



**MISCELLANEOUS
ERRORS AND OMISSIONS
LIABILITY INSURANCE POLICY**

YOUR POLICY INCLUDES THIS FRONT PAGE AND THE FOLLOWING PARTS:

- PART 1. Declarations Page
- PART 2. Notices
- PART 3. Quick Reference to Policy Provisions
- PART 4. Introduction
- PART 5. Insuring Agreements and Exclusions
- PART 6. Definitions Used in This Policy
- PART 7. General Conditions
- PART 8. Endorsements
- PART 9. A Copy of **Your Signed Application or Renewal Application**

ALL OF THESE PARTS MUST BE INCLUDED TO MAKE A COMPLETE POLICY.



State Farm Fire and Casualty Company
A Stock Company with Home Offices in Bloomington, Illinois
Herein called the Insurer

MISCELLANEOUS ERRORS AND OMISSIONS LIABILITY INSURANCE POLICY

Policy No: PS0000003152300
Renewal of Policy No:

PART 1. DECLARATIONS PAGE

THIS IS A CLAIMS MADE POLICY. **DEFENSE COSTS** ARE INCLUDED IN THE LIMIT OF LIABILITY. PLEASE READ THE ENTIRE POLICY CAREFULLY.

THIS DECLARATIONS PAGE, ALONG WITH **YOUR SIGNED APPLICATION OR RENEWAL APPLICATION** AND ALL FORMS AND ENDORSEMENTS LISTED IN ITEM 8. BELOW COMPLETE THE POLICY.

IN RETURN FOR THE PAYMENT OF THE PREMIUM, **WE AGREE WITH YOU** TO PROVIDE INSURANCE UNDER THE PROVISIONS OF THIS POLICY.

Item 1. **Named Insured:** Kinsly A. Mooberry
Address: 888 Woodway Lane
Rock Hill, SC 29732

Item 2. **Policy Period:**
Effective Date: April 3, 2008 Expiration Date: April 3, 2009
(12:01 A.M. Standard Time at the Address stated in Item 1.)

Item 3. **Retroactive Date:** April 03, 2008 IF NO DATE IS STATED HERE, COVERAGE DOES NOT APPLY TO **WRONGFUL ACTS** COMMITTED PRIOR TO THE EFFECTIVE DATE STATED IN ITEM 2. ABOVE.

Item 4. **Schedule of Insured Services:**
Title search / title abstractor services

PART 1. DECLARATIONS PAGE (Continued)

Named Insured: Kinsly A. Mooberry
Policy No: PS0000003152300

Item 5. Limit of Liability: a. \$500,000 Each **Wrongful Act**
b. \$500,000 Total Limit of Liability

Item 6. Retention: \$5,000 Each **Wrongful Act**

Item 7. Premium: \$1,368.00

Item 8. Form(s) and Endorsement(s) made part of this Policy at the time of issuance:

PSMS4000(01/01)	Miscellaneous Errors and Omissions Liability Insurance Policy
PS1030(01/01)	Changes Endorsement
PSMS4049SC(06/02)	South Carolina Amendatory Endorsement

Item 9. Notices to the Insurer - All notices to the Insurer pertaining to this Policy must be sent to:

State Farm Specialty Products
111 North Canal Street, Suite 940
Chicago, IL 60606-7201

Date of Issue: April 10, 2008

By: 
Authorized Representative

PART 2. NOTICES

A. Claims Made Policy:

This insurance coverage is on a claims made basis. Coverage applies only to those **Claims** that are first made during the **Policy Period** and any Extended Reporting Period as those terms are described in the Policy. Coverage does not apply to any **Wrongful Acts** committed before the **Retroactive Date** stated on the Declarations Page.

B. Defense Costs Within the Limit:

This insurance coverage contains a provision that reduces the Limit of Liability stated in the Policy by the amount of **Defense Costs**.

C. Awareness:

Various provisions in this Policy restrict coverage. Read the entire Policy carefully to determine **Your** rights and duties, and what is and is not covered. **We** will not pay sums or perform acts or services unless explicitly provided for in this Policy.

PART 3. QUICK REFERENCE TO POLICY PROVISIONS

The following is a quick reference indexing of **Your** Policy's provisions, listed in sequential order. The descriptions in the quick reference are not binding. The quick reference should only be used to help **You** locate the actual Policy provisions.

	Page
PART 1. DECLARATIONS PAGE	2-3
PART 2. NOTICES	
A. Claims Made Policy	4
B. Defense Costs Within the Limit.....	4
C. Awareness.....	4
PART 3. THIS SECTION -- QUICK REFERENCE TO POLICY PROVISIONS	5-6
PART 4. INTRODUCTION.....	7
PART 5. INSURING AGREEMENTS AND EXCLUSIONS	
A. What We Insure	8
B. What We Do Not Insure -- Exclusions.....	8-10
C. Where and When We Insure.....	10-13
1. Where We Insure	10
2. When We Insure	10-13
a. Claims First Made	10
b. Prior Wrongful Acts	10-11
c. Reported Wrongful Acts	11
d. Extended Reporting Period.....	11-13
e. Multiple Claims	13
D. Limit of Liability, Retention and Reimbursement.....	13-14
1. Limit of Liability.....	13
a. Each Wrongful Act	13
b. Total Limit of Liability.....	13
2. Retention.....	14
3. Reimbursement.....	14
PART 6. DEFINITIONS USED IN THIS POLICY	
A. Application or Renewal Application	14
B. Bodily Injury	14
C. Claim	14
D. Damages	14
E. Defense Costs	14-15
F. Insured Services	15
G. Named Insured	15
H. Policy Period	15
I. Property Damage	15
J. Retroactive Date	15
K. Wrongful Act	15-16

PART 7.	GENERAL CONDITIONS	
	A. Special Rights and Duties of the First Named Insured	16
	B. What to Do if You have a Claim or Suit	16-17
	C. Legal Action Against Us	17
	D. Bankruptcy.....	17
	E. Other Insurance	17
	F. Transfer of Rights of Recovery Against Others to Us	17
	G. Changes in Policy Provisions; Changes in Your Operations	18
	H. Transfer of Your Rights and Duties Under the Policy	18
	I. Cancellation.....	18
	J. Nonrenewal	18
	K. Representations.....	18-19
PART 8.	ENDORSEMENTS	20
PART 9.	A COPY OF YOUR SIGNED APPLICATION OR RENEWAL APPLICATION	21

PART 4. INTRODUCTION

The words **We**, **Us** and **Our** refer to the Insurer named on the Declarations Page.

The words **You** and **Your** refer individually and collectively to:

1. The **Named Insured** as defined in Part 6.G.;
2. The **Named Insured's** stockholders for their liability as stockholders;
3. The **Named Insured's** partners, officers, directors and employees, but only for **Wrongful Acts** within the scope of their duties in such capacity for the **Named Insured**;
4. Former partners, officers, directors and employees of the **Named Insured**, but only for **Wrongful Acts** both:
 - a. Within the scope of their duties in such capacity for the **Named Insured**; and
 - b. Made while they were the **Named Insured's** partner, officer, director or employee; and
5. In the event of death, incompetency, insolvency or bankruptcy of any of **You**, **Your** legal representative but only for **Wrongful Acts** within the scope of their duties for the **Named Insured**.

Other words or phrases that are **bold-faced** have special meaning. Refer to Part 6.

PART 5. INSURING AGREEMENTS AND EXCLUSIONS

A. What We Insure

We will pay on **Your** behalf those sums in excess of the Retention and up to the applicable Limit of Liability stated in Item 5. of the Declarations Page that **You** become legally obligated to pay as **Damages** or **Defense Costs** because of **Claims** as a result of a **Wrongful Act** in performing **Insured Services** for others. **We** will have the right and duty to appoint an attorney and defend any **Claim** to which this insurance applies, even if the allegations are groundless, false or fraudulent. But:

1. **We** may, at **Our** discretion, investigate and settle any **Claim**, and
2. **Our** right and duty to defend and pay on **Your** behalf ends when **We** have used up the applicable Limit of Liability in payment of **Damages** or **Defense Costs**.

B. What We Do Not Insure – Exclusions

1. **We** are not obligated to pay **Damages** or **Defense Costs** or defend **Claims** for, arising directly or indirectly out of, or alleging:
 - a. **Bodily Injury** or **Property Damage**;
 - b. Infringement of:
 - (1) Copyright;
 - (2) Trademark, trade dress, trade name, service mark, service name, title or slogan; or
 - (3) Patent;
 - c. Unfair competition, restraint of trade or any other violation of antitrust laws;
 - d. Harassment, misconduct or discrimination because of or relating to:
 - (1) Race, creed, color or age;
 - (2) Sex, gender, sexual preference, marital status, military service, national origin or religion;
 - (3) Handicap, disability or health condition;Or any other similar conduct prohibited by federal, state or local laws;
 - e. Gain, profit or advantage to which any of **You** are not legally entitled;
 - f. Assumption of liability by any of **You** under any contract or agreement. This exclusion does not apply to liability **You** would have incurred in the absence of such contract or agreement;
 - g. Acts by any of **You** related to any pension, healthcare, welfare, profit sharing, mutual or investment plans, funds or trusts; or any violation of any provisions of the Employee Retirement Income Security Act of 1974, or any amendment, regulation, ruling or order issued pursuant to the Act or any similar provisions of any federal, state or local law;

- h. Violation of:
 - (1) The Security Act of 1933 as amended;
 - (2) The Securities Exchange Act of 1934 as amended;
 - (3) Any state blue sky or securities law;
 - (4) Any similar state or federal law; or
 - (5) Any order, ruling or regulation issued pursuant to the above laws;
- i. Insolvency or bankruptcy of:
 - (1) Any of **You**; or
 - (2) Any enterprise in which any of **You** own an interest;
- j. The actual or threatened discharge, dispersal or release of any **Pollutant**; or the creation of an injurious condition involving any **Pollutant**; or the existence of any **Pollutant** on any property; or the cleanup, removal, testing, monitoring, containment, treatment, detoxification or neutralization of any **Pollutant**. This exclusion is effective whether or not the pollution was sudden, accidental, gradual, intended, expected or preventable or whether or not any of **You** caused or contributed to the pollution;

"Pollutant" means any solid, liquid, gaseous or thermal irritant or contaminant, including, but not limited to:
 - (1) Smoke, vapor, soot, fumes, acids, alkalis, chemicals, lead, mold or asbestos;
 - (2) Hazardous, toxic or radioactive matter or nuclear radiation;
 - (3) Waste, which includes material to be recycled, reconditioned or reclaimed; or
 - (4) Any other pollutant as defined by applicable federal, state or local statutes, regulations, rulings or ordinances.

- 2. **We** are not obligated to pay **Damages** or **Defense Costs** or defend **Claims** made by:
 - a. Any enterprise:
 - (1) In which any of **You**, individually or collectively, own an interest greater than 10% of the total ownership;
 - (2) In which any of **You** is a partner; or
 - (3) Which is a parent, affiliate or subsidiary company of any of **You**;
 - b. Any enterprise directly or indirectly controlled, operated or managed by an enterprise described in Part 5.B.2.a. above;
 - c. Any of **You**; or

- d. Any present, former or prospective employees, officers or directors of any of **You** when the **Claim** is in any way related to the present, former or prospective employment relations between the claimant and any of **You**.
3. **We** are not obligated to pay **Damages** or **Defense Costs** or defend **Claims** for:
 - a. The breach of express warranties, guarantees or contracts; or
 - b. An act or omission that a jury, court or arbitrator finds dishonest, fraudulent, criminal, malicious or was intentionally committed while knowing it was wrongful.

This Exclusion 3.b. does not apply to **Defense Costs** **We** incur prior to the final adjudication by the jury, court or arbitrator. However, upon that adjudication **We** will have the right to seek recovery of the **Defense Costs** incurred from the party(ies) found to have committed the acts or omissions described above.

C. **Where and When We Insure**

1. **Where We Insure**

The territory of this insurance is universal. If **Damages** or **Defense Costs** are paid in a currency other than United States of America dollars, then the payment under this Policy will be considered to have been made in United States of America dollars at the conversion rate which was used for the payment.

2. **When We Insure**

a. **Claims First Made**

This insurance applies when a written **Claim** is first made against any of **You** during the **Policy Period**. To be covered, the **Claim** must also arise from a **Wrongful Act** committed during the **Policy Period**.

We will consider a **Claim** to be first made against **You** when a written **Claim** is first received by any of **You**.

This insurance also applies to **Claims** under the following conditions:

b. **Prior Wrongful Acts**

We will cover a written **Claim** first made against any of **You** arising from a **Wrongful Act** committed between the **Retroactive Date** and the Effective Date of this Policy, but only if all of the following conditions are met:

- (1) The written **Claim** is first made against any of **You** during the **Policy Period**. **We** will consider a **Claim** to be first made against **You** when a written **Claim** is received by any of **You**;
- (2) None of **You** knew, prior to the Effective Date of the first of one or more miscellaneous errors and omissions policies issued to **You** by State Farm Mutual Automobile Insurance Company or its affiliates which together provided continuous coverage until the Effective Date of this Policy, of a circumstance that could reasonably be expected to lead to the **Claim**; and

- (3) There is no other valid and collectible errors and omissions insurance for the **Claim**.

c. **Reported Wrongful Acts**

We will cover a written **Claim** first made against any of **You** after the end of the **Policy Period**, but only if all of the following conditions are met:

- (1) The **Wrongful Act** is committed between the **Retroactive Date** and the end of the **Policy Period**;
- (2) **We** receive written notice from **You** during the **Policy Period** of the **Wrongful Act**. The notice must include all of the following information:
 - (a) The names of those persons or organizations involved in the **Wrongful Act**;
 - (b) The specific person or organization likely to make the **Claim**;
 - (c) A description of the time, place and nature of the **Wrongful Act**; and
 - (d) A description of the potential **Damages**;
- (3) None of **You** knew, prior to the Effective Date of the first of one or more miscellaneous errors and omissions policies issued to **You** by State Farm Mutual Automobile Insurance Company or its affiliates which together provided continuous coverage until the Effective Date of this Policy, of a circumstance that could reasonably be expected to lead to the **Claim**; and
- (4) There is no other valid and collectible errors and omissions insurance for the **Claim**.

A **Claim** first made after the end of the **Policy Period** and arising from a reported **Wrongful Act** will be covered under the provisions of the Policy in effect on the date **We** receive the notice of the **Wrongful Act**.

d. **Extended Reporting Period**

This section describes the provisions and conditions that apply to **Claims** first made after the end of the **Policy Period** when **You** have not reported a **Wrongful Act** during the **Policy Period** in accordance with Part 5.C.2.c. above. Such **Claims** are not automatically covered. To cover them, the First **Named Insured** must purchase an Extended Reporting Period from **Us**.

If the First **Named Insured** purchases an Extended Reporting Period, **We** will cover a **Claim** first made against any of **You** during the Extended Reporting Period, but only if all of the following conditions are met:

- (1) The **Wrongful Act** is committed between the **Retroactive Date** and the end of the **Policy Period**;

- (2) None of **You** knew, prior to the Effective Date of the first of one or more miscellaneous errors and omissions policies issued to **You** by State Farm Mutual Automobile Insurance Company or its affiliates which together provided continuous coverage until the Effective Date of this Policy, of a circumstance that could reasonably be expected to lead to the **Claim**; and
- (3) There is no other valid and collectible errors and omissions insurance for the **Claim**.

We will consider a **Claim** to be made during the Extended Reporting Period only if a written **Claim** is first received by any of **You** after the Expiration Date of the **Policy Period** and prior to the Expiration Date stated in the Extended Reporting Period Endorsement.

The following provisions and conditions also apply to the Extended Reporting Period:

- (4) If **You** or **We** cancel or nonrenew the Policy, and upon request by the First **Named Insured**, **We** will sell one of the Extended Reporting Period options listed below, unless **We** cancel or nonrenew the Policy because:
 - (a) Any of **You** failed to pay the premium or Retention; or
 - (b) Any of **You** failed to comply with the Policy provisions.

Extended Reporting Period options and the respective percentage of the Premium, as stated in Item 7. of the Declarations Page, **You** must pay to purchase the Extended Reporting Period are:

One Year	=	50%
Two Years	=	90%
Three Years	=	125%

Changes or proposed changes in premium or policy provisions shall not be construed as cancellation or nonrenewal of the Policy by **Us**.

- (5) **We** must receive the First **Named Insured's** request for the Extended Reporting Period in writing within 30 days after the end of the **Policy Period**. On receipt and acceptance of the request, **We** will issue an endorsement showing the Extended Reporting Period in accordance with the option requested by the First **Named Insured**. At the same time, **We** will bill the additional premium, and **We** must receive payment within 30 days after the billing date for the endorsement to be effective.
- (6) The endorsement shall also include the provisions and conditions applicable to the Extended Reporting Period. Once in effect, the Extended Reporting Period may not be cancelled.
- (7) A **Claim** that is first made during the Extended Reporting Period will be deemed to have been made on the last day of the **Policy Period**. The provisions of the Policy in effect on the last day of the **Policy Period** will apply.

- (8) The Extended Reporting Period does not reinstate or increase the Limit of Liability.
- (9) The Extended Reporting Period does not extend the **Policy Period** or change the scope of coverage provided.

e. **Multiple Claims**

All **Claims** arising from the same **Wrongful Act** will be deemed to have been made on the earlier of the following times:

- (1) The date the first of those **Claims** is made against any of **You**; or
- (2) The first date **We** receive **Your** written notice of the **Wrongful Act**.

The provisions of the Policy in effect on that date will apply.

D. Limit of Liability, Retention and Reimbursement

1. **Limit of Liability**

a. **Each Wrongful Act**

The Each **Wrongful Act** Limit of Liability stated in Item 5.a. of the Declarations Page is the most **We** will pay for **Damages** and **Defense Costs** combined for the total of all **Claims** made during the **Policy Period** and any Extended Reporting Period arising from one **Wrongful Act**, no matter how many:

- (1) Of **You** this Policy covers;
- (2) **Claims** are made; or
- (3) Persons or organizations make **Claims**.

b. **Total Limit of Liability**

The Total Limit of Liability stated in Item 5.b. of the Declarations Page is the most **We** will pay for **Damages** and **Defense Costs** combined for the total of all **Claims** made during the **Policy Period** and any Extended Reporting Period, no matter how many:

- (1) Of **You** this Policy covers;
- (2) **Claims** are made;
- (3) Persons or organizations make **Claims**; or
- (4) **Wrongful Acts** are committed.

2. Retention

A separate Retention applies to each **Wrongful Act**. The Retention applies to **Damages** and **Defense Costs** combined, and **Our** obligation to pay **Damages** and **Defense Costs** applies only to the amount of **Damages** and **Defense Costs** in excess of the Retention. The Limit of Liability will not be reduced by the application of the Retention. The amount of **Your** Retention is stated in Item 6. of the Declarations Page.

3. Reimbursement

If, at **Our** option, **We** have paid any amounts for **Damages** or **Defense Costs** in excess of the applicable Limit of Liability or if **We** have paid part or all of any Retention, the **Named Insured** shall be liable to reimburse such amounts to **Us** upon demand.

PART 6. DEFINITIONS USED IN THIS POLICY

A. "Application or Renewal Application" means all the following:

1. The **Named Insured's** signed Miscellaneous Errors and Omissions Liability Insurance Policy Application;
2. The **Named Insured's** signed Miscellaneous Errors and Omissions Liability Insurance Renewal Application, if this is a renewal of a policy issued by **Us**; and
3. All attachments to the **Application or Renewal Application** and any other information furnished to **Us** for the purpose of applying for the insurance. All such attachments and information will be kept on file by **Us** and deemed attached to and a part of the Policy as if physically attached to it.

B. "Bodily Injury" means physical injury, sickness or disease sustained by a person, including death resulting from any of these at any time. **Bodily Injury** also means disability, emotional distress, mental anguish, mental injury, shock or fright resulting in or from **Bodily Injury**.

C. "Claim" means a demand or assertion of a legal right seeking **Damages** made against any of **You**.

D. "Damages" means money judgment, award or settlement, except those for which insurance is prohibited by law. **Damages** does not include fines or penalties; or fees, deposits, commissions or charges for goods or services.

E. "Defense Costs" means expenses incurred by **Us** or by **You** with **Our** consent in the investigation, adjustment, negotiation, arbitration, mediation and defense of covered **Claims**, whether paid by **Us** or **You** with **Our** consent. **Defense Costs** include:

1. Expenses **We** incur, other than salary or adjustment expenses of **Our** regular employees or officials or fees and expenses of independent adjusters;
2. Reasonable and necessary attorneys fees;
3. Costs taxed against **You** in any suit defended by **Us** and to which this insurance applies;

4. Pre-judgment interest and the interest on the full amount of any judgment that accrues after entry of the judgment and before **We** have paid, offered to pay or deposited in court the part of the judgment that is within the applicable Limit of Liability;
5. The cost of appeal bonds or bonds to release attachments, but only for bond amounts within the applicable Limit of Liability. **We** do not have to furnish these bonds; and
6. Reasonable expenses incurred by **You** at **Our** request other than:
 - a. Loss of earnings; and
 - b. Salaries or other compensation paid to any of **You**.

F. **"Insured Services"** means those services stated in Item 4. of the Declarations Page.

G. **"Named Insured"** means:

1. The person or entity listed in Item 1. of the Declarations Page; and
2. Any entity which is created or acquired during the **Policy Period** and which is wholly-owned by another **Named Insured**. This provision applies only:
 - a. To **Insured Services** performed on or after the date of creation or acquisition of the new **Named Insured**;
 - b. If **You** advise **Us** within 60 days of the creation or acquisition and provide reasonable information for **Us** to evaluate for material changes in conditions which may affect insurance afforded by the Policy; and
 - c. If **You** agree to pay any additional premium **We** believe is reasonable and necessary as a result of the material changes.

The First **Named Insured** is the **Named Insured** first listed on the Declarations Page.

H. **"Policy Period"** means the period of time stated in Item 2. of the Declarations Page, or any shorter period resulting from Policy cancellation.

I. **"Property Damage"** means:

1. Physical injury to tangible property, including all resulting loss of use of that property; or
2. Loss of use of tangible property that is not physically injured.

J. **"Retroactive Date"** means the date, if any, stated in Item 3. of the Declarations Page.

K. **"Wrongful Act"** means the following conduct or alleged conduct by **You** or any person or organization for whom **You** are legally liable:

1. A negligent act, error or omission;
2. Oral or written publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
3. Oral or written publication of material that violates a person's right to privacy;

4. False arrest, detention or imprisonment;
5. Wrongful entry into or eviction of a person from a room, dwelling or premises that the person occupies; or
6. Malicious prosecution.

All **Wrongful Acts** that:

1. Take place between the **Retroactive Date** and the end of the **Policy Period** of the last policy **We** issue to **You**, and
2. Are logically or causally connected by common facts, circumstances, situations, transactions, events and/or decisions

will be treated under this Policy as one **Wrongful Act**.

PART 7. GENERAL CONDITIONS – These conditions apply to the entire Policy.

A. Special Rights and Duties of the First Named Insured

The First **Named Insured** is responsible for the payment of all premiums and Retentions. The First **Named Insured** has exclusive authority to act on behalf of all of **You** with respect to matters relating to this Policy, including:

1. Giving and receiving notice of cancellation and nonrenewal;
2. Receiving refunds;
3. Agreeing to any changes to this Policy; and
4. Purchasing an Extended Reporting Period.

B. What to Do if You Have a Claim or Suit

1. If there is a **Claim** or a circumstance likely to result in a **Claim**, **You** must do the following:
 - a. Notify **Us** in writing as soon as practicable; this notice must:
 - (1) Be sent to **Us** at the address specified in Item 9. of the Declarations Page; and
 - (2) Contain details that identify **You**, the claimant and also reasonably obtainable information concerning the time, place and other details of the **Wrongful Act** and **Claim**;
 - b. Immediately send **Us**, at the address specified in Item 9. of the Declarations Page, copies of all demands, notices, summonses or legal papers received in connection with the **Claim**;
 - c. Authorize **Us** to obtain records and other information;
 - d. Cooperate with and assist **Us** in the investigation, settlement and defense of the **Claim**; and

- e. Assist **Us**, upon **Our** request, in enforcing any rights of contribution or indemnity against another who may be liable to any of **You**.
2. None of **You** will, except at **Your** own cost, voluntarily make a payment, admit liability, assume any obligation or incur any expense without **Our** prior written consent.

C. Legal Action Against Us

No person or organization has a right under this insurance:

1. To join **Us** as a party or otherwise bring **Us** into a suit asking for **Damages** from any of **You**; or
2. To sue **Us** on this insurance unless all of the Policy's provisions have been fully complied with.

A person or organization may sue **Us** to recover on "an agreed settlement" or on a final judgment against **You** obtained after an actual trial; but **We** will not be liable for **Damages** and **Defense Costs** that are not payable under the provisions of this insurance or that are in excess of the applicable Limit of Liability. "An agreed settlement" means a settlement and release of liability signed by **Us**, **You** and the claimant or the claimant's legal representative.

D. Bankruptcy

The bankruptcy or insolvency of **You** or **Your** estate will not relieve **Us** of **Our** obligation under this insurance. However, this insurance will not apply to liability directly or indirectly due to such bankruptcy, insolvency, receivership or subsequent liquidation.

E. Other Insurance

If other valid and collectible insurance is available to any of **You** for any **Claim We** cover, this insurance is excess over such other insurance, except when the other insurance is purchased by the **Named Insured** specifically to apply in excess of this insurance and no other insurance exists.

F. Transfer of Rights of Recovery Against Others to Us

You and **We** may have rights to recover all or part of any payment **You** or **We** make under this insurance. If so, those rights are transferred to **Us**.

You must do nothing to impair such rights. At **Our** request, **You** will bring suit or transfer those rights to **Us** and help **Us** enforce them. Any recoveries shall be applied as follows:

1. First, to **Us** up to the amount of **Our** payment for **Damages** and **Defense Costs**;
2. Then, to the First **Named Insured** as recovery of Retention amounts paid as **Damages** and **Defense Costs**.

G. Changes in Policy Provisions; Changes in Your Operations

1. This Policy contains all the agreements between the **Named Insured** and **Us** concerning the insurance afforded by this Policy. This Policy's provisions can be amended or waived only by written endorsement issued by **Us** and made a part of this Policy.
2. This Policy applies only to the **Insured Services** described on the Declarations Page and **Named Insured(s)** as defined in the Policy or by endorsement as of the Effective Date of the **Policy Period**. This Policy shall not apply to any other services or enterprises unless such services or enterprises are added by written endorsement issued by **Us** and made a part of this Policy. If an endorsement is added, **You** shall promptly pay any additional premium that may become due.

H. Transfer of Your Rights and Duties Under the Policy

Your rights and duties under this Policy may not be transferred without **Our** written consent.

I. Cancellation

1. The First **Named Insured** may cancel this Policy by mailing or delivering to **Us** or **Our** authorized representative advance written notice of cancellation.
2. **We** may cancel this Policy by mailing or delivering to the First **Named Insured** written notice of cancellation at least:
 - a. 10 days before the effective date of cancellation if **We** cancel for nonpayment of premium; or
 - b. 60 days before the effective date of cancellation if **We** cancel for any other reason.

We will mail or deliver **Our** notice to the address stated in Item 1. of the Declarations Page.

Notice of cancellation will state the effective date of cancellation. The **Policy Period** will end on that date.

If this Policy is canceled, **We** will send the First **Named Insured** any premium refund due and the refund will be pro rata. The cancellation will be effective even if **We** have not made or offered a refund.

If notice is mailed, proof of mailing will be sufficient proof of notice.

J. Nonrenewal

We may elect to nonrenew this Policy by mailing or delivering to the First **Named Insured** written notice of nonrenewal at least 60 days before the Expiration Date. **We** will mail or deliver **Our** notice to the address stated in Item 1. of the Declarations Page.

K. Representations

By accepting this Policy, **You** agree:

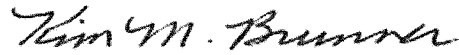
1. The statements in the **Application or Renewal Application** for this insurance furnished to **Us** are accurate and complete;

2. Those statements furnished to **Us** are representations the **Named Insured** made to **Us** on behalf of all of **You**;
3. Those representations are a material inducement to **Us** to issue this Policy;
4. **We** have issued this Policy in reliance upon those representations; and
5. If this Policy is a renewal of a policy issued by **Us**, **Your** representations include the representations made in **Your** original signed Miscellaneous Errors and Omissions Liability Insurance Policy Application, but only as of the Effective Date of the original policy issued by State Farm Mutual Automobile Insurance Company or its affiliates. The representations **You** make on **Your** Miscellaneous Errors and Omissions Liability Insurance Renewal Application(s) apply as of the Effective Date of **Your** renewal policy(ies).

IN WITNESS WHEREOF, the Insurer has caused this Policy to be executed and attested, but this Policy will not be valid unless countersigned by a duly authorized representative of the Insurer, to the extent required by applicable law.



Edward B. Rust, Jr., President



Kim M. Brunner, Secretary

PART 8. ENDORSEMENTS

Required endorsements are attached to the back of this Policy.

PART 9. A COPY OF YOUR SIGNED APPLICATION OR RENEWAL APPLICATION

A copy of **Your** signed **Application** or **Renewal Application** is attached to the back of this Policy.

ENDORSEMENT

Issued to: Kinsly A. Mooberry
Policy Number: PS0000003152300
Endorsement number:

(applicable when the endorsement is not issued with the Policy or takes effect after the effective date of the Policy)

CHANGES ENDORSEMENT

You and We agree Part 5.B.1. of the Policy is changed to add:

1. Exclusion k.:
 - k. Unauthorized access to, use of, tampering with or introduction of malicious code into data or systems by any person;
2. Exclusion l.:
 - l. The performance of services by any of **You** which can only be performed by a licensed attorney;

You and We also agree Part 5.B.2. of the Policy is changed to add:

- e. Any regulatory authority or any administrative action brought by a federal, state or local governmental entity.

You and We also agree Part 6.D. of the Policy is changed to read:

- D. "**Damages**" means money judgment, award or settlement, except those for which insurance is prohibited by law. **Damages** does not include fines or penalties; or fees, deposits, commissions or charges for goods or services, or costs of correcting, performing or reperforming **Insured Services** by **You** or another party when **You** had the capability to correct, perform or reperform the services that generated the cost.

All other terms and conditions of this Policy remain unchanged. This endorsement is a part of the Policy and takes effect on the effective date indicated below.

Effective date of this endorsement: April 3, 2008

If this endorsement is issued as part of the Policy on the Effective Date shown in the Declarations Page, then the countersignature on the Declarations Page also applies to this endorsement. If this endorsement is not issued with the Policy or takes effect after the Effective Date of the Policy, an Authorized Representative of the Insurer must countersign in the space below to validate the endorsement.

By: 
Authorized Representative

ENDORSEMENT

Issued to: Kinsly A. Mooberry
Policy Number: PS0000003152300

Endorsement number:

(applicable when the endorsement is not issued with the Policy or takes effect after the effective date of the Policy)

SOUTH CAROLINA AMENDATORY ENDORSEMENT

You and **We** agree:

1. **PART 7. GENERAL CONDITIONS, I. Cancellation** is deleted and replaced by the following:
 - I. **Cancellation**
 1. The First **Named Insured** may cancel this Policy by mailing to **Us** or **Our** authorized representative advance written notice of cancellation.
 2. If this Policy has been in effect for less than ninety (90) days and is not a renewal with **Us**, **We** may cancel this Policy by mailing or delivering to the First **Named Insured**, and to the agent, written notice of cancellation at least:
 - a. ten (10) days before the effective date of cancellation if **We** cancel for failure to pay the premium when due; or
 - b. thirty (30) days before the effective date of cancellation if **We** cancel for any other reason.
 3. If this Policy has been in effect for ninety (90) days or more, or if it is a renewal with **Us**:
 - a. **We** may cancel this Policy by mailing or delivering to the First **Named Insured** written notice of cancellation at least:
 - (1) ten (10) days before the effective date of cancellation if **We** cancel for failure to pay the premium when due; or
 - (2) sixty (60) days before the effective date of cancellation if **We** cancel for any other reason; and
 - b. **We** may cancel only for the following reasons:
 - (1) for the failure to pay premium when due;
 - (2) material misrepresentation of fact which, if known to **Us**, would have caused **Us** not to issue the Policy;

- (3) a substantial change in the risk assumed, except to the extent **We** should reasonably foreseen the change or contemplated the risk in writing the Policy;
- (4) a substantial breach of contractual duties, conditions, or warranties; or
- (5) loss of the **Our** reinsurance covering all or a significant portion of the Policy; or when continuation of the Policy would imperil **Our** solvency or place **Us** in violation of the South Carolina insurance laws.

We will mail or deliver **Our** notice to the last known address of the First **Named Insured** and the agent.

Notice of cancellation will state the effective date of cancellation and it will include the precise reason for cancellation. The **Policy Period** will end on that date.

If this Policy is canceled, **We** will send the First **Named Insured** any premium refund due and the refund will be pro rata. The cancellation will be effective even if **We** have not made or offered a refund.

Proof of mailing will be sufficient proof of notice.

2. **PART 7. GENERAL CONDITIONS, J. Nonrenewal** is deleted and replaced by the following:

J. Nonrenewal

We may elect to nonrenew this Policy by mailing or delivering to the First **Named Insured**, and to the agent, written notice of nonrenewal at least sixty (60) days before the Expiration Date. **We** will mail or deliver **Our** notice to the last known address of the First **Named Insured** and the agent.

Notice of nonrenewal will include the precise reason for nonrenewal. Proof of mailing will be sufficient proof of notice.

All other terms and conditions of this Policy remain unchanged. This endorsement is a part of the Policy and takes effect on the effective date indicated below.

Effective date of this endorsement: April 3, 2008

If this endorsement is issued as part of the Policy on the Effective Date shown in the Declarations Page, then the countersignature on the Declarations Page also applies to this endorsement. If this endorsement is not issued with the Policy or takes effect after the Effective Date of the Policy, an Authorized Representative of the Insurer must countersign in the space below to validate the endorsement.

By: 
Authorized Representative