

**NOTICE: THIS POLICY IS A CLAIMS-MADE POLICY. PLEASE READ THE POLICY CAREFULLY.**

**Policy Number**

L3D-M019291-00

**The Hanover Atlantic Insurance Company, LTD**

C/O Marsh Management Services

Victoria Hall, 11 Victoria Street

PO Box hm 1826

Hamilton, HM 11, Bermuda

(A Stock Insurance Company, herein called the **Company**)

**SURPLUS LINES POLICYHOLDER NOTICE**

This insurance is issued pursuant to the Florida Surplus Lines Law. Persons insured by surplus lines carriers do not have the protection of the Florida Insurance Guaranty Act to the extent of any right of recovery for the obligation of an insolvent unlicensed insurer.

**Broker Name:** Norman-Spencer Agency, LLC

**Address:** 10050 Innovation Drive, Suite 340,  
Miamisburg, OH 45342

**Code:** 1602657

**Signature:**



**BROKER STAMP**



**Item 10. ENDORSEMENTS EFFECTIVE AT INCEPTION:** See Schedule of Forms attached.

**Item 11. NOTICE TO INSURER**

Report a claim to the Company as required by Section G. Duties in the Event of Claim(s) or Potential Claim(s) to:

[www.hanover.com/report-claim-online](http://www.hanover.com/report-claim-online)

The Hanover Atlantic Insurance Company, LTD  
Care of: The Hanover Insurance Company

440 Lincoln Street  
Worcester, MA 01653

**National Claims Telephone Number:** 508.855.6281

**Facsimile:** 508.635.1868

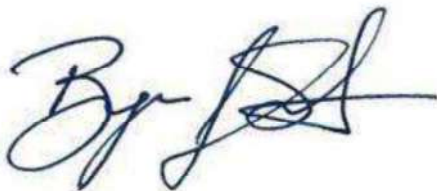
**Email:** [proclaim@hanover.com](mailto:proclaim@hanover.com)

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**The Hanover Atlantic Insurance Company, Ltd.**  
**C/O Marsh Management Services**  
**Victoria Hall, 11 Victoria Street**  
**PO Box hm 1826**  
**Hamilton, HM 11, Bermuda**  
**Tel 301-495-7722**

THE ONLY SIGNATURES APPLICABLE TO THIS POLICY ARE THOSE REPRESENTING THE COMPANY NAMED ABOVE.

**In Witness Whereof**, The Hanover Atlantic Insurance Company, Ltd. has caused this policy to be executed by its duly authorized officers.



Bryan Salvatore  
President



Nathaniel W. Clarkin  
Treasurer

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This is a **CLAIMS-MADE AND REPORTED** policy. Subject to the terms, conditions, exclusions and limitations of this Policy, coverage is limited to liability for only those Claims that are first made against You and reported to Us in writing after the Retroactive Date and during the Policy Period or any optional Extended Reporting Period.

This is a “defense within limits” Policy with Claim Expenses included within the Limit of Liability. The Limit of Liability available to pay Damages will be reduced by amounts We pay for Claim Expenses as defined in the Policy. Further note that amounts incurred for Claim Expenses and Damages are subject to the deductible.

Please read this policy carefully.

Throughout this Policy, the terms **We**, **Us** and **Our** refer to the **Company** providing this insurance. The terms **You** and **Your** refer to the persons and entities insured under this Policy. Other terms in bold print have special meaning and are defined in this Policy.

In consideration of the premium charged, in reliance upon the statements in **Your** application and subject to the Declarations page, limitations, conditions, definitions and other provisions of this Policy, including endorsements hereto, **We** agree with **You** as follows:

### A. COVERAGE

#### 1. Professional Services Coverage

**We** will pay on **Your** behalf those sums which **You** become legally obligated to pay as **Damages** because of any **Claim** made against **You** for a **Wrongful Act**.

#### 2. Personal Injury Coverage

**We** will pay on **Your** behalf those sums which **You** become legally obligated to pay as **Damages** because of any **Claim** made against **You** for a **Wrongful Act** and are for **Personal Injury**.

#### 3. Supplemental Coverage

##### a. Pre-Claim Assistance

If **You** report a **Potential Claim** to **Us** in writing during the **Policy Period**, any costs or **Defense Expenses** **We** incur in investigating or monitoring the **Potential Claim** will be paid by **Us**. The decision to incur any costs or **Defense Expenses** in regards to a **Potential Claim** is at **Our** sole discretion.

##### b. Disciplinary Proceedings

**We** will pay on **Your** behalf only **Defense Expenses** incurred in responding to a **Disciplinary Proceeding** commenced against **You** and reported to **Us** in writing during the **Policy Period**, or which was commenced during the **Policy Period** and reported to **Us** in writing during any applicable **Extended Reporting Period**. **We** shall not pay any **Damages** incurred as a result of **Disciplinary Proceedings**.

##### c. Consumer Financial Protection Bureau Defense

**We** will pay on **Your** behalf only **Defense Expenses** incurred in responding to a **CFPB Matter** that resulted from a **Wrongful Act**, first received by **You** and reported to **Us** in writing during the **Policy Period**. There will be no **Extended Reporting Period** for the coverage provided in this section. **We** shall not pay any **Damages** incurred as a result of **CFPB Matters**.

##### d. Employee Dishonest Acts

###### 1) Employee Dishonest Acts Other Than Loss of Money

**We** will pay **You** as **Defense Expenses** for direct loss of or damage to **Your** personal property, or pay on **Your** behalf for direct loss of or damage to personal property of **Your** client held in **Your** care, custody and control. The direct loss of, or damage to, personal property must result from a **Dishonest Act** that first occurred, and was also reported to **Us** in writing, during the **Policy Period**. The **Dishonest Act** must have been committed by an **Employee**, acting alone or in collusion with other persons, and involve a real estate property transaction. The coverage provided by this paragraph does not apply to loss of, or

damage to, **Money**; to any taxes, criminal or civil fines, penalties, sanctions; or to any monetary assessment, judgment, award, or settlement of any type or kind.

2) Employee Dishonest Acts Involving Loss of Money

We will pay **You as Defense Expenses** for direct loss of **Money** from **Your** escrow funds or account, including an account at a financial institution. The account must be used to purchase, sell or finance real estate. The coverage provided by this paragraph only applies if such direct loss of **Money** results from:

(a) A **Dishonest Act**;

(b) Theft, stealing, conversion or embezzlement; or

(c) Improper or unauthorized deposit, withdrawal, transfer or delivery or use, or other misappropriation;

Which was committed by an **Employee**, acting alone or in collusion with other persons. The direct loss of **Money** must first occur, and also be reported to **Us** in writing, during the **Policy Period**. The coverage provided by this paragraph does not apply to taxes, criminal or civil fines, penalties, sanctions; or to any monetary assessment, judgment, award, or settlement of any type or kind.

e. Loss of Earnings and Expense Reimbursement

**We** will reimburse **You** for loss of earnings and reasonable expenses **You** incur to attend hearings, trials or alternative dispute resolution proceedings, involving a **Claim** or **Disciplinary Proceeding**, at **Our** written request. **You** must submit to **Us** a written request for such expenses, and written proof of payment of such expenses, as soon as practicable, but in no event more than sixty (60) days after such expenses are incurred.

The following additional requirements and limitations shall apply to coverage provided under A.1., A.2., and A.3. above:

- a. The **Wrongful Act** and **Professional Services** must have first occurred on or after the applicable **Retroactive Date(s)**;
- b. None of **You** had knowledge of a **Wrongful Act**, or any facts or other circumstances, which may reasonably give rise to a **Claim** or **Supplemental Coverage Matter**, or knowledge of any **Claim** or **Supplemental Coverage Matter**, prior to the inception date of this **Policy**, or prior to the inception date of any prior policy with **Us** and continuously renewed; and
- c. The **Claim** or **Supplemental Coverage Matter** must first be made and reported to **Us** in writing during the **Policy Period** or an applicable **Extended Reporting Period**.

## B. DEFENSE AND SETTLEMENT

1. **We** have the exclusive right and duty to defend any **Claim** made under this **Policy**, even if the allegations are groundless, false or fraudulent. **You** may select defense counsel from **Our** preapproved panel counsel, subject to **Our** prior written consent. **We** will pay **Claim Expenses** in connection with a **Claim** **We** defend, but only for that portion of any **Claim** for which coverage is afforded under this **Policy**. **We** are not obligated to defend any criminal investigation, criminal proceeding or prosecution, or any **Claim** for **Equitable Relief**, against **You**. If a **Claim** is not covered under this **Policy**, **We** will have no duty to defend it. **We** reserve the right to recoup and seek reimbursement for all **Claim Expenses** incurred in defending a **Claim**, or any portion of a **Claim**, that is determined by a court of law not to be covered.
2. **Our** duty to defend any **Claim** or pay any amount as **Damages**, **Claim Expenses** or **Defense Expenses** will cease when **Our** Limit of Liability has been exhausted, or there is a **Final Adjudication** against **You**. Upon exhaustion of the limits of liability, **We** will tender control of the defense to the **Named Insured**. The **Named Insured** agrees to accept this tender of defense.
3. **We** will not settle a **Claim** without **Your** consent, which shall not be unreasonably withheld. **You** agree to consult with **Us** to resolve any differences relating to such a settlement.
4. The **Named Insured** is responsible for any expenses, including fees or costs charged by a lawyer defending **You**, incurred without **Our** prior written consent.

## C. LIMIT OF LIABILITY AND DEDUCTIBLE

### 1. Limit of Liability

- a. The Limit of Liability shown on Item 3.a. of the Declarations page per each **Claim** is the most **We** will pay for the sum of all **Damages** and **Claim Expenses** arising out of a single **Claim** or a series of related **Claims**, regardless of the number of persons or entities insured under this **Policy**, number of **Claims** made or the number of persons or entities making **Claims** during the **Policy Period** or during any applicable **Extended Reporting Period**.
- b. All **Claim Expenses** will first be subtracted from the Limit of Liability, with the remainder, if any, being the amount available to pay for **Damages**.
- c. The Aggregate limit shown on Item 3.b. of the Declarations page is the most **We** will pay for the sum of all **Damages** and **Claim Expenses** for all **Claims** under this **Policy**.
- d. The **Supplemental Coverage** Limits shown on Item 6. of the Declarations page, if applicable, are the most **We** will pay for all **Defense Expenses** arising out of a single **Supplemental Coverage Matter** or a series of related **Supplemental Coverage Matters** for each **Supplemental Coverage**. The Aggregate **Supplemental Coverage** Limits shown on Item 6. of the Declarations page, if applicable, are the most **We** will pay for the sum of all **Defense Expenses** for all **Supplemental Coverage Matters** for each **Supplemental Coverage**. The applicable **Supplemental Coverage** Limits are in addition to the Limits of Liability referenced in Item 3. of the Declarations page.

### 2. Deductible

- a. **You** will pay the deductible amounts shown on the Declarations page. The deductibles apply as applicable to each **Claim** or **Supplemental Coverage Matter**. **You** must pay the deductible immediately when invoiced or, in the event that offers of judgment or settlement demands are made which **You** and **We** agree should be accepted, prior to the expiration of the time period for responding to such offers or demands.  
  
If different parts of a **Claim** or **Supplemental Coverage Matter** are subject to different deductibles, the applicable deductible will be applied separately to each part of such **Claim** or **Supplemental Coverage Matter**, but the sum of such deductibles shall not exceed the largest applicable deductible.
- b. If a **Claim** brought against **You** is settled prior to litigation, arbitration, **Mediation**, or any court mandated proceeding, **Your** deductible obligation will be reduced by 75%, subject to a maximum reduction of \$10,000.
- c. If **We** ask, and **You** agree to use **Mediation** to resolve a **Claim** brought against **You**, and if the **Claim** is resolved by **Mediation**, **Your** deductible obligation for that **Claim** will be reduced by 50%, subject to a maximum reduction of \$10,000.
- d. The deductible reductions provided above may not be combined. Only one reduction in **Your** deductible obligation may be applied to a single **Claim**. A deductible reduction will not be applied:
  - 1) To any subsequent **Claims** in the **Policy Period**.
  - 2) If the **Policy** is cancelled, terminated, non-renewed, or subject to an **Extended Reporting Period**.

### 3. Aggregate Deductible

The Aggregate Deductible amount will be shown in the Declarations page, if applicable, and is the most **You** will pay for the sum of all Deductibles for all **Claims** first made and reported to **Us** during the **Policy Period**.

### 4. Reimbursement

In the event that **We** voluntarily choose or are compelled by a court of law to make any payment of the deductible, or any **Loss** not covered by this **Policy**, and request reimbursement from **You**, the reimbursement is payable immediately, but no later than ten (10) days after **Our** written demand.

**D. DEFINITIONS**

**Affiliate** means any entity related to any of **You** through common ownership, control or management, however **Affiliate** does not mean a **Subsidiary**.

**Bodily Injury** means physical injury of a person, sickness, disease or death and, if arising out of the foregoing, mental anguish, emotional distress, mental injury, shock or humiliation.

**Breach Notice Law** means any federal, state, local or foreign privacy legislation, regulation and their functional equivalent that requires an entity to provide notice to affected natural persons of any actual or potential unauthorized access to their **Confidential Records**.

**CFPB** means the Consumer Financial Protection Bureau created pursuant to Section X of the Dodd-Frank Wall Street Reform and Consumer Protection Act, 12 U.S.C. Section 5301 (the "Act").

**CFPB Matter** means:

1. A subpoena received by **You**, issued by the **CFPB** pursuant to Section 1052 of the Act, for attendance, and testimony of witnesses and the production of papers, books, documents, or other material;
2. A civil investigative demand, received by **You**, issued by the **CFPB** pursuant to Section 1052 of the Act;
3. A hearing or adjudication proceeding with respect to any of **You**, conducted by the **CFPB** pursuant to Section 1053 of the Act; or
4. A civil action, by the **CFPB**, against **You**, commenced pursuant to Section 1054 of the Act.

**Claim** means any:

1. Demand received by an **Insured** for money, services or **Equitable Relief**;
2. **Suit**;
3. Formal administrative or regulatory proceeding commenced by the filing of charges, formal investigative order or similar document;
4. Arbitration or mediation proceeding commenced by the receipt of a demand for mediation or similar document; or
5. Written request first received by an **Insured** to toll or waive a statute of limitations.

All **Claims** made against any **Insured** that include, in whole or in part, allegations of **Wrongful Acts**, facts or circumstances that have a causal or logical connection will be considered one **Claim**. All such **Claims** will be considered first made at the time the earliest such **Claim** was made against any **Insured**. **Wrongful Acts**, facts or circumstances have a causal connection if the **Wrongful Acts**, facts or circumstances give rise, directly or indirectly, to the other such **Wrongful Acts**, facts or circumstances. **Wrongful Acts**, facts or circumstances have a logical connection if there is a goal, motive or methodology that is both common and central to the matters alleged.

**Claim Expenses** means expenses **We** incur or authorize in writing for the investigation, adjustment, defense or appeal of that portion of a **Claim** which is covered under this **Policy**. These expenses include fees charged by a lawyer, mediator or arbitrator with **Our** consent for which **You** are obligated. **Claim Expenses** also means premiums on appeal, attachment or similar bonds.

**Claim Expenses** do not include salaries, wages, fees, overhead or benefit expenses associated with:

1. Any **Insured**, except as specified in A.3.e. Loss of Earnings and Expense Reimbursement; or
2. **Our** employees, except for salaries, wages, fees, overhead or benefit expenses charged by **Our** employed attorneys who are designated to represent **You**, with **Your** prior written consent.

**Claim Expenses** also do not include any amount incurred in defense of any criminal action or proceeding of any type or kind.

**Company** means the insurance company that issued this **Policy**, as shown on the Declarations page or referred to herein as **We**, **Us**, or **Our**.

**Computer** means a single hardware device or group of hardware devices, on which software, applications, script, code or computer programs, containing **Data**, can be operated and viewed.

**Confidential Record** means a natural person's first name or first initial and last name, in combination with:

1. Non-public personally identifiable information, as defined in applicable federal, state, local or foreign legislation or regulations, including social security number, driver's license number or other personal identification number (including an employee identification number or student identification number);
2. Financial account number (including a bank account number, retirement account number or healthcare spending account number);
3. Credit, debit or payment card numbers;
4. Any Information related to employment by an **Insured**;
5. Individually identifiable information considered nonpublic personal information pursuant to Title V of the Gramm-Leach Bliley Act of 1999, as amended; or
6. Any individually identifiable information considered protected health information pursuant to the Health Insurance Portability and Accountability Act of 1996 (HIPAA), as amended;

which is owned by an **Insured** or for which an **Insured** is legally liable and is intended by an **Insured** to be accessible only by natural persons or entities it has specifically authorized to have such access.

**Cyber Attack** means the transmission of fraudulent or unauthorized **Data** that is intended to, and successfully modifies, alters, damages, destroys, deletes, records, transmits, or consumes information within a **System** without authorization, including **Data** that is self-replicating or self-propagating, and which causes the disruption of the normal operation of a **System**.

**Damages** mean:

1. Compensatory monetary judgments, awards or settlements, unless otherwise excluded; and
2. Punitive or exemplary damages, and the multiple portions thereof, if insurable under the law of the applicable jurisdiction most favorable to the insurability of such **Damages**.

**Damages** do not include:

3. Any costs or expenses in complying with any demand for or award of **Equitable Relief**, even if such compliance is compelled as a result of a judgment, award or settlement;
4. Any return, restitution or reduction of professional fees;
5. **Correcting, re-performing or completing any Professional Services; or**
6. **Criminal or civil fines, statutory penalties, or sanctions against You, except as provided in 2. above with respect to punitive or exemplary damages, whether imposed by law or otherwise.**

**Data** means a representation of information, knowledge, facts, concepts or instructions which are being processed or have been processed in a **Computer**.

**Defense Expenses** means all expenses **We** incur, or authorize in writing, for a **Supplemental Coverage Matter**. These expenses include fees charged by a lawyer, mediator or arbitrator with **Our** consent for which **You** are obligated. **Defense Expenses** do not include **Damages**, other relief or **Claim Expenses**. **Defense Expenses** do not include any tax, criminal or civil fine, penalty or sanction, registration or licensing fees, or any monetary assessment, judgment, award, or settlement of any type or kind.

**Disciplinary Proceeding** means an administrative or regulatory proceeding by a regulatory or disciplinary official or agency to investigate or prosecute charges alleging professional misconduct in the performance of **Professional Services**. A **Disciplinary Proceeding** does not include any criminal investigation or proceeding.

**Dishonest Act** means a dishonest or fraudulent act committed by an **Employee** with the apparent intent to cause the **Named Insured** to sustain loss or damage, and to obtain financial benefit for the **Employee** or for any other **Employee**, person, or organization. Financial benefit does not include salary, commission, bonus, fee, profit sharing, or any other employee benefit.

**Domestic Partner** means any natural person granted legal status as a domestic partner under any applicable federal, state or local law or under the provisions of any formal program established by the **Named Insured**.

**Employee** means an employee of the **Named Insured**, other than a partner, officer, director, trustee, managing member, agent, broker, commissioned merchant, consignee, independent contractor or any representative of the same general character as the foregoing. **Employee** also does not include a former employee retained as a consultant.

**Employment Practices** means any actual or alleged:

1. Wrongful termination of the employment of, demotion of, or failure or refusal to hire or promote any person in violation of law or in breach of any agreement to commence or continue employment;
2. Unlawful employment discrimination;
3. Sexual harassment of an employee or applicant for employment; or
4. Retaliatory treatment against an employee on account of that employee's exercise or attempted exercise of his or her rights under law.

**Equitable Relief** means a remedy other than the payment of expenses or monetary damages. **Equitable Relief** includes non-monetary relief and injunctive relief.

**Extended Reporting Period** means an additional period of time for reporting **Claim(s)**.

**Final Adjudication** means a final judgment or settlement entered into terminating the litigation or administrative proceedings.

**Independent Contractor** means a natural person who performs **Professional Services** on behalf of the **Named Insured**, subject to a written contract with, and at the direction and control of the **Named Insured**.

**Insured**, also referred to herein as **You** or **Your**, means the **Named Insured** and:

1. If the **Named Insured** is a sole proprietorship, any past or present employee, but only while acting on behalf of the **Named Insured** in their capacity as an employee;
2. If the **Named Insured** is a partnership, any past or present general or managing partner, principal or employee, but only while acting on behalf of the **Named Insured** in such capacity;
3. If the **Named Insured** is a limited liability company, any past or present managing member, principal or employee, but only while acting on behalf of the **Named Insured** in such capacity;
4. If the **Named Insured** is a corporation, any past or present officer, director, or employee, but only while acting on behalf of the **Named Insured** in such capacity;
5. The **Named Insured's** temporary or leased employees, but only while acting on behalf of the **Named Insured**;
6. A past or present **Subsidiary** of the **Named Insured**, but only for **Professional Services** rendered while a **Subsidiary** of the **Named Insured**;
7. **Your** lawful spouse or **Domestic Partner**, solely for liability arising from any **Wrongful Act** of an **Insured** committed without the participation of such spouse or **Domestic Partner**;
8. **Your** heirs, assigns and legal representatives in the event of **Your** death, incapacity or bankruptcy to the extent that **You** would have been covered;
9. An **Independent Contractor**, but only while acting in such capacity on behalf of, and at the direction of, the **Named Insured**; or
10. The **Named Insured's** participation in a joint venture, but solely for the **Named Insured's** legal liability for **Professional Services** provided by the **Named Insured**. **Insured** does not include the joint venture itself or any other entity that is part of the joint venture;

**Loss** means **Claim Expenses**, **Damages** and **Defense Expenses** and does not include **Equitable Relief**.

**Mediation** means the non-binding intervention of a qualified neutral third party chosen by **You** and the other party to a **Claim** with agreement by **Us**.

**Money** means a medium of exchange in current use and authorized or adopted by a domestic or foreign government, including:

1. Currency, coins and bank notes in current use and having a face value;
2. Traveler's checks, registered checks and money orders held for sale to the public; and
3. Deposits in the **Named Insured's** account at a financial institution.

**Named Insured** means the sole proprietor, entity, partnership, or corporation designated in the Declarations page.

**Personal Injury** means, when committed by any **Insured** or person for whom the **Named Insured** is legally liable, solely in the performance of **Professional Services**:

1. False arrest, detention or imprisonment;
2. Wrongful entry, eviction or other invasion of private occupancy committed by or on behalf of its owner, landlord, or lessor;
3. Malicious prosecution;
4. Abuse of process;
5. The publication or utterance of libel, slander or other defamatory or disparaging material; or
6. A publication in violation of a person's right of privacy.

**Policy** means this policy form, the Declarations page, and any endorsements to the **Policy** issued by **Us**, and **Your** application.

**Policy Period** means the period from the inception date of this **Policy** to the **Policy Termination Date**.

**Policy Termination Date** means the expiration date of this **Policy** as shown on the Declarations page, or the cancellation date of this **Policy**, whichever is earlier.

**Pollutants** include, but are not limited to, any solid, liquid, gaseous, biological, radiological or thermal irritant or contaminant, including smoke, vapor, dust, fibers, soot, fumes, asbestos or asbestos-containing products, acids, alkalis, chemicals, waste and any electric, magnetic or electromagnetic field of any frequency. Waste includes but is not limited to, materials to be recycled, reconditioned or reclaimed and nuclear materials.

**Potential Claim** means a **Wrongful Act** which may subsequently give rise to a **Claim** within the scope of coverage of this **Policy**.

**Privacy Breach** means:

1. **Your** failure to protect a **Confidential Record**, including a **Cyber Attack** on **Your System**, or the actions of a **Rogue Employee**, which directly results in the unauthorized disclosure of one or more **Confidential Records**;
2. The theft or negligent loss of hardware, **Storage Media**, **System Output**, **Data** or other documents owned or controlled by, or on behalf of, **You** on which **Confidential Records** are stored or recorded;
3. **Your** negligent failure to disclose an event referenced in 1. or 2. above in violation of any **Breach Notice Law**; or
4. **Your** negligent violation of any applicable federal, state, foreign or local privacy legislation or regulation in connection with any **Claim**.

**Professional Services** means those services described in Item 7. of the Declarations page which **You** perform for others for a fee, provided the service is included on the following list:

1. Title Insurance Agent;
2. Title Abstractor;
3. Title Searcher;
4. Title Opinions;
5. Title Certifications;
6. Escrow Agent;
7. Closing Agent;
8. Settlement Agent;

9. Notary Public;
10. Public Records Searcher (including UCC searches);
11. Corporate Document Searcher;
12. Flood Zone Certifications; or
13. Witness Closer, Mobile Closer or Signing Agent.

**Property Damage** means physical injury to, loss of, or destruction of tangible property, including the resulting loss of use thereof; or loss of use of tangible property which has not been physically injured or destroyed. **Data** is not tangible property.

**Retroactive Date(s)** refer to the dates shown in Item 8. of the Declarations page. If no **Retroactive Date** is shown on the Declarations page, the **Retroactive Date** will be inception date of the **Policy**.

**Rogue Employee** means a permanent employee of the **Named Insured** who has gained unauthorized access, or has exceeded authorized access, to a **System** or **Confidential Records** owned or controlled by **You** or an entity that is authorized by **You** to hold, process or store **Confidential Records** for **Your** exclusive benefit.

**Security Breach** means:

1. The failure or violation of the security of **Your System**, including the impairment or denial of access to **Your System**, a **Cyber Attack**, or unauthorized acts or omissions by a **Rogue Employee** which damages or harms **Your System** or the **System** of a third party with whom **You** provide services for a fee;
2. The theft or loss of hardware or **Storage Media** controlled by, or on behalf of, **You** on which **Data** is stored; or
3. The failure to disclose an event in 1. or 2. above which violates any **Breach Notice Law**.

**Storage Media** means objects on which **Data** is stored so that it can be read, retrieved or processed by a **Computer**. **Storage Media** does not mean paper. **Storage Media** also does not mean money, financial instruments, or documents.

**Subsidiary** means any entity of which the **Named Insured** owns more than fifty percent (50%) either directly or indirectly; and

1. Is identified by **You** in **Your** last application provided to **Us** for this **Policy**, or to **Us** for a **Policy** of which this **Policy** is a renewal or replacement; or
2. Which becomes a subsidiary during the **Policy Period**, but only upon the condition that within ninety (90) days of it becoming a subsidiary, **You** have provided **Us** with full particulars of the new subsidiary and agree to any additional premium and/or amendment of the provisions of this **Policy** required by **Us** relating to such new subsidiary, subject to the review and acceptance by **Us** of full and complete underwriting information. Further, coverage as shall be afforded to the new subsidiary is conditioned upon the **Named Insured** paying when due any additional premium required by **Us** relating to such new subsidiary.

**Suit** means a civil proceeding for monetary, non-monetary or injunctive relief, which is commenced by service of a complaint or similar pleading. **Suit** includes a binding arbitration proceeding in which **Damages** are alleged, and to which **You** must submit or do submit with **Our** consent.

**Supplemental Coverage** means coverages under Section A.3. Supplemental Coverage.

**Supplemental Coverage Matter** means facts or other circumstances which are covered under Section A.3. Supplemental Coverage.

**System** means a **Computer**, **Storage Media** and all input, output, processing storage and communication devices controlled, supervised or accessed by the operation systems that are proprietary to, or licensed to, the owner of the **Computer**.

**System Output** means a tangible substance on which one or more **Confidential Records** are printed from a **System**.

**Unauthorized Access** means the use of or access to **Systems** by a person not authorized to do so by the **Named Insured**; or the use or access to **Systems** in a manner not authorized by the **Named Insured**.

**Wrongful Act** and **Wrongful Acts** means any actual or alleged negligent act, error, omission, misstatement or **Personal Injury**, solely in the rendering or failure to render **Your Professional Services**.

## E. EXCLUSIONS

This **Policy** does not apply to **Claim(s)** or **Supplemental Coverage Matter(s)**:

### 1. Conduct

Based upon, arising out of, or in any way relating to, directly or indirectly, any **Insured** committing or directing any intentional, dishonest or fraudulent act or omission, or a willful violation of any statute or regulation, however **We** will defend **Claims** alleging any of the foregoing conduct until there is a judgment, **Final Adjudication**, adverse admission or finding of fact against **You** as to such conduct at which time **You** shall reimburse **Us** for **Claim Expenses**. **We** shall not cover any **Claim** if **You** plead nolo contendere or no contest to a criminal proceeding against **You** arising out of the same, or essentially the same, material facts as such **Claim**. This Exclusion 1. does not apply to the strictly vicarious liability for the conduct for another **Insured**, of an **Insured**, other than the **Named Insured**, who did not personally commit or personally participate in such conduct, provided that:

- a. Such **Insured** had neither notice nor knowledge of such intentional, dishonest or fraudulent act or omission, or willful violation of any statute or regulation; and
- b. Such **Insured**, upon receipt of notice or knowledge of such intentional, dishonest or fraudulent act or omission, or willful violation of any statute or regulation, immediately notifies **Us**;

This Exclusion 1. does not apply to coverage provided under Supplemental Coverage 3.d. Employee Dishonest Acts;

### 2. Unearned Personal Profit

Based upon, arising out of, or in any way relating to, directly or indirectly, any **Insured** gaining any profit, remuneration or advantage to which such **Insured** was not legally entitled, however this Exclusion 2. does not apply to an **Insured**, other than the **Named Insured**, who did not personally commit or personally participate in such conduct, or personally acquiesce in or remain passive after having personal knowledge of such conduct. **We** will defend **Claims** alleging any of the foregoing conduct until there is a judgment, **Final Adjudication**, adverse admission or finding of fact against **You** as to such at which time **You** shall reimburse **Us** for **Claim Expenses**. **We** shall not cover any **Claim** if **You** plead nolo contendere or no contest to a criminal proceeding against **You** arising out of the same, or essentially the same, material facts as such **Claim**;

### 3. Criminal Acts

Based upon, arising out of, or in any way relating to, directly or indirectly, any willful or criminal act, or violation of any statute, rule or law, however this Exclusion 3. does not apply to an **Insured** who did not personally commit or personally participate in committing such willful or criminal act, or violation of any statute, rule or law, provided that:

- a. Such **Insured** had neither notice nor knowledge of such any willful or criminal act, or violation of any statute, rule or law; and
- b. Such **Insured**, upon receipt of notice or knowledge of such any willful or criminal act, or violation of any statute, rule or law, immediately notifies **Us**;

This Exclusion 3. does not apply to coverage provided under Supplemental Coverage 3.d. Employee Dishonest Acts;

### 4. Non-Monetary Relief

Based upon, arising out of, or in any way relating to, directly or indirectly, any demand for **Equitable Relief**;

### 5. Pollution

Based upon, arising out of, or in any way relating to, directly or indirectly:

- a. Asbestos, or any materials containing asbestos in any form or quantity;
- b. The existence, emission or discharge of any electromagnetic field, nuclear reaction, electromagnetic radiation, electromagnetism, radiation or contamination, under any circumstances, regardless of cause;
- c. The actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of **Pollutants**;

- d. Any directive, request or voluntary decision that any **Insured** monitor, clean up, remove, contain, treat, detoxify or neutralize **Pollutants**; or
- e. Any governmental or regulatory directive or request to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize **Pollutants**;

6. Fungi

Based upon, arising out of, or in any way relating to, in whole or in part, directly or indirectly:

- a. The presence of, suspected presence of or exposure to:
  - 1) Fungi, including but not limited to mold, mildew and yeast; or
  - 2) Bacteria or viruses; or
  - 3) Dust, spores, odors, particulates or byproducts, including but not limited to mycotoxins and endotoxins, resulting from any of the organisms listed in 1) or 2) above, from any source whatsoever; or
- b. Any loss, cost or expense, arising out of the testing for, monitoring of, cleaning up of, removal of, containment of, treatment of, detoxification of, neutralization of, remediation of, disposal of or any other response to or assessment of the effects of any of the items in a. above, from any source whatsoever;

7. Bodily Injury or Property Damage

Based upon, arising out of, or in any way relating to, directly or indirectly, **Bodily Injury or Property Damage**, however this Exclusion 7. does not apply to coverage provided under Supplemental Coverage 3.d. Employee Dishonest Acts;

8. Securities Laws

Based upon, arising out of, or in any way relating to, directly or indirectly:

- a. Any violation of any securities law, including the Securities Act of 1933 as amended, or the Securities Exchange Act of 1934 as amended, or any regulation promulgated under the foregoing statutes, or any federal, state or local laws similar to the foregoing statutes (including "Blue Sky" laws), whether such law is statutory, regulatory or common law;
- b. Any violation of the Organized Crime Control Act of 1970 (commonly known as Racketeer Influenced And Corrupt Organizations Act, or "RICO") as amended, or any ruling or regulation promulgated thereunder or any federal, state or local law similar to the foregoing, whether such law is statutory, regulatory or common law; or
- c. Any actual or alleged violations of the Real Estate Settlement Procedures Act (RESPA) as amended, or any regulation promulgated thereunder or any federal, state or local law similar to the foregoing, whether such law is statutory, regulatory or common law;

9. ERISA

Based upon, arising out of, or in any way relating to, directly or indirectly, any pension, health care, welfare, profit sharing, mutual or investment plan, fund or trust, or any violation of any provision of the Employee Retirement Income Security Act of 1974 (ERISA) as amended, or similar statutory or common law of the United States of America or any state or jurisdiction therein; or any violation of any ruling or regulation issued pursuant to any such laws;

10. Employment Practices

Based upon, arising out of, or in any way relating to, directly or indirectly:

- a. Any **Employment Practices** liability; or
- b. Any discrimination on any basis, including, but not limited to: race, creed, color, religion, ethnic background, national origin, age, handicap, disability, gender, marital status, sexual orientation or pregnancy;

11. Intellectual Property

Based upon, arising out of, or in any way relating to, directly or indirectly, any misappropriation or misuse of trade secret or infringement of patent, copyright, trademark, trade dress or any other intellectual property right;

12. Deceptive Business Practices

Based upon, arising out of, or in any way relating to, directly or indirectly, false advertising, misrepresentation in advertising, antitrust, unfair competition, restraint of trade, unfair or deceptive business practices, including but not limited to, violations of any local, state or federal consumer protection laws or any action by the Consumer Financial Protection Bureau, however this Exclusion 12. shall not apply to coverage provided under Supplemental Coverage 3.c. Consumer Financial Protection Bureau Defense;

13. Spamming

Based upon, arising out of, or in any way relating to, directly or indirectly, any alleged unsolicited fax, electronic mail or any other means, where prohibited by law, including any actual or alleged violation of the Telephone Consumer Protection Act ("TCPA") of 1991, any amendments thereto, any rules or regulations promulgated thereunder, or any similar provisions of any federal, state, or local, statutory law or common law, anywhere in the world;

14. Government Intervention

Based upon, arising out of, or in any way relating to, directly or indirectly, any governmental intervention, cease and desist order, insolvency, receivership, bankruptcy, licensing or liquidation of any organization in which **You** have placed or obtained insurance coverage, or placed the funds of a client or account;

15. Contract

Based upon, arising out of, or in any way relating to, directly or indirectly, liability **You** assume under any contract or agreement; however, this Exclusion 15. does not apply to liability **You** would have in the absence of such contract or agreement;

16. Insured vs Insured

Arising out of a **Claim** by any **Insured** under this **Policy** against any other person or entity Insured under this **Policy**, or against any of **You** that is brought by or on behalf of:

- a. Any business entity that is controlled, managed or operated, directly or indirectly, in whole or in part, by any of **You**;
- b. Any business enterprise or entity in which any of **You** hold an interest of more than 10%;
- c. Any business enterprise or entity in which any of **You** were a principal, partner, managing member, officer, director or employee;
- d. Any business enterprise or entity that wholly or partly owns any **Insured** or to any extent controls, operates or manages any **Insured**, including any parent company, **Subsidiary**, successor or assignee of **Yours**, or anyone affiliated with **You** or such business entity through common majority ownership or control; or
- e. Any independent contractor supplying material or services to **You**;

17. Insurance Placement

Based upon, arising out of, or in any way relating to, directly or indirectly, **Your** advising, requiring, obtaining, or failing to advise, require, or obtain, any bond, suretyship or other form of insurance, other than title insurance;

18. Misappropriation

Based upon, arising out of, or in any way relating to, directly or indirectly,

- a. Any actual or alleged commingling, improper use, theft, stealing, conversion, embezzlement or misappropriation of funds, accounts, or negotiable instruments or monies, by anyone;
- b. Any of **Your** commingling, loss of, failure to safeguard, or failure or refusal to pay or return any client or customer funds, accounts or negotiable instruments;
- c. Any sums received by any of **You** or credited to any of **Your** accounts;
- d. Any fees, premium, taxes, claims, commissions or brokerage monies; or
- e. Any actual or alleged, willful or intentional failure to follow, or disregard of, any escrow or closing instructions.

However, this Exclusion 18.a. and 18.b. do not apply to coverage provided under Supplemental Coverage 3.d. Employee Dishonest Acts;

19. False Pretenses

Based upon, arising out of, or in any way relating to, directly or indirectly, any transfer, payment or delivery of funds, money or property, by anyone, which was caused or induced by trick, artifice, or the misrepresentation of a fact including, but not limited to, funds transfer fraud, social engineering, computer fraud, pretexting, phishing, spear phishing or any other confidence trick;

20. Cyber

Based upon, arising out of, or in any way relating to, directly or indirectly:

- a. **Electronic data processing services performed by You, or data processing equipment used on behalf of Your client, except when such services or equipment are an incidental part of Your Professional Services;**
- b. The mechanical or electrical failure, malfunction, or breakdown of computer hardware or non-customized commercially available computer software products; or
- c. Any **Privacy Breach** or **Security Breach**;

21. Delay

Based upon, arising out of or in any way relating to, directly or indirectly, any delay in delivery or performance, or failure to deliver or perform at or within an agreed upon period of time;

22. Warranty

Based upon, arising out of or in any way relating to, directly or indirectly, the failure of goods, products, or services to conform with any electronic, oral, written, or other representation or warranty with respect to durability, fitness, performance, quality or use; or breach of any other contractual obligation that goes beyond an express or implied duty based upon applicable industry standards to exercise a degree of care or skill;

23. Unwitnessed Notarization

Based upon, arising out of or in any way relating to, directly or indirectly, the actual or alleged notarization, certification, acknowledgment or acceptance by an **Insured** of a signature, including an electronic signature, on a document when the **Insured** did not witness the signature being placed on the document; or by a notary public other than an **Insured**, who did not witness the signature being placed on the document. Compliance with all state requirements of the **Insured's** applicable state for notarial acts using communication technology will be deemed to be witnessing the signature being placed on the document;

24. Capacity

Based upon, arising out of or in any way relating to, directly or indirectly, the performance of **Professional Services** as an employee, owner, partner, stockholder, director or officer of any entity which is not the **Named Insured**, an **Affiliate** or a **Subsidiary**;

25. Guaranty of Funds

Based upon, arising out of or in any way relating to, directly or indirectly, any guarantee of the availability of funds, or any specified rate of return or interest;

26. Insolvency

Based upon, arising out of or in any way relating to, directly or indirectly, the insolvency or bankruptcy of any **Insured**, or of any other entity, including the failure, inability, or unwillingness to pay claims, losses, or benefits due to the insolvency, liquidation or bankruptcy of any such individual or entity;

27. Licensing

Based upon, arising out of or in any way relating to, directly or indirectly, any professional services performed by any **Insured** who is not licensed or certified to perform such professional services if such licensing or certification is required by law;

28. Inadequate Price Description

Based upon, arising out of or in any way relating to, directly or indirectly,

- a. Any inaccurate, inadequate, or incomplete description of the price of goods, products, or services;
- b. Any cost guarantee, cost representation, contract price, estimate of probable cost, or cost estimate, actually or allegedly exceeded;

- c. The failure of goods, products or services to conform with any representation contained in advertising; or
- d. Any actual or alleged gambling, contest, lottery, promotion, game, sweepstakes, contest or other game of chance;

29. Your Fees

Based upon, arising out of or in any way relating to, directly or indirectly, any disputes involving **Your** fees or charges, including over-charges;

30. Other Services

Based upon, arising out of or in any way relating to, directly or indirectly, any services as an attorney or any services that may only be performed by an attorney; or any services that are not **Professional Services**;

31. Reported Under A Prior Policy

Based upon, arising out of or in any way relating to, directly or indirectly, any **Claim** or **Potential Claim** reported under any policy whose term expired prior to the effective date of this **Policy**, including any common **Wrongful Act**, fact, circumstance, transaction, advice or decision involving **Professional Services**, to such **Claim** or **Potential Claim**;

32. Personal Property Liens

Based upon, arising out of or in any way relating to, directly or indirectly, any duty to record, file, preserve, or perfect any legal, equitable, beneficial or other interest in any personal property of any kind, except for mobile homes;

33. Loans Made By Insured

Based upon, arising out of or in any way relating to, directly or indirectly, any loan made by any person or entity insured under this **Policy**;

34. Title Defects Not In Public Records

Based upon, arising out of or in any way relating to, directly or indirectly, any defect in title not disclosed in the public records, or of which any **Insured** has actual or constructive knowledge at the date of issuance of any title insurance policy or other evidence of insurance for such title;

35. Disregard of Underwriting Authority

Any intentional or willful breach of, or disregard of, any oral or written underwriting or binding authority;

36. Civil Authority

Based upon, arising out of or in any way relating to, directly or indirectly, any loss resulting from any civil authority, including seizure, confiscation, destruction, or quarantine of property; or

37. System Errors

Based upon, arising out of or in any way relating to, directly or indirectly, any malfunction or defect of a **System**.

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**F. EXTENDED REPORTING PERIODS**

1. Automatic Extended Reporting Period

**You** will be entitled to an automatic **Extended Reporting Period** for no additional premium. This extension is applicable to any **Claim** made against **You** during the **Policy Period** and reported to **Us** in writing, during the sixty (60) days immediately following the **Policy Termination Date**.

2. Optional Extended Reporting Period

**We** will provide an optional **Extended Reporting Period** as described below:

If this **Policy** is cancelled, terminated or non-renewed, **You** shall have the right, upon payment of an additional premium, to an extension of the reporting period for any **Claim** against you first made and reported after the **Policy Termination Date**, but only with respect to **Wrongful Acts** committed wholly prior to the **Policy Termination Date** and otherwise covered by this **Policy**.

- a. The available optional **Extended Reporting Period** options and additional premium are determined in accordance with the rules, rates and rating plans **We** then have in effect in **Your** state.
- b. **You** must request the optional **Extended Reporting Period** in writing and must pay **Us** the additional premium within sixty (60) days following the date of such cancellation, termination or non-renewal. If **We** do not receive **Your** request and premium payment within sixty (60) days following the date of such cancellation, termination or non-renewal, **Your** right to purchase the optional **Extended Reporting Period** shall cease.
- c. If **We** cancel for non-payment of premium or deductible, the **Named Insured** may purchase an optional **Extended Reporting Period** only after any earned premium or deductible due **Us** is paid within ten (10) days after the date of cancellation or **Policy** expiration, whichever comes first.
- d. All premiums paid for an optional **Extended Reporting Period** shall be deemed fully earned as of the first day of the optional **Extended Reporting Period**. Once the premium for the optional **Extended Reporting Period** is paid, it may not be cancelled.
- e. An optional **Extended Reporting Period** is not available unless all premiums and deductibles due for this **Policy**, and all premiums and deductibles on any other policy issued by **Us**, or by any company of The Hanover Insurance Group, in any uninterrupted series of policies of which this **Policy** is a renewal or replacement, or which this **Policy** succeeds in time, have been paid.

The optional **Extended Reporting Period** does not extend the **Policy Period** or change the scope of coverage provided. There are no separate, additional or reinstated limits of liability for the **Extended Reporting Period**.

### G. DUTIES IN THE EVENT OF CLAIM(S), POTENTIAL CLAIM(S), OR SUPPLEMENTAL COVERAGE MATTER(S)

1. If **You** receive a **Claim** or **Disciplinary Proceeding**, **You** must provide **Us** written notice of the **Claim** or **Disciplinary Proceeding**, with full details including the date received, as soon as practicable, but in no event later than sixty (60) days after the **Policy Termination Date** or during any **Extended Reporting Period**, if purchased.
2. No **Insured** will, except at that **Insured's** own cost, voluntarily make a payment, assume any obligation, agree to a settlement or incur any expense related to a **Claim** without **Our** consent.
3. If **You** become aware of a **Potential Claim**, **You** must provide **Us** written notice as soon as practicable, but in no event later than the **Policy Termination Date**. As a condition precedent to the coverage, the notice must include:
  - a. The specific **Wrongful Act**;
  - b. The date the **Wrongful Act** took place;
  - c. The injury or damage resulting from, or which may result from, such **Wrongful Act**;
  - d. The names and addresses of any persons and entities involved;
  - e. Any facts or circumstance concerning the **Wrongful Act**; and
  - f. The circumstances by which the **Insured** first became aware of or suspected such **Wrongful Act**.
4. If **We** receive proper notice of the **Potential Claim** according to paragraph 3. above, any **Claim** arising out of that **Wrongful Act** which is subsequently made against **You** shall be deemed to have been first made at the time **We** received such written notice from **You**.
5. If **You** receive a **Supplemental Coverage Matter**, **You** must provide **Us** with written notice of the **Supplemental Coverage Matter**, with full details, including the date received, as soon as practicable, but in no event later than the **Policy Termination Date**. With respect to the Employee Dishonest Acts **Supplemental Coverage**, **You** must also provide **Us** proof of loss, duly sworn to, with full particulars, within sixty (60) days after such notice.
6. **You** and any other involved **Insured** must:
  - a. Immediately send **Us** copies of any demands, notices, summonses or legal papers received in connection with the **Claim**, **Potential Claim** or **Supplemental Coverage Matter**;
  - b. Authorize **Us** to obtain records and other information;

- c. Cooperate with **Us** in the investigation, defense or settlement of the **Claim, Potential Claim or Supplemental Coverage Matter**; and
- d. Assist **Us**, upon **Our** request, in the enforcement of any right against any person or entity which may be liable to **You** because of **Damages** to which this insurance may apply.

The date of mailing shall constitute the date that such notice was given, and proof of mailing shall be sufficient proof of notice.

## H. CONDITIONS

### 1. Cancellation and Non-Renewal

- a. **We** may cancel this **Policy** by written notice to the **Named Insured**. **We** will provide written notice at least sixty (60) days before cancellation is to be effective, however if **We** cancel for failure to pay premium or deductible when due, including premium or deductible(s) due on any other policies issued by **Us**, or by any company of The Hanover Insurance Group, in an uninterrupted series of policies of which this **Policy** is a renewal or replacement, **We** will give ten (10) days written notice to the **Named Insured** before such cancellation is effective. Regardless of the reason for cancellation, return of unearned premium shall be calculated on a prorata basis.
- b. The **Named Insured** may cancel this **Policy** by written notice to **Us** stating when thereafter the cancellation shall be effective. Return of unearned premium shall be calculated in accordance with customary short rates.
- c. **We** are not required to renew this **Policy**, however written notice of **Our** intent to non-renew this **Policy** shall be sent to the **Named Insured** at least sixty (60) days prior to expiration of the **Policy Period**. The offer of renewal policy terms, conditions, or premium amount different than those in effect prior to renewal does not constitute non-renewal.

### 2. Representations and Application

By accepting this **Policy**, all of **You** agree that:

- a. The statements in the Declarations are accurate and complete;
- b. Those statements are based on representations **You** made to **Us** in **Your** application for this insurance **Policy**, or to **Us** for a policy of which this **Policy** is a renewal or replacement;
- c. The representations made in **Your** application are the basis of this **Policy** are to be considered as incorporated into and constitute a part of this **Policy**;
- d. Those representations are material to the acceptance of the risk **We** assumed under this **Policy**; and
- e. **We** have issued this **Policy** in reliance upon the truth, accuracy and completeness of such representations.

### 3. Legal Action Against Us

No person or entity has a right under this **Policy** to:

- a. Join **Us** as a party or otherwise bring **Us** into a **Suit** asking for **Damages** from an **Insured**; or
- b. Sue **Us** on this **Policy** unless all of its terms have been fully complied with.

A person or entity may sue **Us** to recover on an agreed settlement or on a final judgment against an **Insured**; but **We** will not be liable for **Damages** that are not payable under the terms of this **Policy** or that are in excess of the applicable Limit of Liability. An agreed settlement means a settlement and release of liability signed by **Us**, the **Insured**, and the claimant or the claimant's legal representative.

### 4. Change in Ownership, Control or Exposure

If during the **Policy Period**:

- a. Another person, entity, or group of persons or entities acquires more than fifty (50) percent of the assets of the **Named Insured**; or

- b. Another person, entity, or group of persons or entities, acquires an amount of the outstanding securities representing more than fifty (50) percent of the voting power for the election of the **Named Insured's** directors or trustees; or
- c. The **Named Insured** consolidates with or merges with another entity;

**You** shall notify **Us** of the change described in a., b., or c. above ("transaction"), as soon as practicable, but not later than sixty (60) days after the effective date of such transaction. **You** shall provide such additional information, pay any additional premium and agree to any amendment of the provisions of this **Policy**, as **We** require.

If **you** fail to meet the conditions described above, coverage under this **Policy** shall continue until termination of the **Policy Period**, but only with respect to **Claims** made for **Wrongful Acts** which took place prior to the transaction.

#### 5. Transfer of Rights of Recovery Against Others to Us

If **You** have any rights to recover all or part of any payment **We** have made under this **Policy**, these rights are transferred to **Us**. **You** must do nothing after a **Loss** to impair **Our** rights to seek or obtain recovery from others. At **Our** request, **You** will sue those responsible or transfer those rights to **Us** and help **Us** enforce them. In the event of any payment under this **Policy**, **We** shall be subrogated to the extent of such payment to all of **Your** rights of recovery. **You** shall execute and deliver such instruments and papers and do whatever else is necessary to secure such rights and shall do nothing to prejudice or compromise such rights without **Our** express written consent.

**We** shall not exercise any such rights against **You** except **We** may exercise any rights of subrogation against any of **You** in connection with any **Claim** brought about or contributed to by an intentional, willful, dishonest, criminal, fraudulent act or omission of such **Insured**, or by an act or omission of such **Insured** that constitutes a willful violation of any statute or regulation.

#### 6. Assignment

No change in, modification of or assignment of interest in this **Policy** shall be effective except when made by a written endorsement to the **Policy**.

#### 7. Sole Agent for the Insured

By accepting this **Policy**, all of **You** agree that only the **Named Insured** is authorized to act as the sole agent on behalf of all of **You** with respect to the following: effecting or accepting notices under this **Policy**, amendments to or cancellations of this **Policy**, completing of any application, making of statements, representations and warranties, consenting to settlement or releasing rights under this **Policy**, payment of premiums, receiving return premiums, requesting any **Extended Reporting Period** and agreeing to any changes in this insurance **Policy**. Each of **You** agrees that the **Named Insured** will act on its or their behalf with respect to such matters.

#### 8. Coverage Territory and Valuation

- a. This **Policy** applies to a **Wrongful Act** committed anywhere in the world provided that the **Claim** or **Supplemental Coverage Matter** is made, and suit is brought against **You**, within the United States, its territories or possessions or Canada.
- b. All premiums, limits, deductibles, and other amounts are expressed and payable in the currency of the United States of America. If a judgment is rendered, a settlement is denominated or another element of **Loss** under this **Policy** is stated in a currency other than the United States of America dollars, payment under this **Policy** will be made in United States of America dollar equivalent determined by the rate of exchange published in the *Wall Street Journal* on the date the judgment becomes final, the amount of the settlement is agreed upon or any element of **Loss** is due, respectively.

#### 9. Other Insurance

- a. If other valid and collectible insurance is available to **You** for **Loss** covered under this **Policy**, the insurance provided by this **Policy** shall be excess over such other insurance, regardless of whether or not such insurance is primary, contributory, excess, contingent or otherwise. This condition will not apply to insurance specifically purchased as excess over this **Policy**.

- b. When this insurance is excess, **We** have no duty to defend **You** against any **Claim** if any other insurer has a duty to defend **You** against the **Claim**. If no other insurer defends **You**, **We** will undertake to do so but **We** will be entitled to **Your** rights against those other insurers.
- c. When this insurance is excess over other insurance, **We** will pay only **Our** share of the amount of **Loss**, if any, that exceeds the sum of:
  - 1) The total amount that all such other insurance would pay for the **Loss** in the absence of this insurance; and
  - 2) The total of all deductibles, self-insurance and retentions under all that other insurance.

**We** will share the remaining **Loss**, if any, with any other insurance that is not described in this provision and was not bought specifically to apply in excess of the Limit of Liability shown in the Declarations page of this **Policy**.

- d. When **We** share any **Loss** with any other insurance,

If all the other insurance permits contribution by equal shares, **We** will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable Limit of Liability or none of the **Loss** remains, whichever comes first.

If any other insurance does not permit contribution by equal shares, **We** will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable Limit of Liability to the total applicable limits of liability of all insurers.

#### 10. Two or More Policies, Coverage Parts, or Endorsements Issued by Us

It is **Our** stated intention that this **Policy** and any other policy, coverage part or endorsement issued by **Us**, or by any company of The Hanover Insurance Group, shall not provide duplicate or overlapping coverage for the same **Claim** or **Supplemental Coverage Matter**. If this **Policy** and any other policy issued by **Us**, or by any company of The Hanover Insurance Group, to **You**, apply to the same **Claim** or **Supplemental Coverage Matter** then, Condition 9. Other Insurance notwithstanding:

- a. **We** shall not be liable under this **Policy** for a greater proportion of the **Loss** than the applicable Limit of Liability of this **Policy** bears to the sum of the total limits of liability of all such policies; and
- b. The maximum amount payable under all such policies combined shall not exceed the highest applicable Limit of Liability under any one policy.

#### 11. Conformance to Law and Trade Sanctions

Coverage under this **Policy** does not apply to the extent trade, economic sanction, insurance or other laws or regulations prohibit **Us** from providing insurance.

#### 12. Section Titles

The titling of sections and paragraphs within this **Policy** is for convenience only and shall not be interpreted as a term or condition of this **Policy**.

#### 13. Bankruptcy

**You** or **Your** estate's bankruptcy or insolvency does not relieve **Us** of **Our** obligations under this **Policy**.

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Coverage: MPL

Endorsement Number: 1

Issued To: Market Title LLC

Policy Number: L3D-M019291-00

Issued By: The Hanover Atlantic Insurance Company, LTD

Effective Date: 05/15/2025

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## SCHEDULE OF FORMS

To be attached to and form part of the Policy Number listed above.

918-0002SL 07/21 Title Agents SL RPG Declarations  
918-0001SL 06/22 Title Agents Advantage Base Policy Form  
918-0003SL 07/21 Schedule of Forms  
918-1520SL 07/21 Service of Suit  
918-1614SL 07/21 FL State Amendatory Endorsement Surplus Adv  
918-1800SL PHN 07/21 OFAC Policyholder Notice  
918-1801SL PHN 07/21 Privacy Notice  
918-1805SL PHN 07/21 ERP Policyholder Notice  
918-1827SL PHN 08/24 HPP Risk Management Hotline (TA)  
918-1828SL PHN 08/24 Claim Reporting Guidelines  
918-1225SL 04/22 Escrow Funds Transfer (Call Back)  
918-1435SL 07/21 Specified Professional Services Exclusion

All other policy terms and conditions remain unchanged. The title and any headings in this endorsement are solely for convenience and form no part of the terms and conditions of coverage.

Coverage: MPL

Endorsement Number: 2

Issued To: Market Title LLC

Policy Number: L3D-M019291-00

Issued By: The Hanover Atlantic Insurance Company, LTD

Effective Date: 05/15/2025

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## SERVICE OF SUIT CLAUSE

In consideration of the premium charged it is agreed that:

Section H. Conditions is amended to include:

### Service of Suit

In the event of our failure to pay any amount claimed to be due by the terms of this policy, at your request, we will submit to the jurisdiction of a court of competent jurisdiction within the United States. Nothing in this endorsement constitutes or should be understood to constitute a waiver of our rights to commence an action in any court of competent jurisdiction in the United States, to remove an action to a United States District Court, or to seek a transfer of a case to another court as permitted by the laws of the United States, or of any state in the United States. It is further agreed that service of process in such suit may be made upon Counsel, Legal Department, The Hanover Insurance Company, 440 Lincoln Street, Worcester, Massachusetts, 01653 or his or her representative, and that in any suit instituted against us by the terms of this policy, we will abide by the final decision of such court or of any appellate court in the event of an appeal.

**If any statute of any state, territory, or district of the United States makes such provision, we hereby designate the Superintendent, Commissioner, or Director of Insurance, or other officer specified for that purpose in the statute, or his or her successors in office, as our true and lawful attorney upon whom may be served any lawful process in any action, suit, or proceeding instituted by you or on your behalf, or your beneficiary, arising out of this insurance policy. We designate the above Counsel as the person to whom said officer is authorized to mail such process or a true copy thereof.**

The paragraph above is amended to include the applicable state specific requirements and disclosures below:

### Arizona

By issuing or delivering a surplus lines policy through a surplus lines broker in Arizona, we are conclusively deemed to have irrevocably appointed the Arizona Director of Insurance as our agent for acceptance of service of all legal process issued in Arizona in any action or proceeding under or arising out of such policy, and service of the process on the director is lawful personal service on us.

### California

We may be sued upon any cause of action arising in California under any surplus line insurance contract made by us, or any evidence of such insurance issued or delivered by the surplus line broker, pursuant to the procedures set forth in Cal. Ins. Code §§ 1610 to 1620, inclusive. Further, by assuming surplus line insurance, we subject ourselves to Chapter 6 of the California Insurance Code.

### Idaho

We shall be sued upon any cause of action arising in Idaho under any contract issued by us as a surplus line contract pursuant to Idaho surplus lines law, in the district court of the county in which the cause of action arose.

Service of legal process against us may be made in any such action by service upon the Director of the Department of Insurance of Idaho as provided in Idaho Code Ann. § 41-334(1). The director shall forthwith mail a copy of the process served to the person designated in the first paragraph of this Endorsement, by prepaid registered mail with return receipt requested. We have thirty (30) days from the date of service upon the director

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within which to plead, answer, or otherwise defend the action. Upon service of process upon the director in accordance with Idaho Code Ann. § 41-1231 the court shall be deemed to have jurisdiction in personam over us.

Illinois

We hereby designate the Illinois Director of Insurance and his successors in office as our true and lawful attorney, upon whom may be served all lawful process in any action, suit or proceeding arising out of any insurance we write delivered pursuant to 215 Ill. Comp. Stat. § 5/445.

Iowa

We may be sued upon a cause of action arising in Iowa under a surplus lines insurance policy or contract placed by us or upon evidence of insurance placed by us and issued or delivered in Iowa by a surplus lines insurance producer.

Kentucky

We shall be sued upon any cause of action arising in Kentucky under any contract issued by us as a surplus lines contract pursuant to subtitle 10 of the Kentucky Insurance Code, in the Circuit Court of the county in which the cause of action arose. Any service of legal process against us may be made in any such action by service upon the Secretary of State of the State of Kentucky as provided in Ky. Rev. Stat. Ann. § 304.3-230(5).

Louisiana

We shall be sued upon any cause of action arising in Louisiana under any contract issued by us as a surplus lines contract pursuant to Chapter 2, Part 1, Subpart O of the Louisiana Insurance Code, in the district court of the parish in which the cause of action arose.

Service of legal process against us may be made in any such action by service upon the Secretary of State of the State of Louisiana or some other person in his office whom he may designate during his absence. The secretary of state shall forthwith mail the documents of process served, or a true copy thereof, to the person designated in the first paragraph of this Endorsement by registered or certified mail or by commercial courier as defined in La. Rev. Stat. Ann. tit. § 13:3204(D). We have forty (40) days from the date of service upon the secretary of state within which to plead, answer, or otherwise defend the action. Upon service of process upon the secretary of state in accordance with this provision, the court shall be deemed to have jurisdiction in personam over us.

Maryland

We hereby appoint the Maryland Insurance Commissioner as agent for the acceptance of service of process in Maryland.

Michigan

We hereby appoint the Michigan Insurance Commissioner as our resident agent for the purposes of service of process in Michigan.

Pennsylvania

We may be sued upon any cause of action arising in the Commonwealth of Pennsylvania under any surplus lines insurance contract made by us or evidence of such insurance issued or delivered by a surplus lines licensee. Any service of process on us shall be made pursuant to the procedures provided by 42 Pa.C.S. Ch. 53 Subch. B (relating to interstate and international procedure). By accepting surplus lines insurance we are deemed thereby to have subjected ourselves to accepting service of process under 42 Pa.C.S. Ch. 53 Subch. B.

Puerto Rico

In any action brought in Puerto Rico under an insurance contract issued as a surplus line pursuant to Title 26, Subtitle 1, Chapter 10, by us, duplicate copies of legal process shall be served upon the Commissioner of

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Insurance of the Commonwealth of Puerto Rico. The Commissioner shall forthwith mail one copy of the process so served to the person designated in the first paragraph of this Endorsement, by registered mail with return receipt requested. Upon service of process upon the Commissioner and such mailing of process, the court shall be deemed to have jurisdiction in personam over us. We shall have forty-five days after such date of mailing within which to plead, answer, or otherwise defend the action. At time of such service of process the plaintiff shall pay to the Commissioner three dollars, taxable as costs in the action.

South Dakota

Any cause of action against us arising in South Dakota on a surplus line contract shall be brought in the circuit court for the county in which the cause of action arose. Service of legal process against us may be made in any such action by service upon the South Dakota director of the Division of Insurance as provided in S.D. Codified Laws § 58-6-39. The director shall forthwith mail a copy of the process served, to the person designated in the first paragraph of this Endorsement, by prepaid registered or certified mail with return receipt requested. We shall have thirty days from the date of service upon the director within which to plead, answer, or otherwise defend the action. Upon service of process upon the director in accordance with S.D. Codified Laws § 58-6-38, the court shall be deemed to have jurisdiction in personam over us. By issuing a surplus lines policy, we are deemed thereby to have authorized service of process against us in the manner and to the effect as provided in S.D. Codified Laws § 58-6-37.

Tennessee

We may be sued upon any cause of action arising in Tennessee under any surplus lines insurance contract issued by us or certificate, cover note or other confirmation of the insurance issued by the surplus lines agent, pursuant to the same procedure as is provided for unauthorized insurers in Title 56, Chapter 2, Part 6 and Tenn. Code Ann. § 56-7-105(b) of the of Tennessee Insurance Law. By assuming a surplus lines insurance risk pursuant to Title 56, Chapter 14, Part 1, we are deemed to have subjected ourselves to the requirements of Tenn. Code Ann. § 56-14-112.

Texas

We may be sued on any cause of action arising in Texas under any surplus lines insurance contract issued by us or under any certificate, cover note, or other confirmation of that insurance issued by the surplus lines agent, under the same procedure as is provided for unauthorized insurers in Sections 7.1404, 7.1410, and 7.1411 of Title 28 of the Texas Administrative Code (relating to Service of Process Procedure for Domestic Insurers Approved To Operate under the Insurance Code, Article 1.28, Foreign and Alien Insurance Companies, Risk Retention Groups, Purchasing Groups, Third Party Administrators, Unauthorized Persons or Insurers, Organizations Formed under the Insurance Code, Article 3.71, and Surplus Lines Insurers; Service of Process on Commissioner on Behalf of Unauthorized Persons or Insurers; and Service of Process, Notice, Order, or Pleading on Secretary of State on Behalf of Unauthorized Persons and Insurers).

By assuming a surplus lines risk under Chapter 981 of the Texas Insurance Code, we are subject to Tex. Ins. Code Ann. § 804.106. Any act of engaging in the business of insurance by us, an eligible surplus lines insurer, constitutes the irrevocable appointment by us of the Texas Secretary of State as agent for service of process arising from our engagement of the business of insurance in Texas, other than service of process for an action or proceeding by the department or state, and signifies our agreement that service under Tex. Ins. Code Ann. § 804.106 has the same effect as personal service on us or our successor in interest. The plaintiff shall supply the address provided in the first paragraph of this Endorsement in any citation served under Tex. Ins. Code Ann. § 804.106. Service of process as set forth in this Endorsement is in addition to any other method provided by law for service of process on a surplus lines insurer, including the method provided by Chapter 804, Subchapter C of the Texas Insurance Code.

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Washington

For any cause of action arising in Washington under any contract issued as a surplus line contract under Chapter 48.15, we must be sued in the superior court of the county in which the cause of action arose. By issuing a policy under Chapter 48.15, we have authorized service of process against us in the manner prescribed under Wash. Rev. Code § 48.02.200. We hereby designate the Washington Commissioner of Insurance as the person upon whom such service of process may be made.

All other policy terms and conditions remain unchanged. The title and any headings in this endorsement are solely for convenience and form no part of the terms and conditions of coverage.

Coverage: MPL

Endorsement Number: 3

Issued To: Market Title LLC

Policy Number: L3D-M019291-00

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## FLORIDA STATE AMENDATORY ENDORSEMENT

In consideration of the premium charged it is agreed that:

Section H.1. of Conditions is deleted and replaced by:

### 1. Cancellation and Non-Renewal

- a. **We** may cancel this **Policy** by mailing written notice of cancellation to the **Named Insured**:
- 1) Ten (10) days before such cancellation is effective for nonpayment of premium, unless such premium is paid within such ten (10) day period; or
  - 2) Twenty (20) days before such cancellation is effective during the first ninety (90) days of coverage, for any other reason;
  - 3) Forty-five (45) days before such cancellation is effective after coverage has been in effect for more than ninety (90) days, for only one or more of the following reasons:
    - a) Nonpayment of premium (with ten (10) days' notice);
    - b) Failure to comply with the underwriting requirements established by **Us** within ninety (90) days of the date of effectuation of coverage;
    - c) Acts or omissions by **You** or **Your** representative constituting fraud or material misrepresentation in obtaining the **Policy**, in continuing the **Policy** or in presenting a **Claim** under the **Policy**;
    - d) The risk originally accepted has measurably increased;
    - e) A substantial change in the risk covered by the **Policy**; or
    - f) When the cancellation is for all **Insureds** under such policies for a given class of **Insureds**.

Regardless of the reason for cancellation, return of unearned premium shall be calculated on a pro rata basis.

- b. The **Named Insured** may cancel this **Policy** by written notice to **Us** stating when thereafter the cancellation shall be effective. Return of unearned premium shall be calculated in accordance with customary short rates.
- c. **We** are not required to renew this **Policy**. However, written notice of **Our** intent to non-renew this **Policy** shall be sent to the **Named Insured** at least forty-five (45) days prior to expiration of the **Policy Period**. If **We** fail to provide at least forty-five (45) days notice of nonrenewal, coverage will remain in effect until forty-five (45) days after notice is given or until the effective date of replacement coverage **You** obtain, whichever comes first. Any earned premium for the extension of the terminated **Policy** will be calculated pro rata based on the expiring premium or the rate filing then in effect, whichever is lower. Changes in the terms available will not be considered a non-renewal of this **Policy**.
- d. Notices of cancellation or nonrenewal will be sent by first class mail to the **Named Insured** at the last address known to **Us** with a statement of the reasons for such cancellation or nonrenewal. If this **Policy** is cancelled, **We** will return the pro rata unearned premium within fifteen (15) working days of the effective date of cancellation. A US Postal Service certificate of mailing will be sufficient proof of receipt of notice.

All other policy terms and conditions remain unchanged. The title and any headings in this endorsement are solely for convenience and form no part of the terms and conditions of coverage.

**U.S. Treasury Department's  
Office of Foreign Assets Control ("OFAC")  
Advisory Notice To Policyholders**

No coverage is provided by this policyholder notice nor can it be construed to replace any provisions of your policy. You should read your policy and review your Declarations page for complete information on the coverages you are provided.

This notice provides information concerning possible impact on your insurance coverage due to directives issued by OFAC. **Please read this notice carefully.**

The Office of Foreign Assets Control ("OFAC") administers and enforces sanctions policy, based on Presidential Declarations of National Emergency.

OFAC has identified and listed numerous foreign agents, front organizations, terrorists, terrorist organizations, and narcotics traffickers as "Specially Designated Nationals and Blocked Persons". This list can be located on the United States Treasury's web site: <http://www.treas.gov/ofac>.

In accordance with OFAC regulations, if it is determined that you or any other insured, or any person or entity claiming the benefits of this insurance has violated United States sanctions law or is a Specially Designated National and Blocked Person, as identified by OFAC, this insurance will be considered a blocked or frozen contract and all provisions of this insurance are immediately subject to OFAC. When an insurance policy is considered to be such a blocked or frozen contract, no payments nor premium refunds may be made without authorization from OFAC.

Other limitations on the premiums and payments also apply.

## **CUSTOMER NOTICE OF PRIVACY POLICY AND PRODUCER COMPENSATION PRACTICES DISCLOSURES—PRIVACY POLICY DISCLOSURE**

### **Collection of Information**

We collect personal information so that we may offer quality products and services. This information may include, but is not limited to, name, address, Social Security number, and consumer reports from consumer reporting agencies in connection with your application for insurance or any renewal of insurance. For example, we may access driving records, insurance scores or health information. Our information sources will differ depending on your state and/or the product or service we are providing to you. This information may be collected directly from you and/or from affiliated companies, non-affiliated third parties, consumer reporting agencies, medical providers and third parties such as the Medical Information Bureau.

We, and the third parties we partner with, may track some of the web pages you visit through cookies, pixel tagging or other technologies. We currently do not process or comply with any web browser's "do not track" signals or similar mechanisms that request us to take steps to disable online tracking. For additional information regarding online privacy, please see our online privacy statement, located at [www.hanover.com](http://www.hanover.com).

### **Disclosure of Information**

We may disclose non-public, personal information you provide, as required to conduct our business and as permitted or required by law. We may share information with our insurance company affiliates or with third parties that assist us in processing and servicing your account. We also may share your information with regulatory or law enforcement agencies, reinsurers and others, as permitted or required by law.

Our insurance companies may share information with their affiliates, but will not share information with non-affiliated third parties who would use the information to market products or services to you.

Our standards for disclosure apply to all of our current and former customers.

### **Safeguards to Protect Your Personal Information**

We recognize the need to prevent unauthorized access to the information we collect, including information held in an electronic format on our computer systems. We maintain physical, electronic and procedural safeguards intended to protect the confidentiality and integrity of all non-public, personal information, including but not limited to social security numbers, driver's license numbers and other personally identifiable information.

### **Internal Access to Information**

Access to personal, non-public information is limited to those people who need the information to provide our customers with products or services. These people are expected to protect this information from inappropriate access, disclosure and modification.

### **Consumer Reports**

In some cases, we may obtain a consumer report in connection with an application for insurance. Depending on the type of policy, a consumer report may include information about you or your business, such as:

- character, general reputation, personal characteristics, mode of living;
  - credit history, driving record (including records of any operators who will be insured under the policy); and/or
  - an appraisal of your dwelling or place of business that may include photos and comments on its general condition.
-

**Access to Information**

Upon written request, we will inform you if we have ordered an investigative consumer report. You have the right to make a written request within a reasonable period for information concerning the nature and scope of the report and to be interviewed as part of its preparation. You may obtain a copy of the report from the reporting agency and, under certain circumstances, you may be entitled to a copy at no cost.

You also may review certain information we have about you or your business in our files. To review information we maintain in our files about you or your business, please write to us, providing your complete name, address and policy number(s), and indicating specifically what you would like to see. If you request actual copies of your file, there may be a nominal charge.

We will tell you to whom we have disclosed the information within the two years prior to your request. If there is not a record indicating that the information was provided to another party, we will tell you to whom such information is normally disclosed.

There is information that we cannot share with you. This may include information collected in order to evaluate a claim under an insurance policy, when the possibility of a lawsuit exists. It may also include medical information that we would have to forward to a licensed medical doctor of your choosing so that it may be properly explained.

**Correction of Information**

If after reviewing your file you believe information is incorrect, please write to the consumer reporting agency or to us, whichever is applicable, explaining your position. The information in question will be investigated. If appropriate, corrections will be made to your file and the parties to whom the incorrect information was disclosed, if any, will be notified. However, if the investigation substantiates the information in the file, you will be notified of the reasons why the file will not be changed. If you are not satisfied with the evaluation, you have the right to place a statement in the file explaining why you believe the information is incorrect. We also will send a copy of your statement to the parties, if any, to whom we previously disclosed the information and include it in any future disclosures.

**Our Commitment to Privacy**

In the insurance and financial services business, lasting relationships are built upon mutual respect and trust. With that in mind, we will periodically review and revise our privacy policy and procedures to ensure that we remain compliant with all state and federal requirements. If any provision of our privacy policy is found to be non-compliant, then that provision will be modified to reflect the appropriate state or federal requirement. If any modifications are made, all remaining provisions of this privacy policy will remain in effect. For more detailed information about our customer privacy policy (including any applicable state-specific policies) and our online privacy statement, visit our Web site, located at [www.hanover.com](http://www.hanover.com).

**Further Information**

If you have questions about our customer privacy policy (including any applicable state-specific policies) or our online privacy statement, or if you would like to request information we have on file, please write to us at our Privacy Office, N435, The Hanover Insurance Group, Inc., 440 Lincoln Street, Worcester, MA 01653. Please provide your complete name, address and policy number(s). A copy of our Producer Compensation Disclosure is also available upon written request addressed to the attention of the Corporate Secretary, N435, The Hanover Insurance Group, 440 Lincoln Street, Worcester, MA 01653.

**Producer Compensation Disclosure**

Our products are sold through independent agents and brokers, often referred to as "Producers." We may pay Producers a fixed commission for placing and renewing business with our company. We may also pay additional commission and other forms of compensation and incentives to Producers who place and maintain their business with us. Details of our Producer compensation practices may be found at [www.hanover.com](http://www.hanover.com).

This notice is being provided on behalf of the following Hanover Companies: The Hanover Insurance Group, Inc. - Allmerica Financial Alliance Insurance Company - Allmerica Financial Benefit Insurance Company - Allmerica Plus Insurance Agency, Inc. - Citizens Insurance Company of America - Citizens Insurance Company of Illinois - Citizens Insurance Company of the Midwest - Citizens Insurance Company of Ohio - Citizens Management, Inc. - AIX Ins. Services of California, Inc.- Campania Insurance Agency Co. Inc. - Campmed Casualty & Indemnity Co. Inc. - Chaucer Syndicates Limited- Educators Insurance Agency, Inc.- Hanover Specialty Insurance Brokers, Inc. - The Hanover American Insurance Company - The Hanover Insurance Company - The Hanover New Jersey Insurance Company - The Hanover National Insurance Company - Hanover Lloyd's Insurance Company - Massachusetts Bay Insurance Company - Opus Investment Management, Inc. - Professionals Direct Insurance Services, Inc. - Professional Underwriters Agency, Inc. - Verlan Fire Insurance Company - Nova Casualty Company - AIX Specialty Insurance Company - Hanover Atlantic Insurance Company, Ltd.

**INFORMATION REGARDING  
EXTENDED REPORTING PERIOD ENDORSEMENT  
("ERP COVERAGE")**

The enclosed policy provides coverage for claims reported during the policy period. Subject to the policy's terms and conditions, you may purchase an Extended Reporting Period Endorsement, also known as "ERP coverage", that will extend the time for reporting claims arising out of professional services rendered while the policy was still in effect although the policy may have been cancelled or non-renewed or terminated. Please refer to Section F. of your policy for the terms and conditions for eligibility, purchasing or obtaining an Extended Reporting Period endorsement. *There is a limited time for requesting such an endorsement.*

The premium charged for the endorsement is expressed as a percentage of your policy's annual premium.

<b><i>Length of "ERP Coverage" Offered</i></b>	<b><i>"ERP Coverage" Premium</i></b>
12 months	100 % of expiring annual premium
24 months	150 % of expiring annual premium
36 months	200 % of expiring annual premium
48 months	225 % of expiring annual premium
60 months	250 % of expiring annual premium
Unlimited	300% of expiring annual premium

*\*Extended Reporting Period Endorsements may be subject to state regulatory requirements.*

Please contact your agent or customer service representative for pricing specific to your situation and location.

## IMPORTANT POLICYHOLDER INFORMATION

### RISK MANAGEMENT RESOURCES

We are pleased to direct you to the following Risk Management Resources, which are available to you free of charge.

As a first line of defense in helping to manage your risk exposure, we recommend that you visit the Hanover Risk Management Portal. The Portal has an excellent compendium of materials designed to help you manage your practice, avoid risk and better understand professional liability insurance coverage. The Portal is updated regularly to ensure policyholders are receiving the most relevant articles and the appropriate tools needed to be prepared against risk in this ever-changing environment.

- Go to [www.HanoverProRisk.com](http://www.HanoverProRisk.com)
- Register as a Hanover Policyholder for access to all materials

You can also call our **Risk Management Hotline: 1-866-512-9953 Press #3 for Miscellaneous Professionals** (including Title Agents, Real Estate Agents/Brokers, Home Inspectors, Mortgage Field Services Vendors, Property Managers, etc.)

Our Professional Liability Risk Management Hotline is staffed by professionals with years of experience working with Real Estate Agents/Brokers, Home Inspectors, Mortgage Field Services Vendors and other Miscellaneous Professionals and are familiar with the day-to-day business and risk management issues for our policyholders. The Hotline is a resource for discussing problems and questions that can arise about best practices and potential claims.

Calls placed during business hours are returned within one business day.

As a reminder, whenever you become aware of a claim or suit, or circumstances that may result in a claim, you should **immediately** give notice to Hanover via one of the following options;

- Online claim reporting: <https://www.hanover.com/claims/claims-services/report-claim>
- Call **1-800-628-0250**
- Email us at [ProClaim@Hanover.com](mailto:ProClaim@Hanover.com)

## CLAIM REPORTING GUIDELINES

At Hanover Professionals, we are committed to providing timely and efficient claims assistance to our Insureds. Please follow these guidelines to help us help you.

### **Notice of a Claim**

Report a claim to Hanover Professionals online, by email, or facsimile as soon as possible to provide timely notice as required by your Hanover Policy.

Online claim reporting: [www.hanover.com/claims/claims-services/report-claim](http://www.hanover.com/claims/claims-services/report-claim)

You may also contact us directly by email at [proclaim@hanover.com](mailto:proclaim@hanover.com), phone 508-855-6281, or fax 508-635-1868

### **Claims Requiring Expedited Handling**

Some claims are time sensitive. Please report such claims as soon as you become aware of them, and while allowing sufficient time for the carrier to investigate and meaningfully respond. Do not wait until the eve of the response deadline as it threatens our ability to timely respond. Those items include, but are not limited to:

- ✓ You have been served with a summons and complaint
- ✓ You received a demand from a Claimant which expires on a date certain
- ✓ You received notice of a proceeding requiring an immediate answer or an answer within a limited timeframe

### **Correspondence We Need From You**

Please provide a written narrative of the circumstances surrounding the claim or potential claim. The narrative should include:

- ✓ The Named Insured
- ✓ The Insureds (i.e., the professionals involved in the professional services issue), your policy number, and effective date of coverage
- ✓ The client (Claimant's) name, address, and telephone number (also include the name, address, and telephone number of the Claimant's attorney)
- ✓ The timeframe in which you provided professional services to the Claimant
- ✓ Whether your relationship with the Claimant is ongoing or has been terminated
- ✓ A brief summary of the services rendered
- ✓ The date the error (alleged error) occurred
- ✓ A brief summary of the alleged (potential) error—please include the date you first became aware of the claim and the potential amount of damages that will be sought
- ✓ All pertinent letters or documents necessary for us to properly evaluate the claim (if there are numerous documents, please note this and provide those most pertinent)

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Effective Date: 05/15/2025

## ESCROW FUNDS TRANSFER (CALL BACK)

In consideration of the premium charged it is agreed that:

Section E.19.of Exclusions is deleted and replaced by:

### 19. False Pretenses

Based upon, arising out of, or in any way related to, directly or indirectly, any transfer, payment or delivery of funds, money or property, by anyone, which was caused or induced by trick, artifice, or the misrepresentation of a fact including, but not limited to, funds transfer fraud, social engineering, computer fraud, pretexting, phishing, spear phishing or any other confidence trick. However, subject to the annual aggregate limit stated below, this exclusion shall not apply to a transfer, payment or delivery of escrow funds or escrow money by an **Insured**, from an **Insured's** account or an account controlled by an **Insured**, which was caused or induced by trick, artifice, or the misrepresentation of a fact provided:

- a. The **Insured**, before any transfer, payment or delivery of escrow funds or escrow money, verifies the authenticity and accuracy of the instructions received from the purported client, including routing numbers and account numbers, by calling at a predetermined telephone number the client who purportedly transmitted the instruction to the **Insured**; and
- b. That the **Insured** has preserved a contemporaneous written record of this verification.

Such **Claims** shall be subject to an aggregate sublimit of \$150,000. This aggregate sublimit is included within and not in addition to the applicable Limits of Liability and is subject to a separate deductible of \$25,000. Deductible reductions do not apply to this deductible. The aggregate sublimit is the most **We** shall pay for all such **Loss** to which this insurance applies.

All other policy terms and conditions remain unchanged. The title and any headings in this endorsement are solely for convenience and form no part of the terms and conditions of coverage. © 2022 The Hanover Insurance Company. All Rights Reserved.

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Coverage: MPL

Endorsement Number: 5

Issued To: Market Title LLC

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## SPECIFIED PROFESSIONAL SERVICES EXCLUSION

In consideration of the premium charged it is agreed that:

Section E. Exclusions is amended to include:

This **Policy** does not apply to **Claim(s)** or **Supplemental Coverage Matter(s)**:

Based upon, arising out of, or in any way related to, directly or indirectly, the rendering of or failure to render, in whole or in part, any of the following professional services, advice or instruction by **You** or on **Your** behalf:

Legal Services  
Real Estate Agent/Broker Services

All other policy terms and conditions remain unchanged. The title and any headings in this endorsement are solely for convenience and form no part of the terms and conditions of coverage.