notice explains our practices and procedures for securing your personal information before, during and after your relationship with us. We will provide one copy of this Privacy Statement with each policy we issue. Additional copies of this statement are available upon request. Thank you for choosing HDI for your insurance needs.

How We Protect Your Information

We understand the importance of securing your personal information. We utilize physical, electronic, and procedural safeguards to protect your nonpublic personal data in compliance with applicable state and federal laws. Access to customer information is strictly limited to select HDI employees, only when necessary for a business purpose.

What Personal Information We Collect About You

We collect nonpublic personal information about you from the following sources as required in the ordinary course of business:

- Information received on applications and other forms, whether in writing, in person, by phone, electronically, or by other means, including, but not limited to: names, addresses, social security numbers, birth dates, employment information, prior policy coverage, outstanding account balances, payment history and claims history.
- Information about your transactions with us, our affiliates, or others associated with our business relationship, and information we receive from insurance agents, consumer reporting agencies, investigators connected with claims adjusting, state motor vehicle departments, inspection services, insurance support organizations or other sources as permitted or required by law.
- Information we receive in medical records or from medical professionals.
- Information otherwise obtained in the claims adjustment process, including litigation.

What Personal Information We Disclose About You

We do not disclose customer or client nonpublic personal information to anyone, except as permitted or required by law. Permitted disclosures include information necessary to process transactions on your behalf, and information about you or about participants, beneficiaries, or claimants under your insurance policy in the ordinary course of business.

Your Rights

You have the right to access and request correction of recorded nonpublic personal information. To access your information, please send a signed, written request to HDI Global Insurance Company, 161 N. Clark Street, 48th Floor, Chicago, IL 60601, Attn: Legal or via email at privacy@us.hdi.global. Please include your full name, address, telephone number, and policy or claim number in your letter. We will respond within 45 days upon receipt of your request. We may request other information to validate your identity, such as a copy of your driver's license or other valid photo ID. Additionally, please indicate any desired corrections. If we agree with your request, we will correct our records. If we do not agree, you may file a written statement of dispute with us.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SANCTION LIMITATION AND EXCLUSION CLAUSE

The Company shall not be deemed to provide cover and the Company shall not be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose the Company to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

FRAUD WARNING NOTICES

Pursuant to statutory requirements, we are required to inform you of the specific fraud warning notice that is required on all applications for insurance. Please note that the state of New York requires a signature on the fraud warning.

For all states not listed below, the following fraud warning notice applies: **Fraud Warning Notice:** Any person who knowingly and with intent to defraud any insurance company or another person files an application for insurance or statement of claim containing any materially false information, or conceals, for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent act, which may subject the person to criminal and civil penalties.	
State Fraud Warning Notices	
Alabama	Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or who knowingly presents false information in an application for insurance is guilty of a crime and may be subject to restitution, fines, or confinement in prison, or any combination thereof.
Arkansas **Louisiana** **Rhode Island** **West Virginia**	Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.
California	For your protection California law requires the following to appear on this form: Any person who knowingly presents false or fraudulent information to obtain or amend insurance coverage or to make a claim for the payment of a loss is guilty of a crime and may be subject to fines and confinement in state prison.
Colorado	It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to a settlement or award payable for insurance proceeds shall be reported to the Colorado Division of Insurance within the Department of Regulatory Agencies.
District of Columbia	WARNING: It is a crime to provide false or misleading information to an insurer for the purpose of defrauding the insurer or any other person. Penalties include imprisonment and/or fines. In addition, an insurer may deny insurance benefits, if false information materially related to a claim was provided by the applicant.
Florida	Any person who knowingly and with intent to injure, defraud, or deceive any insurer files a statement of claim or an application containing any false, incomplete, or misleading information is guilty of a felony of the third degree.
Kentucky	Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance containing any materially false information or conceals, for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime.

Maine	It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties may include imprisonment, fines or denial of insurance benefits.
Maryland	Any person who knowingly or willfully presents a false or fraudulent claim for payment of a loss or benefit or who knowingly or willfully presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.
New Jersey	Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties.
New Mexico	ANY PERSON WHO KNOWINGLY PRESENTS A FALSE OR FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT OR KNOWINGLY PRESENTS FALSE INFORMATION IN AN APPLICATION FOR INSURANCE IS GUILTY OF A CRIME AND MAY BE SUBJECT TO CIVIL FINES AND CRIMINAL PENALTIES.
Ohio	Any person who, with intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud.
Oklahoma	WARNING: Any person who knowingly, and with intent to injure, defraud or deceive any insurer, makes any claim for the proceeds of an insurance policy containing any false, incomplete or misleading information is guilty of a felony.
Oregon	Fire: This entire policy shall be void if, whether before or after a loss, the insured has willfully concealed or misrepresented any material fact or circumstance concerning this insurance or the subject thereof, or the interest of the insured therein, or in case of any fraud or false swearing by the insured relating thereto.
Pennsylvania	General: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties. Auto: Any person who knowingly and with intent to injure or defraud any insurer files an application or claim containing any false, incomplete or misleading information shall, upon conviction, be subject to imprisonment for up to seven years and the payment of a fine of up to $15,000."
Tennessee **Virginia** **Washington**	It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines and denial of insurance benefits.
Vermont	Any person who knowingly presents a false statement in an application for insurance may be guilty of a criminal offense and subject to penalties under state law.

This page only applies to the state of New York.

New York	General: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime, and shall also be subject to a civil penalty not to exceed five thousand dollars and the stated value of the claim for each such violation. Auto: Any person who knowingly makes or knowingly assists, abets, solicits or conspires with another to make a false report of the theft, destruction, damage or conversion of any motor vehicle to a law enforcement agency, the department of motor vehicles or an insurance company, commits a fraudulent insurance act, which is a crime, and shall also be subject to a civil penalty not to exceed five thousand dollars and the value of the subject motor vehicle or stated claim for each violation. Fire: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance containing any false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime. The proposed insured affirms that the foregoing information is true and agrees that these applications shall constitute a part of any policy issued whether attached or not and that any willful concealment or misrepresentation of a material fact or circumstances shall be grounds to rescind the insurance policy.
SIGNED BY THE RISK MANAGER, IN-HOUSE GENERAL COUNSEL OR SENIOR OFFICER OF THE **INSURED** ACTING AS THE AUTHORIZED REPRESENTATIVE FOR PURCHASING INSURANCE.	
SIGNATURE	
NAME & TITLE	
DATE	