

PROFESSIONAL SERVICES (ERRORS AND OMISSIONS) LIABILITY EXTENSION ENDORSEMENT

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

(This Form Provides Coverages on a Claims Made and Reported Basis)

Attached to and forming part of the Commercial General Liability

Except as otherwise provided in this Form, all limits, terms, conditions, provisions, definitions and exclusions of the Commercial General Liability - Form # CGL1109 shall have full force and effect.

In consideration of the premiums paid, and in reliance upon the Application and the Application information furnished to the Insurer, and subject to all the terms and conditions of this Endorsement, the Insurer and Insured agree as follows:

This endorsement modifies insurance provided as follows:

INSURING AGREEMENTS

SECTION I – COVERAGES

The Insurer will pay on behalf of the Insured all sums which the Insured shall become legally obligated to pay as “compensatory damages” resulting from “claims” first made and reported against the Insured during the policy period or no later than thirty (30) days after the end of the policy period for any negligent act, error or omission of the Insured in the rendering or failure to render “professional services” as defined herein provided that such negligent act, error or omission occurred on or after the retroactive date specified on the Coverage Summary Page(s).

SECTION II – LIMITS OF INSURANCE

The applicable Limits of Insurance specified on the Coverage Summary Page(s) shall apply for each, “claim” subject to a maximum aggregate limit for “professional services” coverage. The Limits of Insurance:

- a. are the most the Insurer will pay under the Insuring Agreement as damages for any “claim” for “professional services” made against the Insured during any one policy period regardless of the number of Insureds or the number of claimants;
- b. shall apply separately to each policy period; and
- c. shall not be reduced by payments of claim expenses.

All “claims” from the same negligent act, error or omission of the Insured or a series of identical or substantially similar negligent acts, errors or omissions of the Insured will be considered to be a single “claim” to have taken place on the date that the earliest “claim” was reported and subject to that single limit of insurance and deductible.

Furthermore, the limits of this Form are included in and not in addition to the Limits of Insurance applicable to the Comprehensive General Liability Form.

SECTION III – DEDUCTIBLE

In the event of a “claim”, the deductible amount specified on the Coverage Summary Page(s) in respect to this Form shall be deducted from the amount of each “claim” when determined, and the Insurer shall be liable for any loss only in excess of the amount deducted. The Insurer may pay part or all of the deductible to effect settlement of any “claim” and, upon being told of the action taken, the Insured shall promptly reimburse the Insurer for any such payment.

SECTION IV – ADDITIONAL EXCLUSIONS

This Form does not apply to:

- a. Any fact, circumstance or situation known to any Insured before the beginning of the policy period that they knew or ought reasonably to have known might lead to a “claim” against them, whether disclosed to the Insurer or not.
- b. The performance of services other than “professional services” as described on the Coverage Summary Page(s).
- c. The insolvency, bankruptcy, receivership or liquidation of the Insured.
- d. “Bodily injury” unless directly caused by a negligent act error or omission of the Insured in rendering or failing to render “professional services”.
- e. “Property damage” and “personal and advertising injury”.
- f. Fraudulent, dishonest or criminal acts.
- g. Any expressed or implied warranties or guarantees including without limitation cost guarantees or cost estimates provided by the Insured.
- h. Any estimates, forecasts or predictions of profit, return on capital, economic return, financial success or financial viability if provided, endorsed, published or disseminated in any way by the Insured.
- i. Expenses incurred by the Insured to re-do, review, modify and correct previous work for a client whether necessitated by a “claim” or not.
- j. Breach by the Insured of any fiduciary duty or responsibility or obligation towards or in connection with any employment benefit or pension plan.

SECTION V – ADDITIONAL CONDITIONS

Coverage for this Form is subject to the following additional conditions:

1. All Insureds must have proper educational accreditation if applicable.
2. All Insureds must be in good standing with any applicable professional association or regulatory body.

SECTION VI – ADDITIONAL DEFINITIONS

Whenever used in this Form:

1. **"Claim"** means a written demand received by the Insured from a specific third party claimant seeking compensation for an alleged negligent act error or omission by the Insured in rendering or failing to render "professional services" to the claimant, including without limitation the service or receipt of any civil or arbitration proceeding. A "claim" shall not include any disciplinary proceeding action taken by any professional association or regulatory body.
2. **"Professional Services"** means where the Insured is a member of a profession or occupation regulated by law as stated in the Coverage Summary Page(s), any services lawfully rendered by the Insured to a client in the practice of that profession. Where the Insured is not a member of a profession or occupation regulated by law, any services rendered by the Insured to a client in pursuit of the business or calling as stated in the Coverage Summary Page(s).

Except as otherwise provided in this endorsement all limits, terms, conditions, provisions, definitions and exclusions of the policy shall have full force and effect.