



• We put the *Experience and Options* in E&O programs •
502-897-1876 / 1-800-637-7319
4211 Norbourne Blvd., Louisville, KY 40207-4048
P.O. Box 6709, Louisville, KY 40206-0709
www.risceo.com

SOUTH DAKOTA REAL ESTATE COMMISSION'S (SDREC's) GROUP ERRORS AND OMISSIONS (E&O) PROGRAM

Administered by Rice Insurance Services Company, LLC (RISC) and Issued by Continental Casualty Company

If you were enrolled in the SDREC's 2017 group policy, your insurance expired January 1, 2018. South Dakota law requires all active brokers and salespersons to carry and maintain E&O insurance to cover all licensed activities. If insurance is not timely obtained or renewed, the SDREC may inactivate your license and issue other penalties.

RISC NOW COLLECTS THE PAYMENTS FOR THE SDREC'S GROUP E&O PROGRAM. If enrolling in the group program by mail, please allow 7 to 10 business days for processing. You may also enroll online and download a certificate of coverage immediately. Licensees may purchase insurance outside of the group program, provided coverage meets state requirements and a certificate of equivalent coverage is provided to the SDREC as required by state law. New licensees must obtain insurance before their license can be activated.

PROTECTION FROM THE MOST EXPERIENCED PROVIDER IN THE BUSINESS: RISC's management team has been involved in state-mandated real estate E&O insurance programs longer than any other group in the business. This program is specially tailored to meet the specific needs of South Dakota licensees. The insurance carrier is Continental Casualty Company, a CNA insurance company. RISC's experience and excellent claims service, combined with CNA's strong financial performance and ratings (rated "A" by A.M. Best), ensures a quality program.

REVIEW THE FOLLOWING IMPORTANT INFORMATION AND SIGN BELOW:

What Is and Is Not Covered: We urge all licensees to review a sample policy, including the Exclusions section. A sample policy and additional information are available on our website, www.risceo.com, or by calling us toll-free at 1-800-637-7319, ext. 1.

This is a Claims-Made-and-Reported Policy: There is no coverage for claims first made before the beginning or after the end of your individual policy period. If you have any knowledge of a claim; potential claim; or any act, error, omission, fact, or situation that may give rise to a claim against you or your company, it must be reported in writing immediately to your insurance carrier before your current policy period expires. Failure to do so may jeopardize any coverage that would have otherwise been available. To report a claim under the group policy, you must send us written notice of the claim and a notice of claim form, available on our website or by calling us and requesting one.

There is no coverage for claims that arise after the policy expires unless an extended reporting period (ERP) is in place. However, claims often arise years after the subject transaction occurred. If you do not renew coverage for any reason, including inactivating or retiring your license, you should consider purchasing a 1, 2, or 3 year ERP Endorsement, which extends the reporting date of your policy to apply to claims that arise within the ERP. An ERP Endorsement may be purchased within 90 days after the 2017 group policy ended. For licensees insured under the 2018 group policy, ERP Endorsements will be available within 90 days of its end date.

Prior Acts and Importance of Timely Renewal: Your "retroactive date" determines whether there is coverage for services performed before the policy's effective date. The retroactive date is the date you first obtained, and since which have continuously maintained, E&O insurance, with no gaps. Even a one-day gap will result in loss of coverage for any services provided before and through the last day of the gap, even if insurance was in place at the time of the services and again when the claim arises. If you failed to enroll timely, call RISC immediately to see if you qualify to backdate your individual policy period to January 1, which may avoid a gap in coverage and loss of any previously-established retroactive date. This procedure will not remedy noncompliance state requirements.

Territory: Licensees domiciled in South Dakota are insured for errors and omissions committed anywhere they hold an active real estate license, provided the services would require a real estate license if performed in South Dakota. Licensees domiciled outside of South Dakota are insured for South Dakota transactions only. However, out-of-state licensees will be treated as domiciled in South Dakota if their principal real estate license is affiliated with a real estate office located in South Dakota and they reside within 50 miles of the South Dakota state line. If a claim results in or from a lawsuit, the lawsuit must be brought within the U.S., its territories or possessions, or Canada.

Effective Date: Coverage will be effective the day we receive your *completed application* and premium. If you would like to request an effective date different than the day we receive your *completed application* and premium, provide the requested effective date: _____

Premium / Deductible: Applicant understands that all premiums are fully earned at policy inception and no refunds are permitted after that date. If your payment is returned for nonsufficient funds, you are responsible for payment of any resulting bank fees or penalties. The deductible will be due in accordance with the policy. Applicant agrees to reimburse the Company for any and all costs and expenses it incurs by employing a collection agency to collect any overdue deductible.

Applicant has reviewed and understands the information contained herein. Applicant declares that the above statements are true and that Applicant has not suppressed or misstated any material facts. 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. 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-and-reported basis. Applicant understands and agrees that the completion of this application does not bind the Company to issue a policy.

SIGNATURE: _____

DATE: _____

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, a CNA insurance company. The information included on both pages of this document 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 South Dakota. © 2018



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ENROLLMENT FORM – PRORATED

South Dakota law requires that all active real estate brokers and salespersons carry and maintain E&O insurance that applies to all licensed activities. Licensees who enroll in the group program will receive a certificate of coverage so that the licensee may provide proof of coverage to the SDREC. Licensees may purchase coverage outside of the group program, provided coverage meets state requirements and proof of coverage is provided to the SDREC as required by state law.

LICENSEE INFORMATION: Please correct any incorrect information and fill in any blanks. Failure to provide correct information may delay issuance of your coverage.

Licensee Name:	License Type:	License No.:
Real Estate Firm:	SSN (last 4 digits only):	
Address:		
City:	State:	Zip Code:
Phone (home / cell):	Phone (work):	
<input type="checkbox"/> If cell: Check here if you want text reminders if/when that option is available.		
Fax:	Email*:	

*We occasionally send important notices by email. To receive these notices, provide your current email address and add our email domain (@risceo.com) to your address book.

ENROLL ONLINE Enroll online at www.risceo.com with a Visa or MasterCard and receive a certificate of coverage immediately upon completion (a nonrefundable \$5 convenience fee applies to online enrollment).

ENROLL BY MAIL Select desired coverages below and send your completed form (both pages) with a check or money order payable to RISC. Please allow 7 – 10 business days for processing.

Mailing Address: RISC, P.O. Box 6709, Louisville, KY 40206-0709
Overnight Delivery: RISC, 4211 Norbourne Blvd., Louisville, KY 40207-4048

Basic Policy	Unit Price	Amount Due
Limits of Liability: \$100,000 per claim / \$500,000 aggregate Deductibles: \$1,000 (damages) & \$500 (claims expenses) Prorated Premiums (2018 effective date – all policies expire January 1, 2019): January \$187 / February \$171 / March \$156 April \$140 / May \$125 / June \$109 / July \$94 / August \$78 / September \$62 / October \$47 / November \$31 / December \$16	See prorated premiums at left	\$ _____
Optional Endorsements		
Appraisal Endorsement: Eligibility requirements: (1) an active real estate license <u>and</u> (2) an active appraisal license Appraisal License #: _____	\$200	
Conformity Endorsement: Confirms your SD policy to comply with E&O requirements in other states where you have an active real estate license. To be eligible for this endorsement, you must be actually domiciled in SD or treated as domiciled in SD by the policy terms. Please circle applicable state(s): AK CO ID IA KY LA MS ND NE NM RI TN* WY Other State License Type: _____ / Other State License #: _____ (identify conformity state if more than one) <i>*Eligibility for TN conformity is limited by TN regulations. Contact RISC if you need coverage for a TN license.</i>	\$20 (Regardless of # of states at issuance)	
Residential Personal Interest Coverage Endorsement: Provides coverage for claims relating to the sale or listing for sale of residential property owned by you, your spouse, or an entity you own, under certain conditions. NEW FOR 2018	\$50	
Increased Limits Endorsements – You may purchase ONLY ONE of the following:		
Increased Limits of \$250,000 per claim / \$750,000 aggregate	\$98	
Increased Limits of \$500,000 per claim / \$1,000,000 aggregate	\$169	
Basic Policy Premium + Any Optional Endorsement Premium	Total	\$ _____