



• 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

## RHODE ISLAND REAL ESTATE LICENSEE ERRORS AND OMISSIONS (E&O) PROGRAM

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

RISC is pleased to continue to offer real estate E&O insurance to Rhode Island licensees. After more than 25 years of service to real estate licensees, we hope that we have exceeded our insureds' expectations and continue to strive to do so. The insurance carrier, Continental Casualty Company, a CNA insurance company, is rated "A" Excellent by A.M. Best.

**Enroll timely to protect against a gap in coverage, uncovered claims, penalties, and fines.** We now offer online enrollment at [www.risceo.com](http://www.risceo.com). Licensees who enroll online may download a certificate of coverage immediately. Licensees who enroll by mail should do so by **April 2, 2018** to ensure adequate time to receive a certificate of coverage. All active individual licensees must certify coverage with their license renewal to the Rhode Island Department of Business Regulation (RIDBR) by April 30, 2018. Please note it is your responsibility to provide verification to the RIDBR and other commissions and entities as they may require.

Principal brokers should verify that each of their firm's licensees has appropriate coverage. We send an enrollment form to all active licensees to the addresses provided by the RIDBR. Licensees may purchase insurance from another provider, provided coverage meets the RIDBR's minimum requirements.

PROGRAM FEATURES		
Visit our website, <a href="http://www.risceo.com">www.risceo.com</a> , to download a sample policy and obtain additional information. Feel free to contact us with any questions or concerns; we are always happy to hear from Rhode Island licensees.		
<b>Limits of Liability</b>	\$100,000 per claim / \$500,000 aggregate with a \$1,000 damage deductible and \$1,000 claim expense deductible	\$234 for 2-year policy period
<b>Firm Excess Policies</b>	We offer CNA excess policies on an underwritten basis for firms that desire higher limits of liability than provided by our basic policy's individual per claim limit of \$100,000. The excess program offers policy limits of \$250,000; \$500,000; or \$1,000,000. Our excess policies meet most franchise requirements for higher limits and additional insured language.  As the excess policy is issued to the firm, all of the firm's licensees must participate in the excess program. Additionally, all of the firm's licensees must purchase and maintain coverage through RISC's underlying program for the firm to qualify for an excess policy. The excess policy is only triggered once all applicable limits of liability available under the individual licensees' insurance through the underlying policy are exhausted.  The premium for excess coverage is in addition to the premium for the individual licensees' insurance through the underlying policy. To obtain a premium quote for a firm excess policy, the firm's principal broker will need to submit an excess application.	Subject to underwriting approval
<b>Defense Outside Limits</b>	There is NO LIMIT on the amount of defense costs the carrier will pay in connection with claims covered under the basic policy.	Automatically included
<b>Risk Reduction Material</b>	We incorporate our knowledge of the policy and extensive claims handling experience into educational articles and videos.	Available at <a href="http://www.risceo.com">www.risceo.com</a>
<b>Firm Coverage</b>	Real estate firm included in the definition of insured for vicarious liability for covered claims.	Automatically included
<b>Retroactive / Prior Acts Coverage</b>	Insures prior transactions, provided you have maintained continuous real estate E&O insurance from the date of the professional services to the date the claim is first made.	Automatically included
<b>Lock Box Coverage</b>	\$5,000 per claim / \$10,000 aggregate (damages) with no limit on defense costs	Automatically included
<b>Fair Housing / Discrimination Endorsement</b>	\$2,500 per claim / \$5,000 aggregate (defense costs)	\$30
<b>Environmental Endorsement</b>	\$2,500 per claim / \$5,000 aggregate (defense costs)	\$30
<b>Regulatory Complaints Endorsement</b>	\$2,500 per regulatory complaint / \$5,000 aggregate (defense costs)	\$30
<b>Property Management Endorsement</b>	Adds specified property management services to the professional services insured by the policy	\$200
<b>Appraisal Endorsement</b>	Adds services as a licensed appraiser to the professional services insured by the policy	\$200

**Important Information About Services Outside of Rhode Island:** This program is designed for Rhode Island real estate licensees. Policyholders domiciled in Rhode Island are insured for errors and omissions committed anywhere the policyholder holds an active real estate license, provided the services would require a real estate license if performed in Rhode Island. Policyholders domiciled outside of Rhode Island are insured for Rhode Island transactions only. However, out-of-state policyholders will be treated as domiciled in Rhode Island if their principal real estate license (as defined in the policy) is affiliated with a real estate office located in Rhode Island and they reside within 50 miles of the Rhode Island state line. If a claim results in or from a lawsuit, the lawsuit must be brought within the U.S., its territories or possessions.



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### Rely on the Most Experienced Provider in the Business

The Rice family and their colleagues have specialized in mandated real estate E&O programs since 1989. We provide group policies in 12 of the 14 states that have group programs and require licensees to maintain insurance. CNA has more than 50 years of experience in E&O programs, including over 30 years in real estate E&O. CNA is the top provider of real estate liability insurance, delivering more than 100 years of experience, industry knowledge, and financial strength to manage even the most complex risks. You can be confident we will be here for you even after you purchase coverage.

### When a Claim is Made, Our Claims Adjusters Focus on You

Some people assume insurance companies look for reasons to deny coverage. Our duty to find coverage where the policy supports it is our utmost concern. Most insurance providers use one entity to sell the policy and another to handle claims. Because we do both, the information we provide about the policy reflects how it will actually apply in the event of a claim. Providers who don't administer claims may not know how the carrier actually applies the policy when a claim is made.

### We Stand by You Even if there is a Claim

You may be involved in a claim even if you did everything by the book. Some providers won't write your coverage if you have had a claim. Or if you have a claim, they may not renew your policy! There is no need to fear reporting a claim under our program. We understand that having a claim does not mean that you did anything wrong. Anyone can be involved in a transaction that goes sour. Never think that it can't happen to you. And we are here to help you if it does.

### Online Enrollment is Quick and Easy

As part of our dedication to providing exceptional customer service, we now offer online enrollment for Rhode Island licensees through our website, [www.risceo.com](http://www.risceo.com). When you enroll online, you will receive a certificate of coverage immediately upon completion. You will also have the option to create an account to provide access to purchase records and insurance forms at any time.

### Have Questions?

Call us at 1-800-637-7319 or  
visit our website at [www.risceo.com](http://www.risceo.com).

### Not All E&O Providers are the Same . . . Neither are All E&O Policies

#### **Always Review the Actual Policy Provisions!**

The most accurate representation of what a policy covers is the policy itself. We recommend that you review any policy you are considering and ask these questions:

**Does the policy offer unlimited defense costs? Yes.**  
There is no limit on the amount of defense costs under the basic policy.

**Does the policy insure transactions you do for relatives? Yes.** The policy applies to claims involving services performed for your parents; grandparents; siblings; aunts; uncles; cousins; children; or your spouse's parents, grandparents, siblings, or children. This is important, since buyers and sellers often rely on a trusted relative with a real estate license.

**Does the policy apply to claims relating to all types of real property? Yes.** The policy applies to any claim relating to professional services, regardless of the type of property involved. Other policies may limit coverage to a specific type of property, such as residential, or require additional premium for coverage for other kinds of property. Even if you currently handle only residential transactions, consider whether you are willing to forgo an opportunity to work with commercial property or farm land or to risk not having coverage for a claim resulting from the transaction.

**Does the policy insure your firm for its vicarious liability for your professional services? Yes.** Claims are often made against real estate firms as a result of their licensees' negligence. The group policy applies to covered claims alleging the firm's vicarious liability for negligence in the insured licensee's professional services. Some policies issued to individual licensees may not provide coverage for the firm's vicarious liability for their actions, which may leave the firm uncovered in the event of a claim.

**Are Insureds satisfied with the provider's service? Yes.** Below are excerpts from actual emails we have received from insureds:

*I have found RISC and its staff to be very responsive and, most importantly, mindful of the stress that a claim brings upon a real estate practitioner. In every situation, their assistance and handling of claims has been very professional and their customer service has been exceptional. K.A.*

*RISC has demonstrated a consistent attitude of professionalism, helpfulness and concern for the real estate professionals in every situation I have encountered. RISC has always provided thoughtfulness, facts and experience to the matters at hand while at the same time being open to questions and information on a local level. M.G.*

*Thank you very much. I can't believe how incredibly responsive you have been. D.C.*



## RHODE ISLAND REAL ESTATE ERRORS AND OMISSIONS (E&O) PROGRAM

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

**NOTICE:** All real estate brokers and salespersons licensed by the Rhode Island Department of Business Regulation (RIDBR) must maintain E&O insurance as a condition of licensing. Active individual licensees **MUST** carry E&O insurance. Prospective licensees must obtain E&O insurance before license activation. Inactive licensees are not required to carry E&O insurance but may be interested in an optional extended reporting period endorsement (see below). RISC's management team has provided E&O insurance that meets RIDBR requirements for more than twenty-five years, and we're pleased to continue to serve Rhode Island licensees. Our policy is issued by Continental Casualty Company, a CNA insurance company. Our 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) results in a quality program for Rhode Island licensees. Licensees may also purchase E&O insurance from other providers, as long as coverage complies with the RIDBR's minimum requirements and a certificate of coverage is filed with the RIDBR in compliance with R.I.G.L. § 5-20.5-25.

**Policy Information:** If you are enrolled in RISC's 2016-2018 program, your policy will expire April 30, 2018. **RISC's policy provides the required limits of liability of \$100,000 per claim and \$500,000 in the aggregate per licensee, with a \$1,000 damage deductible and \$1,000 claim expense deductible. The two-year premium is \$234 per licensee.** The premium is fully earned upon the policy's inception and no refunds are permitted after that date. Licensees purchasing coverage after April 30, 2018 may pay a prorated premium; contact RISC for the proper amount. A sample policy and additional information are on our website, [www.risceo.com](http://www.risceo.com).

**Exclusions:** All licensees considering RISC's program are urged to read the entire policy and examine the "Exclusions" Section. A copy of the policy is available on our website, [www.risceo.com](http://www.risceo.com), or by calling us at (800) 637-7319, ext. 1, and requesting one.

**Territory:** Policyholders domiciled in Rhode Island 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 Rhode Island. Policyholders domiciled outside of Rhode Island are insured for Rhode Island transactions only. However, out-of-state policyholders will be treated as domiciled in Rhode Island if their principal real estate license is affiliated with a real estate office located in Rhode Island and they reside within 50 miles of the Rhode Island state line. If a claim results in or from a lawsuit, the lawsuit must be brought within the U.S., its territories or possessions.

**Optional Endorsements Available:** Sample copies of the endorsements are available on our website, [www.risceo.com](http://www.risceo.com).

) **Conformity Endorsement:** Conforms your Rhode Island policy to meet the minimum requirements of other states that require real estate E&O insurance where you have an active real estate license. You must be domiciled in Rhode Island to be eligible for this endorsement.

) **Appraisal Endorsement:** Available to active real estate licensees who are also active licensed appraisers to expand the policy's definition of professional services to include services that require an appraisal license.

) **Property Management Endorsement:** Expands the policy's definition of professional services to include specified property management activities.

) **Limited Claim Expenses Coverage Environmental Endorsement:** Provides coverage for claim expenses of \$2,500 per claim, up to \$5,000 in the aggregate, for covered environmental claims.

) **Limited Claim Expenses Coverage Fair Housing Endorsement:** Provides coverage for claim expenses of \$2,500 per claim, up to \$5,000 in the aggregate, for covered fair housing claims.

) **Limited Claim Expenses Coverage Real Estate Regulatory Complaints Endorsement:** Provides coverage for claim expenses of \$2,500 per complaint, up to \$5,000 in the aggregate, for covered complaints to a regulatory board or commission.

**Optional Extended Reporting Period (ERP) Endorsement:** Many professional liability claims are not made until years after the underlying transaction occurred; however, the policy does not provide coverage for claims that arise after the policy's end date, unless an ERP applies. ERP endorsements are available to licensees currently enrolled in RISC's 2016-2018 program and are not renewing coverage for any reason. An ERP extends the policy's reporting date, so that the policy applies to claims that first arise during the ERP. ERP endorsements may be purchased within 90 days after the policyholder's policy terminates. The premium for a 1-year, 2-year, or 3-year ERP endorsement is 100%, 150%, or 200%, respectively, of expiring premium, including any applicable endorsement premium. Contact us at (800) 637-7319, ext. 1, or visit our website at [www.risceo.com](http://www.risceo.com) for more information.

**Higher Limits Available:** We offer CNA excess policies to firms that desire limits of liability above the individual licensees' limits on the underlying policy. The excess program offers limits up to \$1,000,000 per claim and in the aggregate. Our excess program meets most franchise requirements for higher limits and additional insured language. As the excess policy is issued to the firm, all of the firm's licensees must participate. Additionally, all of the firm's licensees must be insured through RISC's underlying policy. The excess policy will not apply until all applicable limits of the individual licensees' underlying insurance have been exhausted. The premium for excess coverage is addition to the underlying insurance premium. Rates for a firm excess policy will be provided following submission of an excess application and underwriting approval. For more information, contact us at (800) 637-7319, ext. 3.

**Claims-Made-and-Reported Policy:** The policy is a claims-made-and-reported policy, which means all claims must be reported timely or you may violate the conditions of the policy and jeopardize any available coverage. The policy does not provide coverage for claims first made before the beginning or after the end of your individual policy period. Nor does it provide coverage if, prior to the policy's inception date, 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 you. If you have notice of a claim or potential claim, report it immediately to your current carrier or risk not having coverage for the claim.

**Timely Renewal:** If you do not pay your premium timely, the RIDBR may initiate disciplinary action. You may also lose a valuable feature of the group program, **prior acts coverage**. The "retroactive date" of your policy determines whether you have coverage for acts that occurred prior to the date you purchase coverage under the policy. Your retroactive date is the date you first obtained, and since which have continuously maintained, real estate E&O insurance, with no gaps. If you fail to purchase coverage timely, call RISC immediately to see if you qualify to backdate your effective date to April 30, 2018. This may avoid a break in coverage and loss of your retroactive date. However, this will not correct failure to comply with mandatory insurance laws, which may result in penalties. **Pay your premium on time to protect against a gap in coverage, uncovered claims, penalties, and fines.**



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**ENROLLMENT FORM – NEW ONLINE ENROLLMENT AVAILABLE NOW!**

**Enroll Online:** Enroll online at [www.risceo.com](http://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 with a check or money order payable to RISC at either of the following addresses by **APRIL 2, 2018** to ensure adequate processing time:

**RISC, PO Box 6709, Louisville, KY 40206-0709 / RISC, 4211 Norbourne Blvd, Louisville, KY 40207-4048**

**Please DO NOT submit your E&O premium to the RIDBR. When you renew your license online through the RIDBR, please list “Continental Casualty Company” as the Errors and Omissions Insurance Company Name and “4/30/2020” as the Expiration Date. Keep your certificate of coverage in your license renewal file to present to the RIDBR upon request. If you mail your license renewal to the RIDBR, you may attach a copy of the certificate of coverage as proof of insurance.**

PLEASE PRINT OR TYPE. Incomplete information may cause a delay in the issuance of your coverage.

Name: \_\_\_\_\_ License Type: \_\_\_\_\_ / License #: \_\_\_\_\_  
 Firm: \_\_\_\_\_ SSN (last 4 digits): \_\_\_\_\_  
 Address: \_\_\_\_\_ Email\*: \_\_\_\_\_  
 Telephone (circle one – home / cell): ( ) - \_\_\_\_\_  
 If cell: Check here if you would like text reminders if / when that option is available. Telephone (work): ( ) - \_\_\_\_\_  
 City, State, Zip: \_\_\_\_\_ Fax #: ( ) - \_\_\_\_\_

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

BASIC POLICY	Unit Price	Amount Due
<b>Premium</b> (Two-Year Period from April 30, 2018 to April 30, 2020) <b>Limits of Liability</b> \$100,000 per claim / \$500,000 aggregate <b>Deductibles</b> \$1,000 damages and \$1,000 claim expenses	<b>\$234</b>	<b>\$234</b>
<b>OPTIONAL ENDORSEMENTS AVAILABLE</b> (All endorsements expire April 30, 2020)		
<b>Conformity:</b> If you have an active real estate license in any of the states below and are domiciled (as defined in the group policy) in RI, you may purchase this endorsement to conform your insurance through our RI policy to meet the E&O insurance requirements of the applicable state(s). Please circle all of the states below where you are licensed and need proof of E&O coverage. <b>AK CO IA ID KY LA MS NE NM ND SD TN* WY</b> Other state license type: _____ / Other state license #: _____ (identify state if more than one) <small>*TN conformity not available to some licensees due to TN regulations. Contact RISC for more details.</small>	<b>\$30</b> (Regardless of # of states at time of issuance.)	
<b>Appraisal Endorsement:</b> You must have both an active real estate license and an active appraisal license to qualify for this endorsement. <b>Appraisal License #:</b> _____	<b>\$200</b>	
<b>Property Management Endorsement</b>	<b>\$200</b>	
<b>Limited Claim Expenses Coverage Environmental Endorsement:</b> \$2,500 per claim / \$5,000 aggregate (claim expenses only)	<b>\$30</b>	
<b>Limited Claim Expenses Coverage Fair Housing Endorsement:</b> \$2,500 per claim / \$5,000 aggregate (claim expenses only)	<b>\$30</b>	
<b>Limited Claim Expenses Coverage Regulatory Complaints Endorsement:</b> \$2,500 per complaint / \$5,000 aggregate (claim expenses only)	<b>\$30</b>	
<b>Total</b> (\$234 Basic Premium + Optional Endorsement Premium)		<b>\$ _____</b>

**\*\*\*PLEASE READ AND SIGN BELOW\*\*\*** If you have any knowledge of any act, error, omission, fact, or situation that might give rise to a claim against you, it must be reported in writing immediately to your insurance carrier before your 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. 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 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 understands and agrees that the completion of this application does not bind the Company to issue a policy. Coverage will be effective the later of April 30, 2018 or the date we receive your *completed application* and premium payment. If you are not currently enrolled in RISC’s 2016-2018 program and would like to request an effective different than the later of April 30, 2018 or the day we receive your *completed application* and premium, provide the requested effective date: \_\_\_\_\_.

**The undersigned understands that all premiums are fully earned at policy inception and no refunds are permitted after that time. If your payment is returned for nonsufficient funds, you will be responsible for payment of any resulting fees or penalties assessed by the bank. The deductibles shall be due in accordance with the terms of the policy. Applicant 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.**

SIGNATURE: \_\_\_\_\_ DATE: \_\_\_\_\_