

Nebraska Real Estate Licensees Errors and Omissions Program

OFFICIAL GROUP PROGRAM NOTICE

Underwritten by Continental Casualty Company
and Administered by Rice Insurance Services Company, LLC

ENROLLMENT FOR OPTIONAL REGISTERED FIRM COVERAGE

Rice Insurance Services Company, LLC (RISC) was selected to provide the Nebraska Real Estate Commission's (the "Commission") official group program for the 2012 policy period. RISC has an agreement with Continental Casualty Company, one of the CNA insurance companies, to offer Continental Casualty Company's policy to Nebraska Licensees and to Real Estate Firms registered with the Commission (Firms). If your Firm currently has coverage under the Commission's group policy, that coverage will expire on January 1, 2012.

Enrollment for E&O Insurance: RISC's experience and excellent claims service (specializing in real estate E&O) combined with CNA's strong financial performance and ratings (rated "A" by A.M. Best) will ensure a quality program for Nebraska Licensees and Firms. The premium for Firm coverage for the one-year policy period is **\$135 per Firm**. Firms joining the group program after January 1, 2012 may pay a prorated premium. However, please see the section entitled ALWAYS PURCHASE COVERAGE TIMELY below for important information regarding late payment. Please contact RISC for the proper premium amount. **All premium must be mailed and made payable to RISC, unless your Firm enrolls online. The premium is fully earned and the policy does not permit refunds after the inception date.**

The 2012 group program provides the Firm with limits of \$100,000 per claim/\$300,000 aggregate with a \$1,000 Deductible for Damages. The group program provides coverage for a Firm's Professional Services as a registered real estate Firm. The optional Firm coverage provides the Firm with additional limits of liability in the event a claim is made against the Firm. A sample policy and other information are available on our website at www.risceo.com. **Firms are not required to have E&O insurance.** However, Firms with expiring policies which choose not to renew their policy may want to purchase an Optional Extended Reporting Period Endorsement (see below).

Exclusions: All Firms are urged to read the entire policy and examine the portion of the policy entitled "Exclusions" for a listing of excluded claims. To obtain a copy of the policy, please visit our website www.risceo.com or call our administrative office.

Optional Extended Reporting Period (ERP): An endorsement is available for Firms who do not renew their coverage at the expiration of the 2012 group policy. In case of cancellation or non-renewal for any reason, the Insured has the option of purchasing an ERP endorsement within 90 days after the Firm's policy has terminated. An ERP Endorsement is important because many professional liability claims are not made until months or years after the underlying transaction occurred. Firms with coverage expiring January 1, 2012, may obtain an ERP endorsement for 3 years (\$270 plus any applicable endorsement premium) or 5 years (\$405 plus any applicable endorsement premium). Please contact us at (800) 637-7319 (ext. 1) if your Firm would like to obtain an ERP endorsement.

Claims Made Policy Form: The policy is written on a claims made policy form. All claims must be reported timely in accordance with the requirements in the policy. Failure to report a claim timely may jeopardize coverage under the policy. A copy of the Notice of Claim Form is located on our website www.risceo.com. You may call our Claims Department at (800) 637-7319 (ext. 2) for instructions on reporting a claim. The policy does not provide coverage for a claim first made against your Firm before the beginning or after the end of your Firm's individual policy period. Nor does the policy provide coverage if, prior to the inception date of the policy, you had a basis to believe that any negligent act, error, or omission might reasonably be expected to be the basis of a claim against your Firm. If you have notice of a potential claim against your Firm, report it immediately to your Firm's current carrier or risk not having coverage for the claim.

Always Purchase Coverage Timely: If your Firm does not pay renewal premium timely, you Firm will lose a valuable feature of the group program - **prior acts coverage**. The "retroactive date" of your Firm's policy determines whether or not your Firm has coverage for acts that occurred prior to the date your Firm purchased coverage under the policy. Your Firm's "retroactive date" is the date your Firm first obtained errors and omission coverage and continuously maintained such coverage, with no gaps. If your Firm failed to purchase coverage timely, call RISC immediately to see if your Firm qualifies for reinstatement of coverage back to the inception of the group policy period. This may avoid a gap in coverage and loss of your Firm's retroactive date. **Always pay your Firm's premium on time to protect your Firm from uncovered claims and to avoid a gap in coverage.**

New Enhanced Excess Program for Firms. We offer a Nebraska Firm "excess" policy with limits at levels of \$250,000, \$500,000, or \$1,000,000. Excess coverage provides the Firm with policy limits above any applicable coverage available to the Firm under the group program. Excess coverage is available to firms on an underwritten basis. In addition to traditional excess coverage, our excess program offers these key new features at no additional cost: (1) automatic coverage for **Environmental Hazards Claims** up to a sublimit of \$100,000 for claims against an insured alleging failure to advise of the existence of pollutants, asbestos, radon or lead and (2) automatic coverage for **Discrimination Claims** up to a sublimit of \$100,000 for claims against an insured alleging discrimination in the performance or failure to perform professional services. In addition, the program offers these new optional coverages: **Residential Ownership Coverage** – For an additional premium, the Firm may purchase an endorsement providing coverage for claims related to the sale of residential properties owned or partially owned by licensees of the firm. Coverage will be subject to a sublimit of \$250,000. **Enhanced Lockbox Coverage** – For an additional premium, the Firm may purchase an endorsement to provide coverage for lockbox claims. Coverage is subject to a sublimit of \$50,000. The principal broker or officer of the firm must complete an excess application form in order to obtain a quote for Firm excess coverage. All Licensees of the Firm are required to participate in RISC's group program to qualify for firm excess coverage. Please contact us at (800) 637-7319 (ext. 3) for more information.

CNA is a service mark and trade name registered with the US Patent and Trademark Office. The program referenced herein is underwritten by Continental Casualty Company, one of the CNA insurance companies. This information is for illustrative purposes only and is not a contract. It is intended to provide a general overview of the products and services offered. Only the policy can provide the actual terms, coverages, amounts, conditions and exclusions. This program is only available in Nebraska. ©2011

**NEBRASKA: 2012
REGISTERED FIRM COVERAGE ENROLLMENT FORM**

You should return this enrollment form by mail with your payment by NOVEMBER 20, 2011, to ensure adequate time to process your Firm's enrollment. Your Firm's enrollment will be processed immediately and the Certificate of Coverage can be downloaded immediately if your Firm chooses to **ENROLL ONLINE at www.risceo.com.**

Please complete the information below. PLEASE PRINT OR TYPE.

Incomplete information may cause a delay in the issuance of your Firm's coverage.

If you have any questions or would like additional information on optional coverages, please visit our website www.risceo.com or call us at (800) 637-7319, ext 1.

Firm Name: (Legal name as it appears on NREC registration)	NSOS #: Nebraska Secretary of State Account # You may obtain your SOS Account Number at: http://www.sos.ne.gov or by calling (402)471-4080 (Firm Entity Coverage Only)
Address:	Email:
	Telephone #: () - (w)
City, State, Zip:	Telephone #: () - (h)
DBA Name:	Fax #: () -
Principal Broker's Name	

Payment Type	Unit Price	Amount Due
Premium (1/1/2012 to 1/1/2013)	\$135	\$135
OPTIONAL COVERAGES BELOW:		
Conformity: Circle all other mandated states where your Firm is licensed and needs proof of E&O coverage. This endorsement cannot be purchased if your Firm is not domiciled in Nebraska. Please circle applicable state(s) below: CO ID IA LA	\$15 (Regardless of the number of states at time of issuance)	
Total (add \$135 premium + any optional coverages)		\$ _____

Note all premiums are fully earned at the inception date. After the effective date of the policy, no refunds are permitted. All premium payments must be mailed to the address below. Please allow at least 5 business days for processing.

You may ENROLL ONLINE at www.risceo.com and download your Certificate of Coverage immediately. If you wish to enroll by mail, please make your check or money order payable to: RISC

Mail Enrollment Form and Payment to: **PO Box 6709, Louisville, KY 40206-0709**

Overnight Deliveries to: **4211 Norbourne Boulevard, Louisville, KY 40207-4048**

*****PLEASE SIGN BELOW*****

If you have any knowledge of any act, error, omission, fact, or situation that might give rise to a claim against your Firm, it must be reported in writing immediately to the insurance carrier before your Firm's current policy period expires.

Applicant declares that the above statements and particulars are true and that Applicant has not suppressed or misstated any material facts, and Applicant agrees that this application shall be the basis of the contract with the Company and that coverage, if written, will be provided on a claims-made basis.

Applicant understands and agrees that the completion of this application does not bind the Company to issuance of a policy. Coverage will be effective no sooner than the day after the postmarked date of the *completed application* (if your Firm has no current coverage) or the expiration date of your Firm's current coverage. Please indicate below if another coverage date is requested.

Applicant understands that all premiums are fully earned at policy inception. Applicant hereby agrees to reimburse the Company for any and all costs and expenses the Company may incur by employing a collection agency to collect any overdue deductible. The deductible is due at the time damages are paid.

Applicant understands that it is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines and denial of insurance benefits.

SIGNATURE: _____ **DATE:** _____