

# Title Agents, Abstractors and Escrow Agents Errors And Omissions Liability Insurance Policy



THIS IS A **CLAIMS MADE AND REPORTED** POLICY. **CLAIMS** MUST BE FIRST MADE AND REPORTED TO THE **COMPANY** DURING THE **POLICY PERIOD** SET FORTH IN THE DECLARATIONS OR ANY OPTIONAL EXTENDED REPORTING PERIOD. NO COVERAGE EXISTS FOR **CLAIMS** MADE OR REPORTED AFTER THE END OF THE **POLICY PERIOD** UNLESS AND TO THE EXTENT AN EXTENDED REPORTING PERIOD APPLIES. THE PAYMENT OF **CLAIM EXPENSES** REDUCES THE LIMIT OF LIABILITY. PLEASE READ THE POLICY CAREFULLY.

This policy provides insurance to the **Named Insured** identified in Item 2 of the Declarations. In consideration of the premium charged, the undertaking of the **Named Insured** to pay the Deductible, and in reliance upon the statements in the application submitted by the **Named Insured** and subject to the Limit of Liability shown in the Declarations as well as the Exclusions, Conditions and other terms of this policy, the **Company** agrees with the **Named Insured** as follows:

## I. INSURING AGREEMENT

### A. COVERAGE

The **Company** will pay on behalf of an **Insured**, subject to the Limit of Liability, all amounts in excess of the Deductible that an **Insured** becomes legally obligated to pay as **Damages and Claim Expenses** because of a **Claim** that is both made and reported to the **Company** during the **Policy Period** or any Optional Extended Reporting Period based on an act or omission in the **Insured's** rendering or failing to render **Professional Services** for others. It is a condition precedent to coverage under this policy that the act or omission occurred:

1. during the **Policy Period** specified in the Declarations; or
2. prior to the **Policy Period**, but on or after the **Retroactive Date**, if any, provided that all of the following four conditions are met:
  - a. the **Insured** did not notify any prior insurer of such act or omission or **Related Act or Omission**; and
  - b. prior to the effective date of the first policy issued by the **Company** to the **Named Insured** if continuously renewed, no **Insured** had any basis
    - (1) to believe that any **Insured** had breached a professional duty; or
    - (2) to foresee that any such act or omission or **Related Act or Omission** might reasonably be expected to be the basis of a **Claim** against any **Insured**; and
  - c. prior to the date any **Insured** first became a member or employee of the **Named Insured**, such **Insured** had no basis
    - (1) to believe that any **Insured** had breached a professional duty; or
    - (2) to foresee that any such act or omission or **Related Act or Omission** might reasonably be expected to be the basis of a **Claim** against any **Insured**; and
  - d. there is no policy that provides insurance to the **Insured** for such liability or **Claim**.

### B. DISCIPLINARY PROCEEDINGS

Coverage afforded by this policy will include **Disciplinary Proceedings** subject to the following provisions:

1. As a condition precedent to this coverage, the **Insured** shall immediately give notice to the **Company** of the initiation of a **Disciplinary Proceeding**.
2. Solely for the purpose of this section, the **Insured** will have the right and duty to defend the **Disciplinary Proceeding**; provided, however, that the **Company** will have the right to effectively associate in the defense and investigation of the **Disciplinary Proceeding** and be kept fully apprised as to the status of the **Disciplinary Proceeding**.

3. Solely for the purpose of this section, the **Insured** will have the right and duty to select counsel subject to the **Company's** prior written consent, which consent will not be unreasonably withheld.
4. Upon a final resolution of the **Disciplinary Proceeding**, subject to the paragraph below, the **Company** will indemnify an **Insured** for reasonable defense costs incurred to resolve the **Disciplinary Proceeding**. The **Company** will not indemnify an **Insured** for the liability for any **Damages** awarded or other relief, whether compensatory, equitable, or restitutionary in nature, ordered as a result of any **Disciplinary Proceeding**. The **Company** will not indemnify any **Insured** for defense costs in which the final resolution of the **Disciplinary Proceeding** results in the suspension or revocation of the **Insured's** license or right to engage in **Professional Services**. The **Company** will have no obligation to pay defense costs other than upon the final resolution of the **Disciplinary Proceeding** as described herein.

The maximum Limit of Liability of the **Company** for defense costs in connection with **Disciplinary Proceedings** will not exceed \$10,000 in the aggregate regardless of how many **Disciplinary Proceedings** occur during the **Policy Period** and regardless of any other fact, circumstance or situation. This Limit of Liability is part of, and not in addition to, the Limit of Liability shown in the Declarations. Thus, if the act or omission that gave rise to the **Disciplinary Proceeding** results in a **Claim**, the **Each Claim** Limit of Liability shown in the Declarations will be reduced by any payments made under this section. The Deductible does not apply.

#### C. SUPPLEMENTAL PAYMENTS

The **Company** will pay \$100 to any **Insured** for each day or part of a day that such **Insured** attends as a witness at any trial or deposition provided that the **Company** or a court of competent jurisdiction requires such attendance. This payment will only apply to appearances involving covered **Claims** against an **Insured**. The maximum amount available for any supplemental payments will not exceed \$3,000 in the aggregate regardless of how many trials or depositions an **Insured** must attend during the **Policy Period** and regardless of any other fact, circumstance or situation. This payment is in addition to the Limit of Liability.

#### D. DEFENSE AND INVESTIGATION

The **Company** shall have the right and duty to defend the **Insured** against any **Claim** based on an act or omission in the **Insured's** rendering or failing to render **Professional Services** for others, seeking **Damages** that are covered by this policy even if any of the allegations of the **Claim** are groundless, false or fraudulent. The **Company** shall have the right to select defense counsel for the investigation, defense or settlement of the **Claim** and the **Company** shall pay all reasonable **Claim Expenses** arising from the **Claim** subject to the Limits of Liability of this policy.

The **Company** shall have the right to conduct such investigation or negotiation of any **Claim** as it deems expedient. The **Company** shall not be obligated to pay any **Damages** or **Claim Expenses**, or to defend or continue to defend any **Claim** after the **Company's** Limit of Liability has been exhausted by payment or by deposit in a court having jurisdiction of sums reflecting the remaining applicable Limit of Liability of this policy.

#### E. CONSENT TO SETTLE

The **Company** shall not settle any **Claim** without the consent of the **Insured**, which consent shall not be unreasonably withheld. If, however, the **Insured** refuses to consent to any settlement recommended by the **Company** and acceptable to the claimant, then the **Company's** duty to defend such **Claims** shall cease and the **Insured** shall thereafter at the **Insured's** own expense negotiate or defend such **Claim** independently of the **Company**, and the **Company's** Limit of Liability shall be limited to the amount of **Damages** for which the **Claim** could have been settled, if such recommendation was consented to, and for all **Claim Expense** incurred up to the time of such refusal.

### II. LIMIT OF LIABILITY AND DEDUCTIBLE

#### A. LIMIT OF LIABILITY

1. **Each Claim:** **Claim Expenses** are included in the Limit of Liability; therefore, the liability of the **Company** for **Damages** and **Claim Expenses** for each **Claim** covered by this policy shall not exceed, subject to the Deductible, the amount shown in the Declaration for **Each Claim**.
2. **Aggregate:** The liability of the **Company** for the combined total of all **Damages** and **Claim Expenses** for all **Claims** covered by this policy shall not exceed, subject to the **Each Claim** paragraph above, the amount shown in the Declaration as **Aggregate**.

3. The Limit of Liability shall first be applied to **Claim Expenses** with the remainder, if any, being the amount available to pay as **Damages**. The determination by the **Company** as to the reasonableness of **Claim Expenses** shall be conclusive on all **Insureds**.

If the Limit of Liability is exhausted prior to settlement or judgment of any pending **Claim**, the **Company's** obligations under this policy shall be terminated and the **Company** shall have the right to withdraw from the further investigation or defense of any pending **Claim** by tendering control of such investigation or defense to the **Insured**, and the **Insured** agrees, as a condition to the issuance of this policy, to accept such tender.

#### **B. DEDUCTIBLE**

The Deductible amount shown in the Declaration shall apply to all **Damages** and **Claim Expenses** for each and every **Claim**. The Deductible is included within the Limit of Liability. The Deductible shall be applied first to **Claim Expenses** with any remainder applied to **Damages**. The **Company's** obligation to pay is in excess of the Deductible. The **Insured** shall pay the Deductible within 30 days of demand by the **Company**.

#### **C. MULTIPLE INSURED, CLAIMS AND CLAIMANTS**

The inclusion of more than one **Insured** in any **Claim**, or the making of **Claims** by more than one person or entity shall not increase the **Company's** Limit of Liability or the Deductible. Two or more **Claims** arising out of a single act or omission, or **Related Acts or Omissions** shall be treated as a single **Claim**. All such **Claims**, whenever made, shall be considered made when the earliest **Claim** was first made.

#### **D. MULTIPLE POLICIES**

If this policy and any other policy issued by a Zurich North America insurer including any optional extended reporting period coverage afforded by such policy or policies, provide coverage to the same **Claim** against the **Insured**, the maximum Limit of Liability under all the policies shall not exceed the highest remaining Each **Claim** Limit of Liability under any one policy.

If this policy and any other policy issued by any insurance company other than any present or future member companies of Zurich North America, cover a **Claim**, the maximum policy limit available to the **Insured** is limited to the greater of the available policies. In no event shall the limit of liability exceed the largest single each **Claim** limit of liability on any policy covering the **Claim**.

### **III. EXCLUSIONS**

This policy shall not apply to any **Claim** based upon or arising out of, in whole or in part:

- A. any actual or alleged intentional, criminal, fraudulent, malicious or dishonest act or omission by any **Insured** or any **Insured's** partners, officers, directors, stockholders, shareholders or employees;
- B. any act or omission by any **Insured** in an action brought by or on behalf of any other **Insured**;
- C. any act or omission by any **Insured** in a **Claim** made by any entity:
  1. in which the **Insured** has a controlling **Interest**; or
  2. which has a **Controlling Interest** in the **Insured**; or
  3. in which any **Insured** is a director, officer, partner, trustee, shareholder, member, manager or employee of a business enterprise, charitable organization or pension, welfare, profit sharing, mutual or investment fund or trust;
- D. any actual or alleged violations of the Employment Retirement Income Security Act of 1974, its amendments, or any regulations or orders promulgated pursuant thereto or any similar law;
- E. any liability assumed by an **Insured** under any oral or written contract or agreement, unless such liability would have attached to the **Insured** by law in the absence of such contract or agreement;
- F. the actual or alleged notarized certification or acknowledgment of signature without the physical appearance before such notary public of the person who is or claims to be the person signing said instrument;
- G. the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of **Pollutants** at any time;
- H. a request, demand, order or statutory or regulatory requirement that any **Insured** or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of

**Pollutants**, or a **Claim** brought by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of **Pollutants**;

- I. 1. the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of
  - a. any **Fungi** or bacteria; or
  - b. any substance, vapor or gas produced by or arising out of any **Fungi** or bacteria; or
2. loss, costs or expenses arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, **Fungi** or bacteria, by any insured or by any other person or entity.
- J. any actual or alleged violation of any laws, rules, or regulations concerning anti-trust, restraint of trade, price fixing, copyright, deceptive trade practices, racketeering-influenced corrupt organizations, and conspiracies regarding same;
- K. any actual or alleged violation of the Securities Act of 1933 as amended, the Securities Exchange Act of 1934 as amended, or any state Blue Sky or securities law or similar state or federal statute, including any regulation or order issued pursuant to any of the foregoing statutes;
- L. any actual or alleged sexual harassment or discrimination on any basis;
- M. any actual or alleged violations of the Real Estate Settlement Procedures Act (RESPA), its amendments, or any regulations or orders promulgated pursuant thereto;
- N. any rendering, by any **Insured**, of any service of a professional nature not specifically identified as a **Professional Service**, including but not limited to, an attorney, appraiser, real estate broker or agent, home inspector of any kind, lender or mortgage broker;
- O. any duty of any kind or nature to record, file, preserve or perfect any legal, equitable, beneficial or other interest in any personal property, of any kind, on behalf of any party;
- P. any actual or alleged, willful or intentional failure on the part of any **Insured** to comply with escrow instructions or underwriting or binding authority;
- Q. any performance of **Professional Services** by an **Insured** who is not properly licensed to perform such **Professional Services**;
- R. any actual or alleged mechanical or electronic malfunction of any business machine, communication device or computer system;
- S. any actual or alleged **Personal Injury**;
- T. any theft, stealing, conversion, commingling, embezzlement, or misappropriation of any kind of escrow, trust, mortgage or any other kind or type of money, funds, securities, property, assets, or any negotiable instruments or documents by any person, at any time, under any circumstances.

#### IV. EXTENDED REPORTING PERIOD OPTIONS

##### A. OPTIONAL EXTENDED REPORTING PERIOD

In the event of cancellation or non-renewal of this policy by either the **Named Insured** or the **Company**, the **Named Insured** has the right, upon payment to the **Company** or any of its authorized agents of an additional premium as set forth below within 30 days of the cancellation or non-renewal effective date, to extend the period after the termination of the **Policy Period**, during which a **Claim** is first made against an **Insured** and reported to the **Company** for any actual or alleged act or omission occurring prior to the termination of the **Policy Period** and otherwise covered by this policy.

Premium for the extended reporting period endorsement shall be computed according to the following percentages based on the annual premium amount shown in the Declaration of this policy:

- a one (1) year extended reporting period for 75% of the expiring premium;
- a two (2) year extended reporting period for 150% of the expiring premium;
- a three (3) year extended reporting period for 200% of the expiring premium.

## B. ALL OPTIONAL EXTENDED REPORTING PERIODS

1. The right to an optional extended reporting period is not available to any **Named Insured** where cancellation or nonrenewal by the **Company** is due to nonpayment of premium or other money due to the **Company** or if the **Named Insured** has had his or her license to practice, if applicable, suspended or revoked.
2. The optional extended reporting period does not extend the **Policy Period**, change the scope of coverage, nor reinstate or increase the Limit of Liability available under this policy. The Deductible as shown on the Declaration will apply separately to each and every **Claim** brought under any optional extended reporting period.
3. The optional extended reporting period cannot be cancelled. The optional extended reporting period cannot be renewed. The additional premium for the optional extended reporting period is fully earned at the inception of the optional extended reporting period.

## V. CONDITIONS

### A. POLICY TERRITORY

This policy applies to an act or omission in the rendering or failing to render **Professional Services** by the **Insured** anywhere in the world, provided that the **Claim** is made against the **Insured** in the United States of America, its territories and possessions.

### B. NOTICE TO THE COMPANY

1. **Notice** to the **Company** shall be made at such location as is indicated on the Declaration.

#### 2. NOTICE OF AN ACTUAL CLAIM

The **Insured**, as a condition precedent to this policy, shall immediately provide **Notice** to the **Company** during the **Policy Period** or any Optional Extended Reporting Period of any **Claim** made against an **Insured**. In the event suit is brought against the **Insured**, the **Insured** shall immediately forward to the **Company** every demand, notice, summons or other process received directly or by any **Insured's** representative.

#### 3. NOTICE OF A POTENTIAL CLAIM

The **Insured**, as a condition precedent to this policy, shall immediately provide **Notice** to the **Company** during the **Policy Period** if any **Insured** has any basis to believe that any **Insured** has breached a professional duty or to foresee that any such act or omission might reasonably be expected to be the basis of a **Claim**. If during the **Policy Period** the **Insured** shall become aware of any act or omission that may reasonably be expected to be the basis of a **Claim** against an **Insured** and gives **Notice** to the **Company** during the **Policy Period** of such act or omission and the reasons for anticipating a **Claim**, then any **Claim** that is subsequently made against the **Insured** and reported to the **Company** shall be deemed to have been made and reported at the time **Notice** was given.

#### 4. FRAUDULENT CLAIM

If any **Insured** shall commit fraud in proffering any **Claim** with regard to amount or otherwise, this policy shall become void from inception of this policy as to such **Insured**.

### C. ASSISTANCE AND COOPERATION OF THE INSURED

All **Insureds** shall cooperate with the **Company**, including providing all information requested by the **Company** regarding any **Claim**, and cooperating fully with the **Company** in the defense, investigation and settlement of any **Claim**. Upon the **Company's** request, all **Insureds** shall submit to examination by a representative of the **Company**, under oath if required. In addition, upon the **Company's** request, all **Insureds** shall attend hearings, depositions and trials, and shall assist in effecting settlements, securing and giving evidence, obtaining the attendance of witnesses, and in the conduct of suits, all without charge to the **Company**.

The **Insured** shall follow the **Company's** direction regarding whether to accept or reject a demand for arbitration of any **Claim**, and shall not voluntarily agree to arbitrate a **Claim** without the **Company's** written consent. No **Insured** shall, except at the **Insured's** own cost, make any payment, make any admission, admit

liability, waive any rights, settle any **Claim**, assume any obligation or incur any expense without the prior written consent of the **Company**.

#### D. AUDIT

The **Company** may examine and audit the books, records and operations of any **Insured** under this policy at any time during the **Policy Period** and extension thereof and within 3 years after the final termination of the policy or any Extended Reporting Period, as far as they relate to the subject matter of this insurance.

#### E. SUBROGATION

The **Company** shall be subrogated to all **Insureds'** rights of recovery against any person or organization. All **Insureds** shall assist the **Company** in effecting any rights of indemnity, contribution and apportionment available to any **Insured**, including the execution of such documents as are necessary to enable the **Company** to pursue claims in the **Insureds'** names, and shall provide all other assistance and cooperation which the **Company** may reasonably require. All **Insureds** shall cooperate with the **Company** and do nothing to jeopardize, prejudice or terminate in any way such rights.

The **Company** shall not exercise any such rights against any **Insured** except as provided herein. Notwithstanding the foregoing, however, the **Company** reserves the right to exercise any rights of subrogation against any **Insured** with respect to any **Claim** brought about or contributed to by the intentional, criminal, fraudulent, malicious or dishonest act or omission of such **Insured**.

#### F. CANCELLATION AND NON-RENEWAL

##### Cancellation or Non-Renewal

This Policy may be canceled or non-renewed by the **Named Insured** by surrender of the policy to the **Company** or by mailing written notice to the **Company** stating when such cancellation shall take effect. If canceled or non-renewed by the **Named Insured**, the **Company** shall retain the customary short-rate proportion of the premium. In no event may the requested date of cancellation be greater than 10 days prior to the date the request is received by the **Company**.

This Policy may be canceled or non-renewed by the **Company** by written notice mailed to the **Named Insured** at the last address known to the **Company**. Such cancellation shall be no fewer than 30 days from the date the notice is mailed. If this policy is canceled by the **Company**, the earned premium will be computed pro rata. Premium adjustment may be made at the time cancellation is effected or as soon as practicable thereafter. Failure to pay any premium adjustment at or around the time of the effective date of cancellation shall not alter the effectiveness of cancellation.

This Policy shall terminate upon expiration of the **Policy Period** shown in the Declarations.

#### G. OTHER INSURANCE

Subject to Sections I. INSURING AGREEMENT, A. COVERAGE; II. LIMIT OF LIABILITY AND DEDUCTIBLE, A. LIMIT OF LIABILITY and D. MULTIPLE POLICIES, this insurance will apply only as excess insurance over any other valid and collectible insurance. This policy is written as specific excess of coverage available under any extended reporting period or any kind of title insurance policy.

#### H. ASSIGNMENT

Neither this policy nor any **Insured's** interest under this policy may be assigned.

#### I. ACTION AGAINST THE COMPANY

No action shall lie against the **Company** unless, as a condition precedent thereto, all **Insureds** have fully complied with all the terms of this policy and not until the amount of all **Insured's** obligations to pay have been fully and finally determined either by judgment against all **Insureds** or by written agreement of the **Insured**, the claimant and the **Company**.

Nothing contained in this policy shall give any person or organization any right to join the **Company** as a co-defendant in any action against any **Insured**.

#### J. APPLICATION

By acceptance of this policy, the **Insured** reaffirms as of the effective date set forth in the Declarations that:

1. the statements in the application(s) and any attachment(s) attached hereto and made a part hereof, and all information communicated by the **Insureds** to the **Company**, either oral or written or electronically submitted, are true and accurate, are specifically incorporated herein, and are all **Insureds'** agreements, personal representations and warranties; and
2. all such communicated information shall be deemed material to the **Company's** issuance of this policy; and
3. this policy is issued in reliance upon the truth and accuracy of such representations; and
4. this policy embodies all agreements existing between the **Insureds** and the **Company**, or any of its agents, relating to this insurance; and
5. if any representation is false or misleading, this policy shall be void from inception of this policy.

#### K. MATERIAL CHANGE

Any **Material Change** during the **Policy Period** shall be reported within 30 days by the **Insured** to the **Company**.

#### L. ENTIRE AGREEMENT

No change or modification of this policy shall be effective except when made by a written endorsement to this policy and signed by an authorized representative of the **Company**. No representations by any person shall have any force or effect except as included within this written agreement.

#### M. WAIVER

The **Company's** failure to insist on strict compliance with any terms, provisions or conditions to coverage of this policy or the failure to exercise any right or privilege shall not operate or be construed as a waiver thereof or of any subsequent breach thereof or a waiver of any other terms, provisions, conditions, privileges or rights.

#### N. DEFINED TERMS

Terms used in this policy in bold faced type are defined herein.

### VI. DEFINITIONS

**B. Claim** means a demand for money or **Professional Services**. Two or more **Claims** arising out of a single act or omission, or **Related Acts or Omissions** shall be treated as a single **Claim**. All such **Claims**, whenever made, shall be considered made when the earliest **Claim** was first made.

**B. Claim Expenses** means:

1. fees, costs and expenses charged by attorneys retained or approved by the **Company**;
2. reasonable and necessary fees, costs and expenses resulting from the investigation, adjustment, defense and appeal of a **Claim** including, but not limited to, premiums for any appeal bond, attachment bond or similar bond but without any obligation of the **Company** to apply for or furnish such bond.

Other than provided in Section I. INSURING AGREEMENT, C. SUPPLEMENTAL PAYMENTS, **Claim Expenses** shall not include;

- a. salaries, loss of earnings, reimbursement for the **Insured's** time or attendance required in any investigation, defense or appearance; or
- b. other remuneration by or to any **Insured**.

**C. Company** means the entity listed in Item 1 of the Declarations.

**D. Controlling Interest** means the right of an **Insured** or a member of an **Insured's Immediate Family**, directly or indirectly, to:

1. own 10% or more of an interest in an entity; or
2. vote 10% or more of the issued and outstanding voting stock in an incorporated entity; or
3. elect 10% or more of the directors of an incorporated entity; or
4. receive 10% or more of the profits of an unincorporated entity; or

5. act as general partner of a limited partnership, managing general partner of a general partnership, or comparable position in any other business enterprise.
- E. Damages** means the monetary portion of any judgment, award or settlement, provided such settlement is negotiated with the assistance and approval of the **Company**. **Damages** do not include:
1. compensation for bodily injury to, sickness, disease, death of any person, emotional distress or other emotional judgments or awards;
  2. compensation for injury to or destruction of tangible property or loss of use or value thereof;
  3. personal profit or advantage to which the **Insured** was not legally entitled;
  4. criminal or civil fines, penalties (statutory or otherwise), fees or sanctions;
  5. punitive, exemplary or multiple damages;
  6. matters deemed uninsurable;
  7. fees, costs and expenses paid to or incurred or charged by the **Insured**, no matter whether claimed as restitution of specific funds, forfeiture, financial loss, setoff or otherwise, and injuries that are a consequence of any of the foregoing;
  8. any form of equitable or non-monetary relief;
  9. funds or monies that any **Insured** has access to, or is in their possession, but refuses to pay to any third party for any reason;
  10. amount or portion of any title insurance claim that any **Insured** has agreed to pay to or reimburse any title insurance carrier, including, but not limited to, any amount that any **Insured** has agreed to pay under the deductible form of a title agency contract;
  11. any deficiency or defects of title that are not recorded in public records; or
  12. any claim for money which is based upon, arises out of or is a consequence of any theft, conversion, commingling, embezzlement or misappropriation by any person, at any time, under any circumstances of escrow, trust, mortgage or any other kind or type of money, funds, securities, property, assets, or any negotiable instruments or documents.
- F. Disciplinary Proceeding** means any proceeding by a state licensing board, self-regulating body or governmental agency with authority to regulate the **Professional Services** performed by an **Insured** or to investigate charges made by a client or former client for alleged misconduct in rendering or failure to render **Professional Services**.
- G. Fungi** means any type or form of fungus, including mold or mildew and any mycotoxins, **Spores**, scents or by-products produced or released by fungi.
- H. Immediate Family** means:
1. the **Insured**;
  2. the **Insured's** spouse;
  3. the **Insured's** parent(s), adoptive parent(s) or step-parent(s);
  4. the **Insured's** sibling(s) or step-sibling(s);
  5. the **Insured's** child(ren), adoptive child(ren) or step-child(ren).
- I. Insured** means:
1. the **Named Insured**;
  2. any person or professional corporation listed in the application on the day the **Policy Period** incepts until such time as the person or professional corporation ceases to be a member of the **Named Insured** subject to subsection 4 below;
  3. any person or professional corporation who becomes a partner, officer, director, stockholder or shareholder or employee of the **Named Insured** during the **Policy Period** until such time as the person or professional corporation ceases to be a member of the **Named Insured** subject to subsection 4 below;

4. any person or professional corporation who is a former partner, officer, director, stockholder or shareholder or employee of the **Named Insured**, but only in rendering or failing to render **Professional Services** on behalf of the **Named Insured**;
5. any other person who is employed or retained by the **Named Insured** as a secretary, leased worker, independent contractor or other office staff member, but only in rendering or failing to render **Professional Services** on behalf of the **Named Insured**; and
6. the estate, heirs, executors, administrators, assigns and legal representatives of any **Insured** in the event of such **Insured's** death, incapacity, insolvency or bankruptcy, but only to the extent that such **Insured** would otherwise be provided coverage under this policy.

**J. Material Change** means:

1. an increase or decrease of employees or professional corporations resulting in a change to the **Named Insured** of greater than 50% of the total of all individuals who are partners, officers, directors, stockholders or shareholders, or employees of the **Named Insured** who perform **Professional Services** on behalf of the **Named Insured**; or
2. the acquisition of the **Named Insured** by another entity, or the merger of the **Named Insured** into another entity such that the **Named Insured** is not the surviving entity or the acquisition of all or substantially all of the assets of the **Named Insured** by another entity.

**K. Named Insured** means the person or entity identified in Item 2 of the Declarations.

**L. Notice** means the **Insured's** providing the following information to the **Company**, either in writing or as otherwise authorized by the **Company**:

1. the description of the alleged act or omission; and
2. the identities of the claimants or potential claimants; and
3. the identities of the responsible **Insured(s)**; and
4. the date and circumstances by which the **Insured(s)** first became aware of the act or omission.

**M. Personal Injury** means one or more of the following offenses:

1. False arrest, detention or imprisonment;
2. Malicious prosecution;
3. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
4. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
5. Oral or written publication, in any manner, of material that violates a person's right of privacy;

**N. Policy Period** means the period of time between the effective date as shown on the Declarations and the date of expiration or cancellation of this policy.

**O. Pollutants** means any solid, liquid, gaseous or thermal irritant or contaminant including smoke, vapor, soot, fumes, acid, alkalis, chemicals and waste. Waste includes material to be recycled, reconditioned or reclaimed.

**P. Professional Services** means services performed (including title opinions or title certifications), by any **Insured**, on behalf of the **Named Insured**, for others for a fee in any of the following capacities or activities:

1. Title Insurance Agent;
2. Title Abstractor;
3. Title Searcher;
4. Escrow Agent;
5. Closing Agent;

6. Notary Public;
7. Public Records Searcher (including Uniform Commercial Code searches);
8. Corporate Documents Searcher;
9. Flood Zone Certifications; or
10. Witness Closer.

**Q. Related Act Or Omission** means an act or omission that is part of a series of continuous, repeated, related, interrelated, or causally or logically connected acts or omissions that give rise to one or more **Claims**, whether committed by one or more **Insured(s)**.

**R. Retroactive Date** means the date specified in the Declarations.

**S. Spores** means reproductive body produced by or arising out of any **Fungi**.

Specimen