



**REAL ESTATE INVESTMENT TRUSTS LIABILITY ENDORSEMENT
(FULL ENTITY COVERAGE)**

In consideration of the premium paid, it is agreed as follows:

1. Section **I. INSURING AGREEMENTS**, paragraphs 1 and 2, **Management Liability (Individual) and Management Liability (Reimbursement)** is amended to include the parenthetical phrase "(including any natural person **General Partner**)" after the words "**Insured Persons**" wherever they appear.
2. Section **I. INSURING AGREEMENTS**, paragraph 3, **Insured Entity Securities Liability**, is renamed **Insured Entity Liability** and is further amended to delete the words "**Securities Claim**" and replace it with the word "**Claim**".
3. Section **II. DEFINITIONS**, the definitions of **Claim, Executive, Insured Entity, Loss, Management Control, Subsidiary, Takeover** and **Wrongful Act** are amended as follows:

- A. The definition of **Claim** is amended to delete the final sentence in its entirety and replace it as follows:

A **Claim** also includes a regulatory proceeding (civil, criminal or administrative) against or **Formal Investigation** of a natural person **Insured Person**.

- B. The definition of **Executive** is amended to delete the lead in language and paragraph 1 in its entirety and replace it as follows:

Executive means any past, present or future natural person:

1. duly elected or appointed director, officer, trustee or governor of a corporation, management committee member of a joint venture or **Manager** of a limited liability company or any duly elected, appointed or designated **General Partner**;

- C. The definition of **Insured Entity** is amended to add the following new sentence:

Insured Entity also includes any entity listed in the Scheduled Entities Endorsement attached to the Policy.

- D. The definition of **Loss** is amended as follows:

1. The following new provision is added:

In addition, **Loss** does not include:

1. costs incurred by the **Insured Entity** to comply with any injunctive or other non-monetary relief or an agreement to provide such relief;
2. the return of any contribution of trust assets to any **Executive** or **Employee** of any **Insured Entity** that is a Real Estate Investment Trust.

2. The sentence beginning "Notwithstanding the foregoing" is deleted in its entirety and replaced with the following:

Notwithstanding the foregoing paragraph, and solely with respect to **Securities Claims, Loss** shall include (subject to this Policy's other terms, conditions and limitations, including but not limited to exclusions relating to profit or advantage, deliberate fraud or deliberate criminal acts), punitive, exemplary and multiplied damages. Enforceability of this paragraph shall be governed by such applicable law that most favors coverage for such punitive, exemplary and multiple damages.



E. The definition of **Management Control** is amended to add the following:

Solely with respect to a limited partnership or a trust, **Management Control** means:

1. having the right, pursuant to written contract or the by-laws, charter, operating agreement, Partnership Agreement or similar documents of such entity, to elect, appoint or designate one or more general partners of such limited partnership or the trustees or trust managers of a trust; or
2. the **Insured Entity** or any **Insured Person** is the sole general partner or the sole trustee of any such entity.

F. The definition of **Subsidiary** is amended to add the following new sentence:

Subsidiary does not include any partnership unless such partnership is a **Limited Partnership**.

G. The definition of **Takeover** is amended as follows:

1. the word "stock" is deleted and replaced by the word "securities", wherever it appears;
2. a new sentence is added as follows:

In addition, where the **Named Insured** is a limited partnership or a real estate investment trust, **Takeover** also means:

1. additional **General Partners** or trust managers are appointed or added after the effective date of the Policy; or
2. a **General Partner** or trust manager resigns or is terminated.

H. The definition of **Wrongful Act** is amended to delete the words "but solely in regard to a **Securities Claims**" in subparagraph 4.

4. Section II. **Definitions** is amended to add the following new definitions:

Formal Investigation means a civil, criminal, administrative or regulatory investigation of an **Insured Person** by a federal, state or foreign governmental authority commenced by the receipt by such **Insured Person** of a written notice from the investigating authority identifying such **Insured Person** as an individual against whom a formal proceeding may be commenced. **Formal Investigations** are subject to the sublimit of liability as set forth in paragraph 7. below.

General Partner means any **Insured Entity**, **Executive** or **Employee** who is acting in the capacity as the general partner of a **Limited Partnership**.

Limited Partnership means any **Insured Entity** formed as a limited partnership and listed in the Scheduled Entities Endorsement.

Fungi means any form of fungus, including but not limited to yeast, mold, mildew, rust, smut or mushroom, and any spores, mycotoxins, odors or any other substances, products, or by products produced by, released by, or arising out of the current or past presence of fungi.

Microbe means any non-fungal microorganism or non-fungal colony-form organism that causes infection or disease including but not limited to any spores, mycotoxins, odors or any other substances, products, or by products produced by, released by, or arising out of the current or past presence of microbes.



Property Management Services means services provided in the management or administration of any real property, including but not limited to:

1. development and implementation of management plans and budget;
2. oversight of physical maintenance of property;
3. solicitation, evaluation and securing of tenants and management of tenant relations, collection of rent and processing evictions;
4. development, implementation and management of loss control and risk management plans for real property;
5. development, implementation and management of contracts and subcontracts (excluding property and liability insurance contracts) necessary to the daily functioning of the property;
6. feasibility studies and recommendations regarding maintenance, repairs, renovations or alterations of managed premises, provided said maintenance, repairs, renovation or alterations do not involve the services of an architect; and
7. personnel administration and record keeping, including tax filings, in connection with a managed property.

5. Section **III. EXCLUSIONS** Exclusion 7, 9 and 10 are amended as follows:

A. Exclusion **7. Illegal Profits/Deliberate Acts**, subparagraph b., in the sentence beginning “For purposes of determining the applicability of Exclusion 7” is deleted in its entirety and replaced as follows:

b. only facts pertaining to and knowledge possessed by any past, present or future Chair of the Board, president, chief executive officer, chief financial officer, chief operating officer, natural person **General Partner**, general counsel, trust manager or risk manager (or equivalent position) of an **Insured Entity** shall be imputed to the **Insured Entities**;

B. Exclusion **9. Claims by Insureds**, is amended as follows:

i. subparagraph c. is deleted in its entirety and replaced as follows:

any security holder, member, entity **General Partner** or limited partner of an **Insured Entity**, whether directly or derivatively, unless such security holder's, member's, entity **General Partner's** or limited partner's **Claim** is brought and maintained solely by persons acting totally independent of and totally without the solicitation, assistance, participation or intervention of the **Insured**;

ii. subparagraph i. is deleted in its entirety and replaced as follows:

i. any **Employment Practices Claim** brought by an **Insured Person**, other than **Insured Person** who is a **General Partner, Manager** or a director on the Board of Directors (or its equivalent) of an **Insured Entity**; or

iii. subparagraph iv. is deleted in its entirety and replaced as follows:

iv. any **Claim** brought by any past **Executive** of an **Insured Entity** who has not served as a duly elected or appointed director, officer, trustee, governor, manager, general partner, trust manager (or equivalent position) of or consultant for an **Insured Entity** for at least four (4) years prior to such **Claim** being first made against any person;



C. Exclusion 10. **Outside Entity vs. Insured Persons** is deleted in its entirety and replaced as follows:

made against an **Outside Entity Executive** by or on behalf of the **Outside Entity** or one or more of the **Outside Entity's** directors, officers, trustees, governors, management committee members, members of the board of managers, general partners, partnership managers, trust managers or equivalent executives, or which is brought by any security holder of the **Outside Entity**, whether directly or derivatively, unless such security holder's **Claim** is brought and maintained solely by persons acting totally independent of and totally without the solicitation, assistance, participation or intervention of the **Outside Entity**, any directors, officers, trustees, governors, management committee members, members of the board of managers, general partners, partnership managers, trust managers or equivalent executives of the **Outside Entity** or an **Insured Entity** or any **Executive** of an **Insured Entity**;

6. Section III. **EXCLUSIONS** is amended to add the following new exclusions:

The Insurer shall not be liable to pay that part of **Loss** under this Policy in connection with any **Claim** made against the **Insured Persons** or the **Insured Entity**:

- **Commingling of Funds**

based on or arising out of the actual or alleged improper commingling of any funds;

- **Failure to Maintain Insurance**

based on or arising out of any failure by any **Insured** to effect or maintain adequate insurance;

- **Contractual Liability**

based on or arising out of an **Insured's** actual or alleged liability under any oral or written contract or agreement including but not limited to express warranties or guarantees; except that this exclusion does not apply to such **Insured's** liability that exists in the absence of such contract or agreement;

- **Proprietary Rights**

based on or arising out of:

- a. oral or written publication of material that violates a person's right of privacy.
- b. plagiarism, piracy, or breach of confidentiality;
- c. infringement or misappropriation of copyright, title, slogan, trademark, trade name, trade dress, logo, service mark or service name;
- d. unfair competition, dilution, deceptive trade practices, civil actions for consumer fraud, charges of price fixing, restraint of trade, false advertising or misrepresentation in advertising;

- **Anti-Trust Violation**

based on or arising out of any actual or alleged violation of:

- a. the Federal Trade Commission Act, the Sherman Act, the Clayton Act, or any federal statutory provision regarding anti-trust, monopoly, price fixing, price discrimination, predatory pricing or restraint of trade; or
- b. any rules or regulations promulgated under or in connection with the above statutes, or any similar provision of any state, federal or local statutory law or common law;



- **Property Management E&O**

based upon or arising out of **Property Management Services**;

- **Mold and Fungus**

based or arising out of the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, growth or presence of **Fungi or Microbes**; or the actual, alleged or threatened failure to detect, report, test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, remediate, dispose of or in any way respond to, assess the effects of or advise of the existence of any **Fungi or Microbes**. This exclusion applies regardless of any other cause or event that contributes concurrently or in any sequence to the **Loss** claimed;

- **Public Offering**

based upon, directly or indirectly arising out of, or in any way involving:

- a. any public offer, sale, offer to sell, solicitation or distribution of securities issued by an **Insured Entity**; or
- b. the actual or alleged violation of any federal, state, local or provincial statute relating to securities or any rules or regulations promulgated thereunder if such violation actually or allegedly occurred after a transaction described in a, above;

- **Non-Monetary Relief**

In addition, the Insurer shall not be liable to pay that portion of **Loss**, other than **Defense Costs**, which constitutes the return or reimbursement of a **General Partner's** or trust manager's fees for service, paid, directly or indirectly, by the **Limited Partnership**.

7. Section **IV. LIMIT OF LIABILITY/RETENTION/PRESUMPTIVE INDEMNIFICATION** is amended to add the following new paragraph:

3. **Formal Investigation Sublimit of Liability**

A **Formal Investigation** Sublimit of «EndField1» is the aggregate limit of the Insurer's liability for all **Loss** under this Policy arising out of all **Formal Investigations** first made against **Insured Persons** during the **Policy Period** and the Extended Reporting Period (if applicable). The **Formal Investigations** Sublimit shall be part of and not in addition to the aggregate limit of liability stated in Item 6. Further, a **Formal Investigation** which is made subsequent to both the **Policy Period** and the Extended Reporting Period (if applicable) and which pursuant to Section VI. is considered made during the Policy Period or Extended Reporting Period shall also be subject to the **Formal Investigation** Sublimit and further subject to the aggregate limit of liability stated in Item 6. of the Declarations.

8. Section **VI. REPORTING/DATE OF CLAIM/INTERRELATED CLAIM CLAUSE**, is amended as follows:

A. subparagraph 1. is deleted in its entirety and replaced with the following:

The **Insureds** shall, as a condition precedent to the obligations of the Insurer under this Policy, give written notice to the Insurer of a **Claim** as soon as practicable after the **Named Insured's** risk manager, general counsel (or equivalent position) or natural person **General Partner** or trust manager first become aware of such **Claim**, but in no event later than thirty (30) days after the end of the **Policy Period** or the Extended Reporting Period if applicable.

B. subparagraph 3, **When a Claim is Deemed Made**, is amended to delete the undefined words "formal investigation" and replace it with the defined term "**Formal Investigation**".



9. Section **X. APPLICATION**, is amended to delete paragraphs 1 and 2 in their entirety and replace them as follows:
1. with respect to Insuring Agreement 1, this Policy shall be void from inception as to the **Insured Person** (including any natural person **General Partner** or trust manager) who knew as of the effective date of this Policy the facts that were misrepresented or omitted, whether or not such person knew of such untruthful disclosure in the **Application**. For purposes of this paragraph, the knowledge of any **Insured** shall not be imputed to any **Insured Person**;
 2. with respect to Insuring Agreement 2 and Insuring Agreement 3, coverage under this Policy shall be void from inception as to the **Insured Entity** if any past, present or future chair of the Board, president, chief executive officer, chief financial officer, chief operating officer, natural person **General Partners**, trust managers or general counsel (or equivalent position) knew as of the effective date of the Policy the facts that were misrepresented or omitted, whether or not such person knew of such untruthful disclosure in the **Application**.
10. Section **XV. COVERAGE FOR NEW SUBSIDIARIES**, Subparagraph 1 is deleted in its entirety and replaced as follows:
1. If, after the effective date of this Policy the **Insured Entity** first has **Management Control** of any entity (other than a partnership whose interests have been sold at public offering), then such entity and any subsidiaries, directors, officers, trustees, management committee members, members of the board of managers, general partners, trust managers or employees of such entity who otherwise would thereby become an **Insured** shall be covered under this Policy, subject to its terms and conditions, provided that if the total assets (as reflected in the most recent audited consolidated financial statements of such entity and the **Insured Entity**) exceeds ten percent (10%) of the combined total assets of all **Insured Entities**, as of the inception date of this Policy, then the Insurer, at its sole option upon submission of such information as the Insurer may require, and payment of any additional premium or amendment of the provisions of the Policy, may agree to provide coverage for such subsidiaries, directors, officers, trustees, management committee members, members of the board of managers, general partners, trust managers or employees.

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy and expires concurrently with said Policy unless another effective date is shown below.

By Authorized Representative

(No signature is required if issued with the Policy or if it is effective on the Policy Effective Date)