

Insurance Agents and Brokers Errors and Omissions Policy

NOTICE: THIS POLICY PROVIDES COVERAGE ON A CLAIMS MADE AND REPORTED BASIS AND IS LIMITED TO ONLY THOSE CLAIMS WHICH ARE FIRST MADE AGAINST THE INSURED DURING THE POLICY PERIOD OR ANY APPLICABLE EXTENDED REPORTING PERIOD.

PLEASE REVIEW THIS POLICY CAREFULLY. THIS POLICY CONTAINS IMPORTANT EXCLUSIONS AND CONDITIONS. WORDS AND PHRASES THAT APPEAR IN BOLD ARE DEFINED IN THE DEFINITIONS SECTION OF THE POLICY.

In consideration of the payment of the premium, in reliance upon the statements made to the **Company** in the application and subject to the Limits of Liability and all other terms, conditions, exclusions and limitations contained herein, the **Company** agrees as follows:

I. INSURING AGREEMENT

A. Coverage

The **Company** will pay on behalf of the **Insured** all sums in excess of the deductible that the **Insured** shall become legally obligated to pay as **damages** because of a **claim** that is first made against the **Insured** and reported to the **Company** during the **policy period** or any Extended Reporting Period, if applicable, arising out of an act, error or omission in the performance of **professional services** by the **Insured** or by any person for whom the **Insured** is legally liable, provided that:

1. prior to the inception date of the **policy period**, the **Insured** did not give notice under any other insurance policy of such **claim** or **related claim** or such act, error, or omission or **related act, error or omission**; and
2. prior to the inception date of this policy, or if this policy has been continuously renewed, prior to the inception date of the first policy issued by the Company, no **Insured** knew or could reasonably have foreseen, that any such act, error or omission, or **related act, error or omission**, might be expected to be the basis of a **claim**; and
3. such act, error, omission, or **related act, error or omission**, took place on or after the **Retroactive Date** specified in the Declarations.

All **claim expenses** shall be in addition to the Limits of Liability for each **claim**.

B. Defense

The **Company** shall have the right and duty to defend, subject to the Limits of Liability, any **claim** against the **Insured** seeking **damages** which are payable under the terms of this policy, even if any of the allegations of the **claim** are groundless, false or fraudulent. The **Company** shall have the right to appoint counsel and to investigate and defend a **claim** as it deems appropriate. If a **claim** shall be subject to arbitration or mediation, the **Company** shall be entitled to exercise all of the **Insured's** rights in the choice of arbiters or mediators and in the conduct of an arbitration or mediation proceeding.

C. Settlement

The **Company** shall have the right to negotiate a settlement or compromise of a **claim** as it deems appropriate but shall not commit to settlement of a **claim** without the written consent of the **Named Insured**. If the **Named Insured** refuses to consent to a settlement or compromise recommended by the **Company** and acceptable to the claimant, then the **Company's** Limits of Liability under this policy shall be limited to the amount for which the **claim** could have been compromised or settled, plus all **claim expenses** incurred up to the time the **Company** makes its recommendation, which amount shall not exceed the remainder of the Limits of Liability specified in the Declarations.

D. Exhaustion of limits

The **Company** is not obligated to investigate, defend, pay or settle, or continue to investigate, defend, pay, or settle any **claim** after the applicable Limits of Liability have been exhausted by payment of **damages** or after the **Company** has deposited the remaining Limits of Liability into a court of competent jurisdiction in satisfaction of a judgment. In such case, the **Company** shall have the right to withdraw from further investigation, defense, payment or settlement of such **claim** by tendering control of said investigation, defense or settlement of the **claim** to the **Insured**. The **Company** will initiate and cooperate in the transfer of control to the **Named Insured** of any **claims** which were reported to the **Company** prior to the exhaustion of such limit and the **Named Insured** must cooperate in the transfer of control of such **claims**.

II. DEFINITIONS

Wherever used in this Policy:

A. **"Claim"** means a written or verbal demand received by the **Insured** for money or services arising out of an act, error or omission, including **personal injury**, in rendering or failing to render **professional services**. A demand shall include the service of suit or the institution of an arbitration proceeding against the **Insured**.

B. **"Claim expenses"** mean:

1. fees charged in connection with a **claim** by attorneys designated by the **Company** or by the **Insured** with the written consent of the **Company**; and
2. all other reasonable and necessary fees, costs and expenses resulting from the investigation, adjustment, defense and appeal of a **claim** if incurred by the **Company**, or by the **Insured** with the written consent of the **Company**, including, but not limited to, premiums for any appeal bond, attachment bond or similar bond but without any obligation of the **Company** to apply for or furnish any such bond.

Claim expenses shall not include fees, costs or expenses of employees or officers of the **Company**. Nor shall **claim expenses** include salaries, loss of earnings or other remuneration by or to any **Insured**.

C. **"Company"** means the insurance company named in the Declarations.

D. **"Damages"** means judgments, awards and settlements if negotiated with the assistance and approval of the **Company**. **Damages** do not include:

1. return or replenishment of funds that the **Insured** commingled, converted, misused, misappropriated or was not otherwise entitled to, regardless of whether such funds are received in the form of a loan, retainer, contingency or otherwise;

2. civil or criminal fines, sanctions, penalties or forfeitures, whether pursuant to federal, state or local law, statute, regulation or court rule and injuries that are a consequence of any of the foregoing;
 3. punitive or exemplary amounts and the multiplied portion of multiplied awards, except where permitted insurable by the law pursuant to which this policy will be construed;
 4. injunctive or declaratory relief;
 5. amounts for which the **Insured** is not financially liable or that are without legal recourse to the **Insured**;
 6. amounts representing the payment or return of commissions or fees, or funds or premiums held by any **Insured**; or taxes, but this limitation shall not apply to taxes or tax penalties owed by the **Insured's** client due to the **Insured's** act, error or omission in the performance of **Professional Services**.
- E. **"Disciplinary proceeding"** means any proceeding before a state or federal licensing board or a peer review committee to investigate charges alleging professional misconduct.
- F. **"Independent contractor"** means an individual who subcontracts with the **Named Insured** to perform **professional services**, but only while acting exclusively on behalf of the **Named Insured**.
- G. **"Insured"** means:
1. if the **Named Insured** is an individual, the **Named Insured** and their spouse or legal domestic partner, and former spouse or legal domestic partner are **Insureds**, but only with respect to the conduct of a business of which the **Named Insured** is the sole owner;
 2. if the **Named Insured** is a partnership, the **Named Insured**, their partners and their spouses or legal domestic partners, and former partners and their spouses or legal domestic partners, are **Insureds**, but only with respect to the conduct of the **Named Insured's** business;
 3. if the **Named Insured** is a limited liability company, the **Named Insured** is an **Insured**. The **Named Insured's** members and former members are also **Insureds**, but only with respect to the conduct of the **Named Insured's** business. The **Named Insured's** managers and former managers are **Insureds**, but only with respect to their duties as the **Named Insured's** managers with respect to the conduct of the **Named Insured's** business;
 4. if the **Named Insured** is an organization other than a partnership or limited liability company, the **Named Insured** is an **Insured**. The **Named Insured's** officers, directors, and former officers and directors are **Insureds**, but only with respect to their duties as the **Named Insured's** officers and directors with respect to the conduct of the **Named Insured's** business. The **Named Insured's** stockholders and former stockholders are also **Insureds**, but only with respect to conduct for the **Named Insured's** business;
 5. any employees and former employees, **independent contractors**, leased or temporary employees, but only for acts within the scope of their duties on behalf of the **Named Insured** and while performing duties related to the performance of the **Named Insured's professional services**;
 6. the estate, heirs, executors, administrators, assigns and legal representatives of an **Insured** in the event of such **Insured's** death, incapacity, insolvency or bankruptcy, but only to the extent that such **Insured** would have been provided coverage under this policy.

7. any insurance agency newly acquired or formed by the **Named Insured** during the **policy period**, in which the **Named Insured** owns or maintains a majority interest, but only if there is no other coverage available:
- a. coverage under this provision is provided only until the 90th day after the acquisition or formation of such agency by the **Named Insured** or at the end of this **policy period**, whichever is earlier;
 - b. coverage does not apply to **claims** arising from acts, errors or omissions in the performance of **professional services** committed before the acquisition or formation of the agency by the **Named Insured**; and
 - c. written notice of such acquisition or formation is provided to the **Company**.
- H. **“Named Insured”** means the persons and entities designated in the Declarations.
- I. **“Personal injury”** means libel, slander, or other defamatory or disparaging material or publication; utterance in violation of an individual’s right of privacy; false arrest, humiliation, detention, or imprisonment; wrongful entry, eviction, or other invasion of the right of private occupancy.
- J. **“Policy period”** means the period of time between the inception date and time shown in the Declarations and the date and time of termination, expiration or cancellation of this Policy.
- K. **“Professional services”** mean:
1. services rendered as an insurance agent, wholesaler, managing general agent, general agent, underwriting manager, program administrator, broker or surplus lines broker;
 2. services rendered as an insurance consultant, including, but not limited to, insurance consulting connected with employee benefit plans;
 3. premium finance services provided by the **Named Insured** to the **Named Insured’s** clients for insurance products placed through the **Named Insured’s** agency;
 4. loss control, risk management or anti-fraud services rendered in connection with insurance placed through the **Named Insured**;
 5. acting as a countersigning agent for out-of-state insurance agencies on policies issued within the state of domicile of the **Named Insured**;
 6. acting as a notary public;
 7. acting as an expert witness providing testimony related to **professional services**; or
 8. insurance class instruction.
- L. **“Retroactive Date”** means the date specified in the Declarations.
- L. **“Related act, error or omission”** means all acts, errors or omissions in the rendering of **professional services** that are temporally, logically or causally connected by any common fact, circumstance, situation, transaction, event, advice or decision.
- M. **“Related claim”** means all **claims** arising out of a single act, error or omission or arising out of **related acts or omissions** in the rendering of **professional services**.

III. LIMITS OF LIABILITY AND DEDUCTIBLE

A. Limits of Liability - Each Claim

Subject to paragraph B. below, the Limits of Liability of the **Company** for each **claim** shall not exceed the amount stated in the Declarations for each **claim**.

B. Limits of Liability – Policy Aggregate

The Limits of Liability of the **Company** for all **claims** shall not exceed the amount stated in the Declarations as the Policy Aggregate.

C. Deductible

The deductible amount stated in the Declarations is the total amount of the **Insured's** liability for each and every **claim** and applies to the payment of **damages**. The deductible shall be paid by the **Named Insured** or, upon the **Named Insured's** failure to pay, jointly and severally by all **Insureds**. The Limits of Liability set forth in the Declarations are in addition to and in excess of the deductible.

D. Multiple Insureds, Claims and Claimants

The Limits of Liability shown in the Declarations are subject to the provisions of this policy and are the amount the **Company** will pay regardless of the number of **Insureds, claims** or persons or entities making **claims**. If **related claims** are subsequently made against the **Insured** and reported to the **Company** during the **policy period** or any subsequent renewal or Extended Reporting Period, all such **related claims**, whenever made, shall be considered a single **claim** first made and reported to the **Company** during the **policy period** in which the earliest of the **related claims** was first made and reported to the **Company**. The Limits of Liability for any such **related claims** shall be part of, and not in addition to, any remaining Limits of Liability as stated in the Declarations of the policy.

E. Disciplinary Proceedings

The **Company** will provide for the defense of a **disciplinary proceeding** brought against an **Insured** during the **policy period** arising out of the performance of **professional services**. The **Company's** obligation under this provision is subject to a maximum amount of \$25,000 per **policy period** for all attorney fees and other reasonable costs, expenses or fees incurred by lawyers appointed by the **Company**.

There will be no deductible for payments made under this provision, and any such payments are in addition to the Limits of Liability.

F. Loss of Earnings

The **Company** will reimburse the **Insured** for actual loss of earnings and reasonable expenses incurred at the **Company's** request for attendance at a trial or court-ordered hearing, arbitration or mediation as follows:

1. \$500 per day for each **Insured** up to a maximum of \$10,000 per **claim**, regardless of the number of **Insureds** or days in attendance, or the number of trials.
2. \$25,000 in the aggregate during the **policy period** for all **claims** and **Insureds**.

There will be no deductible for payments made under this provision and any such payments are in addition to the Limits of Liability.

G. Subpoena Assistance

In the event the **Insured** receives a subpoena for documents or testimony during the **policy period** arising out of **professional services** rendered and the **Insured** requests the **Company's** assistance in responding to the subpoena, the **Insured** must provide the **Company** with a copy of the subpoena and the **Company** will appoint an attorney to provide advice regarding the production of documents, to prepare the **Insured** for sworn testimony, and to represent the **Insured** at the deposition(s), provided that:

1. the subpoena arises out of a lawsuit to which the **Insured** is not a party; and
2. the **Insured** has not been engaged to provide advice or testimony in connection with the lawsuit, nor has the **Insured** provided such advice or testimony in the past.

The **Company's** obligation under this provision is subject to a maximum amount of \$10,000 per **policy period** for all attorney's fees and other reasonable costs, expenses, or fees incurred by lawyers appointed by the **Company**, regardless of the number of **Insureds** involved or the number of subpoenas received.

There will be no deductible for payments made under this provision and any such payments are within the Limits of Liability.

IV. EXCLUSIONS

This Policy does not apply to any **claim** based on or arising out of:

- A. any dishonest, fraudulent, criminal or malicious act or omission by an **Insured**, however, the **Company** shall provide an **Insured** with a defense of any **claim** based on or arising out of any dishonest, fraudulent or malicious act or omission by an **Insured** until the dishonest, fraudulent or malicious act or omission has been determined by adjudication, including regulatory ruling against or admission by such **Insured**; but providing such a defense will not waive any of the **Company's** rights under this policy;
- B. bodily injury, sickness, disease or death of any person or injury to or destruction of any property, including the loss of use of the property;

provided however, this exclusion shall not apply to **claims** arising out of any actual or alleged failure of the **Insured** to place, effect, maintain, or renew any insurance products for any customer;
- C. **claim** against an **Insured** as a beneficiary or distributee of any trust or estate;
- D. the **Insured's** administration under the Consolidated Omnibus Budget Reconciliation Act of 1986 (COBRA) including any amendments, regulations or enabling statutes pursuant thereto, or any other similar federal, state or provincial statute or regulation;
- E. the financial inability to pay, insolvency, receivership, bankruptcy or liquidation of any insurance company, any Individual Practice Association, Health Maintenance Organization, Preferred Provider Organization, Dental Service Plan, Risk Retention Group, Risk Provider Group, self-insured plan or any pool, syndicate, association or other combination formed for the purpose of providing insurance, or reinsurance, or any healthcare provider or any reinsurer with which the **Insured** directly placed the subject risk;

however, this exclusion does not apply if, at the time the **Insured** placed the subject risk with any of the above-described entities, such entity or entities:

1. were rated by A.M. Best as B+ or higher;
 2. were member insurers of the state guaranty fund or guaranty association in the state or states of domicile of the subject risk; or
 3. were guaranteed by a governmental body or bodies and/or operated by a governmental body or bodies, or the coverage was placed with an insurance carrier through a state established residual market insurance program; or the coverage was placed with a County Mutual reinsured by carriers rated by A.M. Best as A or higher;
- F. to any **claim** by or on behalf of an **Insured** under this policy against any other **Insured** hereunder unless the **claim** arises out of **professional services** by an **Insured** rendered to such other **Insured** as a client, provided the **Insured** rendering such **professional services** does not have an ownership interest in or does not operate, control or manage the risk to be insured;
- G. any actual or alleged act, error or omission arising from the rendering of **professional services** for which a license is required and committed while the **Insured's** license was not secured or was suspended or revoked;
- H. the **Insured's** promises or guarantees relating to market fluctuations, interest rates, or dividends, with respect to future premium payments or market values;
- I. third party administrator services and activities, whether the **Insured** performs such activities for a fee or no fee;
- J. unsolicited distribution of marketing materials by telephone, facsimile machine, computer or other device, in violation of the Telephone Consumer Protection Act, 47 USC 227, including any amendments, regulations or enabling statutes pursuant thereto, or any other similar federal, state, provincial or municipal statute or regulation;
- K. the sale or servicing of investments in viaticated policies or the sale or servicing of investments in stranger-owned life insurance (STOLI);
- L. the **Insured's** services as a registered representative rendered in connection with the sale and servicing of variable life and variable annuity products;
- M. the **Insured's** status as a fiduciary;
- N. **Insured's** capacity as:
1. a former, existing or prospective officer, director, shareholder, partner or manager of a business enterprise or charitable organization unless such enterprise or organization is named in the Declarations;
 2. a former, existing or prospective officer, director, shareholder, partner, manager, or trustee of a fund or trust which is a pension, welfare, profit-sharing, mutual or investment fund or trust; or
 3. a fiduciary under the Employee Retirement Income Security Act of 1974 or the Pension Benefits Act, including any amendments, regulations, enabling statutes or orders issued pursuant thereto or any other similar federal, state or local law;
- O. any **Insured's** misappropriation or unauthorized use of trade secrets or other proprietary information;

- P. liability assumed by the **Insured** under any contract or agreement. This exclusion does not apply to liability for **damages** that the **Insured** would have in the absence of such contract or agreement.

V. CONDITIONS

A. Notice of **Claims** and Potential **Claims**

1. The **Insured**, as a condition precedent to the obligations of the **Company** under this Policy, shall give written notice to the **Company** as soon as practicable, but no later than sixty (60) days after policy expiration:
 - a. of any **claim** made against the **Insured** during the **policy period**;
 - b. of the **Insured's** receipt of any notice, advice or threat, whether written or verbal, that any person or organization intends to make a **claim** against the **Insured**; or
 - c. Any act, error or omission that might reasonably be expected to be the basis of a **claim** against the **Insured**.
2. If during the **policy period** the **Insured** shall become aware of any act, error or omission that might reasonably be expected to be the basis of a **claim** against the **Insured** and gives written notice to the **Company** during the **policy period** of such act, error or omission and the reasons for anticipating a **claim**, with full particulars, including but not limited to:
 - a. the specific act, error or omission;
 - b. the date(s) and person(s) involved;
 - c. the identity of anticipated or possible claimants; and
 - d. the circumstances by which the **Insured** first became aware of the possible **claim**;

then any such **claim** that is subsequently made against the **Insured** arising out of such act, error or omission and reported to the **Company** shall be deemed to have been made at the time such written notice was received by the **Company**.

3. Any notice required to be given to the **Company** in this section will be provided in writing to:

AmTrust North America, Inc.
135 South LaSalle Street, Suite 1925
Chicago, Illinois 60603
Attn: Professional Liability Claims Department
Anaclaimsreporting@amtrustgroup.com
Fax: (877) 207-3961

B. Innocent **Insured**

Whenever coverage under this Policy would be excluded, suspended or lost because of the exclusion relating to any dishonest, fraudulent, criminal or malicious act, error or omission by any person insured hereunder, the **Company** agrees that such insurance, as would otherwise be afforded under this policy, shall be applicable with respect to an

Insured who did not personally participate in such act, error or omission and otherwise complies with all terms and conditions of the policy.

The **Company's** obligation to pay **damages** hereunder will be excess of the full extent of the assets of any **Insured** involved in such dishonest, fraudulent, criminal or malicious act, error or omission.

C. Territory

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

D. Alternative Dispute Resolution

If the **Company** and the claimant agree to resolve a **claim** by arbitration or mediation, then the **Company** will have the right to resolve the **claim** by arbitration or mediation. The **Company** will give the **Named Insured** written notice of the intention to refer such **claim** to arbitration or mediation, and the **Company** will be entitled to exercise any rights of any **Insured** with respect to arbitration or mediation including, without limitation, choice of arbiter(s) or mediator(s) and choice of venue.

E. Other Insurance

If there is other insurance that applies to the **claim**, this insurance shall be excess over such other valid and collectible insurance whether such insurance is stated to be primary, contributory, excess, contingent or otherwise. This does not apply to insurance that is purchased by the **Named Insured** specifically to apply in excess of this policy.

F. Assistance and Cooperation of the Insured

1. The **Insured** shall cooperate with the **Company** and, upon the **Company's** request, shall attend hearings and trials and shall assist in effecting settlements, the securing and giving of evidence, obtaining the attendance of witnesses, and the conduct of suits and proceedings in connection with a **claim**;
2. The **Insured** shall assist in the enforcement of any right of contribution or indemnity against any person who or organization which may be liable to any **Insured** in connection with a **claim**;
3. The **Insured** shall not without the **Company's** written consent do any of the following:
 - a. admit liability;
 - b. participate in any settlement discussions nor enter into any settlement;
 - c. incur any costs or expenses;
 - d. produce documents, provide a recorded statement or give any deposition regarding any actual or alleged act, error or omission; or
 - e. voluntarily make any payment.

G. Action Against the Company

No action shall lie against the **Company** unless, as a condition precedent thereto, there has been full compliance with all the terms of this policy, nor until the amount of the **Company's** obligation to pay shall have been fully and finally determined.

In the event any person or entity has secured a judgment covered under this policy and the **Company** does not pay the judgment within thirty (30) days from the service of notice of the judgment upon the **Insured** or its attorney and the **Company**, then an action may be brought against the **Company** for the amount of the judgment not exceeding the amount of the applicable Limits of Liability under this policy, except during a stay or limited stay of execution against the **Company** on such judgment.

No person or organization shall have any right under this policy to join the **Company** as a party to any action against an **Insured**, nor shall the **Company** be impleaded by the **Insured** or its legal representative. Bankruptcy or insolvency of the **Insured** or of the **Insured's** estate shall not relieve the **Company** of any of its obligations hereunder.

H. Subrogation

In the event of any payment under this policy, the **Company** shall be subrogated to all the **Insured's** rights of recovery thereof against any person or organization, including any rights such **Insured** may have against any other **Insured** involved in dishonest, fraudulent, criminal, malicious or intentional act or omission. The **Insured** shall execute and deliver instruments and papers and do whatever else is necessary to secure and collect upon such rights and the **Insured** shall do nothing to prejudice such rights.

I. Changes

None of the provisions of this Policy will be waived, changed or modified except by written endorsement, issued to form a part of this policy.

J. Assignment

No assignment of interest of the **Insured** under this policy shall be valid, unless the written consent of the **Company** is endorsed hereon.

K. Cancellation

This policy may be canceled by the **Named Insured** by surrender thereof to the **Company** or any of its authorized representatives or by mailing to the **Company** written notice stating when thereafter the cancellation shall be effective.

This policy may be canceled by the **Company** by mailing to the **Named Insured** at the address stated in the Declarations written notice stating when, not less than sixty (60) days thereafter or ten (10) days in the case of nonpayment of premium, such cancellation shall be effective.

The mailing of notice shall be sufficient proof of notice and the time of the surrender or the effective date and hour of cancellation stated in the notice shall become the end of the **policy period**. Delivery of such written notice either by the **Named Insured** or by the **Company** shall be equivalent to such mailing.

If either the **Named Insured** or the **Company** cancels, earned premium shall be the pro rated amount of the annual premium. Premium adjustment may be made at the time cancellation is effected or as soon as practicable after cancellation becomes effective. The **Company's** check or the check of its representative mailed as aforesaid shall be sufficient tender of any refund or premium due to the **Named Insured** provided that if, at the time of cancellation, the applicable Limits of Liability for the **policy period** have been exhausted, the entire premium shall be considered earned.

L. Nonrenewal

The **Company** may nonrenew this policy by mailing or delivering to the **Named Insured** at the address stated in the Declarations written notice at least sixty (60) days before the expiration date of this policy. The offer of renewal policy terms, conditions, or premium amount different than those in effect prior to renewal does not constitute nonrenewal.

M. Entire Contract

By acceptance of this policy the **Insured** agrees that:

1. the information and statements provided to the **Company** by the **Insured** are true, accurate and complete and shall be deemed to constitute material representations made by all of the **Insureds**;
2. this policy is issued in reliance upon the **Insured's** representations;
3. this policy, endorsements thereto, together with the completed and signed application and any and all supplementary information and statements provided by the **Insured** to the **Company** (all of which are deemed to be incorporated herein) embody all of the agreements existing between the **Insured** and the **Company** and shall constitute the entire contract between the **Insured** and the **Company** ; and
4. the misrepresentation of any material matter by the **Insured** or the **Insured's** authorized agent/broker, which if known by the **Company** would have led to the refusal by the **Company** to make this contract or provide coverage for a **claim** hereunder, will render this policy null and void and relieve the **Company** from all liability herein.

N. Named Insured Sole Agent

The **Named Insured** shall be the sole agent of all **Insureds** hereunder for the purpose of effecting or accepting any notices hereunder, any amendments to or cancellation of this policy, for the completing of any applications and the making of any statements, representations and warranties, for the payment of any premium and the receipt of any return premium that may become due under this policy, and the exercising or declining to exercise any right under this policy.

O. Liberalization

If the **Company** adopts any revision that would broaden coverage under this policy without additional premium at any time during the **policy period**, the broadened coverage will immediately apply to this policy except that it will not apply to **claims** that were first made against the **Insured** prior to the effective date of such revision.

P. Notices

Any notices (other than notice of **claims** or potential **claims**) required to be given by an **Insured** shall be submitted in writing to the **Company** at the address below. If mailed, the date of mailing of such notice shall be deemed to be the date such notice was given and proof of mailing shall be sufficient proof of notice.

800 Superior Ave, E.
21st Floor
Cleveland, OH 44114

VI. EXTENDED REPORTING PERIODS

As used herein, "Extended Reporting Period" means the period of time after the end of the **policy period** for reporting **claims** first made and reported during the Extended Reporting Period by reason of an act, error or omission that occurred prior to the end of the **policy period** and is otherwise covered by this policy. The Limits of Liability for any Extended Reporting Period shall be part of, and not in addition to any remaining Limits of Liability as stated in the Declarations of this policy.

A. Automatic Extended Reporting Period:

In the event of cancellation or non-renewal of this policy by either the **Named Insured** or the **Company**, an automatic thirty (30) day Extended Reporting Period will be provided to the **Named Insured** at no additional cost if the **Named Insured** has not obtained another insurance agents and brokers errors and omissions policy within thirty (30) days of the cancellation or non-renewal of this policy.

B. Optional Extended Reporting Period:

In the event of cancellation or non-renewal of this policy by either the **Named Insured** or the **Company**, then the **Named Insured** upon payment of an additional premium as set forth below shall have the right to an Extended Reporting Period for the specific period of time set forth in an endorsement to be issued by the **Company**. This right shall terminate, however, unless written notice of this election together with the additional premium is received by the **Company** or its authorized agent/broker from the **Named Insured** within thirty (30) days after the effective date of cancellation or non-renewal. The Optional Extended Reporting Period shall commence at the effective date of the cancellation or non-renewal.

Only one such Extended Reporting Period coverage endorsement shall be issued and the Extended Reporting Period for such coverage shall be one (1) year, two (2) years, three (3) years and six (6) years. This period includes the automatic thirty (30) day period specified in Item A. above.

The additional premium for the Optional Extended Reporting Period shall be based upon the annualized rates for such coverage in effect on the date this policy expires and shall be for one (1) year at 100% of such premium, two (2) years at 150% of such premium, three (3) years at 200% of such premium and six (6) years at 300% of such premium.

There is no right to the Optional Extended Reporting Period if the **Company** or **Named Insured** shall cancel or non-renew this policy:

1. due to non-payment of any amount due under this policy;
2. due to non-compliance by any **Insured** with any of the terms and conditions of this policy;
3. due to any misrepresentation or omission in the application of this policy; or
4. if at the time this right could be exercised by any **Insured**, such **Insured's** license to perform **professional services** has been revoked, suspended or surrendered at the request of any regulatory authority.