

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

CONTINGENT LIABILITY COVERAGE ENDORSEMENT

You and We agree:

If a **Claim** is made or a suit is brought against **You** for **Damages** because of **Bodily Injury** or **Property Damage** that is not or would not be covered by a standard general liability coverage form, caused by a negligent act, error, or omission solely in the rendering or failing to render **Insured Services** for the listing and sale of 1-4 unit residential properties to which this insurance applies, **We** will:

1. Pay up to \$100,000 for the **Damages** for which **You** are legally liable.
2. Pay **Claims** expenses, up to \$100,000, by counsel of **Our** choice, even if the suit is groundless, false or fraudulent. **We** may investigate and settle any **Claim** or suit that **We** decide is appropriate. **Our** duty to settle or defend ends when **Our** Limit of Liability has been exhausted by payment of a judgment or settlement.

This coverage does not generate a separate Limit of Liability. The Each **Wrongful Act** and Aggregate Limits of Liability in this Policy are not broadened by this endorsement.

EXCLUSIONS

A. Motor Vehicle Liability

This coverage does not apply to any **Claims** arising from the ownership, maintenance, or use of any motor vehicle liability if said motor vehicle is:

1. Is registered for use on public roads or property;
2. Is not registered for use on public roads or property, but such registration is required by a law, or regulation issued by a government agency, for it to be used at the place of the occurrence;

B. Expected or Intended Injury

This Policy does not cover **Bodily Injury** or **Property Damage** which is expected or intended by an insured even if the resulting **Bodily Injury** or **Property Damage**:

1. Is of a different kind, quality or degree than initially expected or intended; or
2. Is sustained by a different person, entity, real or personal property, than initially expected or intended;

C. Not Arising Out of Insured Services

This Policy does not cover **Bodily Injury** or **Property Damage** not arising out of or in connection with the **Insured Services** to which this insurance applies;

D. No Premises Coverage

This Policy does not cover **Bodily Injury** or **Property Damage** arising out of premises:

1. Owned by **You**;
2. Rented to **You**; or
3. Rented to others by **You**;

E. War

This Policy does not cover **Bodily Injury** or **Property Damage** caused directly or indirectly by war, including the following and any consequence of any of the following:

1. Undeclared war, civil war, insurrection, rebellion or revolution;
2. Warlike act by a military force or military personnel; or
3. Destruction, seizure or use for a military purpose.

Discharge of a nuclear weapon will be deemed a warlike act even if accidental;

F. Communicable Disease

There is no coverage for **Bodily Injury** or **Property Damage** which arises out of directly or indirectly resulting from or in any way involving exposure to, infection by or the transmission of a communicable disease by **You**;

G. Sexual Molestation, Corporal Punishment or Physical or Mental Abuse

This Policy does not cover **Bodily Injury** or **Property Damage** arising out of sexual molestation, corporal punishment or physical or mental abuse;

H. Controlled Substance

This Policy does not cover **Bodily Injury** or **Property Damage** arising out of the use, sale, manufacture, delivery, transfer or possession by any person of a Controlled Substance as defined by the Federal Food and Drug Law at 21 U.S.C.A. Sections 811 and 812. Controlled Substances include but are not limited to cocaine, LSD, marijuana and all narcotic drugs. However, this exclusion does not apply to the legitimate use of prescription drugs by a person following the orders of a licensed physician;

I. Owned / Care, Custody, Control

This Policy does not cover **Property Damage** to property owned by **You**. This includes costs or expenses incurred by **You** or others to repair, replace, enhance, restore or maintain such property to prevent injury to a person or damage to property of others, whether on or away from an insured location. Nor does it cover **Property Damage** to property rented to, occupied or used by or in the care of **You**. Provided, however, this exclusion does not apply when **You** are listing, showing and/or conducting an open house for said property. This exclusion also does not apply to **Property Damage** caused by fire, smoke or explosion;

J. Worker's Compensation

This Policy does not cover **Bodily Injury** to any person eligible to receive any benefits voluntarily provided or required to be provided by **You** under any:

1. Workers' compensation law;
2. Non-occupational disability law; or
3. Occupational disease law;

K. Bodily Injury to You

This Policy does not cover **Bodily Injury to You**. This exclusion also applies to any **Claim** made or suit brought against **You**:

1. To repay; or
2. Share **Damages** with another person who may be obligated to pay **Damages** because of **Bodily Injury to You**; or

L. Nuclear

This Policy does not cover **Bodily Injury** or **Property Damage** for which **You** are insured under a nuclear energy liability policy issued by the: Nuclear Energy Liability Insurance Association, or successor(s); Mutual Atomic Energy Liability Underwriters or successor(s); Nuclear Insurance Association of Canada or successor(s); or would be an insured under such a policy but for the exhaustion of its limit of liability.

All other terms and conditions of this Policy remain unchanged.