LOUISIANA REAL ESTATE COMMISSION'S (LREC's) GROUP ERRORS AND OMISSIONS (E&O) PROGRAM

RICE INSURANCE SERVICES CENTER
We put the Experience and Options in E&O programs

Administered by Rice Insurance Services Center (RISC)
A Division of Accretive Specialty Insurance Solutions, LLC
Issued by Continental Casualty Company (Continental)

502-897-1876 / 1-800-637-7319
4211 Norbourne Blvd., Louisville, KY 40207
PO Box 6709, Louisville, KY 40206
www.risceo.com

RISC is pleased to provide the LREC's group real estate E&O insurance program. The group policy is tailored to provide Louisiana real estate licensees with coverage that exceeds state requirements. Visit our website, www.risceo.com, to download a sample policy, obtain risk reduction information, and more. Contact us with any questions or concerns – we are always happy to hear from Louisiana licensees.

BASIC POLICY ONLY $142 (+ $7 LREC TRANSACTION FEE) – PAY DIRECTLY TO THE LREC WITH LICENSE RENEWAL

Limits of Liability – $100,000 per claim / $300,000 aggregate.

Deductible (Damages) – $1,000 (only one deductible for multiple licensees with the same firm involved in a claim).

Increased Limits Available to Individual (Not Firm) Licensees for Additional Premium
$250,000 per claim / $750,000 aggregate (additional $164) – or – $500,000 per claim / $1,000,000 aggregate (additional $246).

AUTOMATICALLY INCLUDES

First Dollar Defense – Applies WITH NO CONDITIONS to all covered claims.

Defense Outside Limits – NO LIMIT on the amount of defense costs for claims covered under the basic policy limits (except for limited regulatory complaint and subpoena supplementary payment coverages, which were not covered at all under most traditional E&O policies).

Expanded Definition of Professional Services – The definition of professional services includes (1) services that require a real estate license, including property management services; (2) broker price opinions / comparative market analyses; and (3) services performed or advice given (including as a notary public and as a real estate consultant or counselor) when done in connection with licensed activity.

Property Management Coverage – The policy automatically insures property management services.

Environmental Claim Sublimits – $10,000 per environmental claim / $20,000 aggregate (damages), no limit on defense costs.

Escrow Claim Sublimits – $5,000 per escrow claim / $10,000 aggregate (damages), no limit on defense costs.

Fair Housing / Discrimination Sublimits – $25,000 per fair housing discrimination claim / $25,000 aggregate (damages), no limit on defense costs.

Lock Box Sublimits – $5,000 per lock box claim / $10,000 aggregate (damages), no limit on defense costs.

Primary Residence Sublimits – $100,000 per primary residence claim / $300,000 aggregate (damages), no limit on defense costs for claims involving the sale or listing for sale of the insured licensee's primary residence, under certain conditions.

Regulatory Complaints Coverage – $2,500 per regulatory complaint / $5,000 aggregate (defense costs).

Subpoena Coverage – $2,500 per subpoena / $2,500 aggregate (attorneys' fees).

Security Breach Supplementary Payment Coverage – Reimbursement up to $5,000 for costs incurred by your real estate firm to provide required notification to clients of a security breach when confidential commercial information or nonpublic personal information may have been disclosed or used in an unauthorized manner ($10,000 maximum per real estate firm, regardless of the number of licensees or incidents involved). This is not coverage for the licensee's or licensee's family's personal identity theft risk, which is not a professional liability risk and is usually offered to by personal insurance policy providers and credit card companies.

Retroactive / Prior Acts Coverage – Insures prior transactions, provided you have maintained continuous real estate E&O insurance (from any provider) from the date of the professional services to the date the claim arises. Some policies may not apply to professional services performed while insured with a different carrier or while associated with a different real estate firm.

Firm / Team / Franchise Coverage – Real estate firm, real estate team, and real estate franchisor included in the definition of insured for vicarious liability for covered claims.

Spousal Coverage – Licensee's spouse considered an insured in certain situations.

OPTIONAL ENDORSEMENTS AVAILABLE TO INDIVIDUAL (NOT FIRM) LICENSEES – PURCHASE THROUGH RISC

Residential Personal Interest Endorsement ($50) – Adds $100,000 per claim / $300,000 aggregate sublimits for claims relating to the sale or listing of residential property owned by the licensee, licensee's spouse, or a company owned by the licensee under certain conditions, no limit on defense costs.

Developed / Constructed by Spouse Endorsement ($250) – Adds $100,000 per claim / $300,000 aggregate sublimits for claims relating to the sale or listing for sale of residential property which is constructed or developed by the licensee's spouse under certain conditions, no limit on defense costs.

Appraisal Endorsement ($250) – Provides coverage up to policy limits for your real estate services as an actively licensed certified general appraiser, certified residential appraiser, licensed residential appraiser, or trainee appraiser. Available to:

- Actively-licensed Louisiana real estate licensees who also have an active appraisal license.
- Actively-licensed Louisiana real estate appraisers who do not also have an active real estate license (must also pay basic premium directly to RISC).
- Appraisal Trainees – In the past, supervising appraisers could purchase an appraiser trainee endorsement for trainees under their supervision. That endorsement is no longer available. Instead, actively-licensed appraiser trainees may purchase their own insurance through the group policy with an appraisal endorsement to insure their licensed appraisal services.

OPTIONAL CONFORMITY ENDORSEMENT AVAILABLE TO INDIVIDUAL AND FIRM LICENSEES – PURCHASE THROUGH RISC

Conformity Endorsement ($25) – A conformity endorsement is only needed if you are actively licensed in another state that mandates E&O coverage. This endorsement conforms your insurance through the Louisiana group policy coverage to comply with the other states' requirements. To be eligible for this endorsement, you must be actually domiciled in Louisiana or considered to be domiciled in Louisiana under the policy.

WHERE COVERAGE APPLIES

For licensees domiciled in Louisiana, the policy applies to professional services provided anywhere in the world, as long as the licensee is duly licensed in the state where services were provided, and the services would require a real estate license had they been performed in Louisiana. Licensees not actually domiciled in Louisiana or not considered to be domiciled in Louisiana under the policy are insured only for professional services rendered in Louisiana.

FIRM EXCESS COVERAGE, Subject to Underwriting Approval

Firm excess policies (written by Continental) with up to $3,000,000 limits available to firms whose licensees are all insured through the group program.

RISK REDUCTION MATERIAL

Available on our website. We incorporate our knowledge of the policy and extensive claims handling experience into educational articles and videos.

**Visit our website, www.risceo.com, to download a sample policy or endorsement forms, and obtain additional information.
Also, feel free to contact us with any questions or concerns; we are always happy to hear from Louisiana licensees.**

RISC
RICE INSURANCE SERVICES CENTER
We put the Experience and Options in E&O programs

LOUISIANA REAL ESTATE COMMISSION'S (LREC's) GROUP ERRORS AND OMISSIONS (E&O) PROGRAM

Administered by Rice Insurance Services Center (RISC)
A Division of Accretive Specialty Insurance Solutions, LLC
Issued by Continental Casualty Company (Continental)

502-897-1876 / 1-800-637-7319
4211 Norbourne Blvd., Louisville, KY 40207
PO Box 6709, Louisville, KY 40206
www.risceo.com

Please Support Your State Program

$29+ Million in defense costs and damages have been incurred as of July 31, 2025 since our team began administering the Louisiana state group program in 2003. RISC and the carrier share a commitment to their insureds to provide valuable coverage to Louisiana licensees. When shopping for insurance, it's important to ask about the company's experience and paid claims in Louisiana. If a company charges a very low amount, you may find the carrier doesn't provide much coverage or pay many claims.

The state group program offers affordable E&O insurance to each and every licensee by spreading the risk over a large number of insureds. Without the group program's low premium, other carriers have no incentive to offer real estate E&O policies at affordable prices. In states without a group program, E&O premiums may cost thousands of dollars and some licensees report being unable to obtain insurance at any price.

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 the vast majority of states that have group programs and require licensees to maintain insurance. The insurance carrier is Continental, a CNA company. CNA has 50+ years of experience in E&O programs, including 30+ years in real estate E&O. CNA is the top provider of real estate liability insurance, delivering 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 In-House 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've 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 having a claim does not mean you did anything wrong. Anyone can be involved in a transaction that goes sour. Never think it can't happen to you. And we are here to help you if it does.

Have Questions?

Call us at 1-800-637-7319 or visit our website at **www.risceo.com**. We look forward to hearing from you.

All E&O Providers are Not 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 you review any policy you are considering and ask these questions:

Does the policy provide first dollar defense? **Yes.** There is no deductible for defense costs. Other policies may have stringent requirements that must be followed to qualify for first dollar defense.

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

Does the policy insure transactions you do for relatives? **Yes.** The RISC policy applies to claims involving services performed for your relatives and in-laws. This is important, since buyers and sellers often turn to a trusted relative who is a real estate licensee to represent them in a transaction.

Does the policy apply to claims relating to all types of real property? **Yes.** The RISC 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 or agricultural property 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 RISC 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.** Just a few compliments we have received from Louisiana insureds:

[Your] hard work and long hours were particularly appreciated as evidence of my E&O coverage afforded me the opportunity to garner a new client. But for [your] dedication, I would not have been able to close the deal. D.B.

[T]he service Rice provides is bar none, and I must say that in my years of doing real estate, I have yet to see any insurance company offer what Rice does as far as quality service and professionalism in the industry. You have definitely set the bar, and it is such a pleasure to work and do business with friendly, service-oriented professionals. T.G.

Thank you so much for watching out for us on our insurance for so many years. We do not take what you have done for us for granted and we are very grateful for your continued help through these many years. W.C., LA insured

RISC
RICE INSURANCE SERVICES CENTER
We put the Experience and Options in E&O programs

LOUISIANA REAL ESTATE COMMISSION'S (LREC's) GROUP ERRORS AND OMISSIONS (E&O) PROGRAM

Administered by Rice Insurance Services Center (RISC)
A Division of Accretive Specialty Insurance Solutions, LLC
Issued by Continental Casualty Company (Continental)

502-897-1876 / 1-800-637-7319
4211 Norbourne Blvd., Louisville, KY 40207
PO Box 6709, Louisville, KY 40206
www.risceo.com

Active Louisiana Certified General Appraisers, Certified Residential Appraisers, Licensed Residential Appraisers, and Trainee Appraisers – You can purchase E&O insurance for your appraisal activities under the LREC's group program, even if you don't have an active real estate license. The cost is $392 (optional endorsements are available for additional premium). If you are enrolled in the current LREC group program, your coverage expires January 1, 2026.

How Does it Work? You may complete and send this form with your full premium payment to RISC to purchase insurance under the group program and an endorsement that amends the policy in several ways, including (1) amending the term licensee to also refer to the insured appraiser; (2) adding the following to insured activity: professional services "as a residential certified real estate appraiser, general certified real estate appraiser, or real estate appraiser trainee as defined in Louisiana real estate appraisers law and for which the Licensee is required to have an appraiser license, provided all necessary licenses are held by the Licensee at the time of the act, error, or omission giving rise to the Claim."; and (3) deleting the policy exclusion for appraisal services. This will insure your covered appraisal services but will not insure services that require a Louisiana real estate license if you do not have an active real estate license, subject to the policy's terms, conditions, and exclusions.

Appraiser Trainees – In the past, we offered an appraiser trainee endorsement that could be purchased by supervising appraisers who also had an active real estate license to add appraiser trainees as an insured under the supervising appraiser's insurance. This endorsement is no longer being offered, as actively licensed appraiser trainees may now purchase their own insurance under the group policy with the appraisal endorsement.

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. The insurance carrier is Continental, 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 appraisers to review a sample policy, including the Exclusions section, and a sample appraisal endorsement. A sample policy, sample appraisal endorsement, 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. <u>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.</u> Any claim under the group policy must be reported to us in writing during the individual policy period in which it is first made against the insured. For further instructions and a notice of claim form, visit our website, www.risceo.com, then select the "Claims" tab or call us toll-free at 1-800-637-7319, ext. 2.

Prior Acts and Importance of Timely Renewal – Your "retroactive date" determines whether your insurance applies to claims involving services performed before the new policy's effective date. The retroactive date is the date from which you have continuously maintained uninterrupted E&O insurance with no breaks between policy periods. <u>Even a one-day gap will result in loss of coverage for ALL professional services performed before the new policy's effective date, even if you had E&O insurance when the services were provided and again when the claim arises.</u> If you fail to enroll timely, call RISC immediately to see if you qualify to backdate your individual policy period to January 1, 2026.

Not Renewing Coverage through the Group Program? Consider an Optional Extended Reporting Period (ERP) Endorsement – <u>There is no coverage for claims that arise after the end of your individual policy period unless an ERP is in place.</u> Claims often arise years after the subject appraisal occurred. If you are not renewing coverage for any reason (e.g., inactivating / retiring your license or switching to another provider), you should consider purchasing an ERP endorsement. We offer optional 1, 2, 3, and 5 year ERP endorsements to extend the policy's reporting date to apply to claims that are first made and reported within that period. An ERP endorsement may only be purchased any time during or up to 90 days after the end of your individual policy period.

Territory – Appraisers domiciled in Louisiana are insured for real estate appraisal services performed anywhere they hold an active real estate appraiser license, provided the services would require an appraiser license if performed in Louisiana. Appraisers not domiciled in Louisiana are insured for Louisiana appraisals only. Out-of-state appraisers may be considered domiciled in Louisiana if their principal real estate license is affiliated with a real estate office in Louisiana and they reside within 50 miles of the Louisiana state line. See the Territory section of the policy for more information.

Effective Date – Appraisers who enroll before January 1, 2026 will have an effective date of January 1, 2026. Appraisers who enroll after January 1, 2026 will have an inception date of the day we receive the Appraiser's *completed enrollment form and premium.* Appraisers not currently enrolled in the current group policy may request a different inception date (after January 1, 2026) for Continental's consideration: ______________________________

Firm Excess Coverage (Subject to Underwriting Approval) – Firm excess policies with limits up to $3,000,000 available to firms whose licensees are all insured through the group program (written by Continental Casualty Company). For additional excess program information, contact us at 1-800-637-7319, ext. 3.

Premium / Deductible – <u>All premiums are fully earned at policy inception and no refunds are permitted after that date.</u> If your payment is returned for non-sufficient funds, you are responsible for payment of any resulting bank fees or penalties. The deductible will be due in accordance with the policy. Enrollee agrees to reimburse Continental for any and all costs and expenses it incurs by employing a collection agency to collect any overdue deductible.

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

APPRAISER SIGNATURE		DATE	

RISC
RICE INSURANCE SERVICES CENTER
*We put the **E**xperience and **O**ptions in E&O programs*

LOUISIANA REAL ESTATE COMMISSION'S (LREC's)
GROUP ERRORS AND OMISSIONS (E&O) PROGRAM
Administered by Rice Insurance Services Center (RISC)
A Division of Accretive Specialty Insurance Solutions, LLC
Issued by Continental Casualty Company (Continental)

502-897-1876 / 1-800-637-7319
4211 Norbourne Blvd., Louisville, KY 40207
PO Box 6709, Louisville, KY 40206
www.risceo.com

LOUISIANA APPRAISER ENROLLMENT FORM

STOP — DO YOU ALSO HAVE AN ACTIVE LOUISIANA REAL ESTATE LICENSE? — STOP

YES – DO NOT USE THIS FORM. INSTEAD:	NO – SEE BELOW.
1. Purchase basic coverage through the group policy when renewing your real estate license with the LREC and 2. Purchase an appraisal endorsement (and any other desired endorsements) through RISC by sending a completed individual supplemental enrollment form (available at www.risceo.com/states/louisiana/) with endorsement premium.	Actively-licensed Louisiana certified general appraisers, certified residential appraisers, licensed residential appraisers, and trainee appraisers may use this form to purchase E&O insurance for their appraisal activities through the LREC's group program, even if they don't also have an active Louisiana real estate license.

ENROLLMENT FOR APPRAISERS WHO DO NOT ALSO HAVE AN ACTIVE LOUISIANA REAL ESTATE LICENSE

Select desired coverages below. Send completed form (both pages) with a check or money order payable to RISC. **Allow at least 7 – 10 days from receipt in our office for processing.** If you have clients who require proof of your E&O insurance, please be aware of their deadlines and mail your enrollment to us at least 10 days in advance to allow sufficient processing time.

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

APPRAISER INFORMATION – Correct any incorrect information and fill in any blanks.

Appraiser Name	License Type	License No.
Appraisal Firm		SSN (last 4 digits)
Address		
City	State	Zip Code
Work Phone	Home Phone	Cell Phone ☐ I 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.*

Must Purchase Both Basic Coverage and Appraisal Endorsement to be Insured for Licensed Appraisal Services

BASIC COVERAGE (January 1, 2026 to January 1, 2027) **Limits of Liability –** $100,000 per claim / $300,000 aggregate **Deductible –** $1,000 (Damages)	**$142**	✓
APPRAISAL ENDORSEMENT – Adds insurance for your real estate services as a certified general appraiser, certified residential appraiser, licensed residential appraiser, and trainee appraiser.	**$250**	✓

OPTIONAL ENDORSEMENTS AVAILABLE TO APPRAISERS – *This is a claims-made-and-reported policy. An endorsement will only apply to a claim if the endorsement is in effect when the claim is first made, which may be after this policy period expires. You should consider continuing to purchase an endorsement for as long as you would like the coverage to apply (provided you continue to meet any eligibility requirements).*

The appraiser trainee endorsement to add trainees under your supervision is no longer available. Actively-licensed Louisiana appraiser trainees may now purchase their own insurance through the group policy with an appraisal endorsement to insure their licensed appraisal services.

Increased Limits Endorsements – You may purchase ONLY ONE of the following:

$250,000 per claim / $750,000 aggregate	**$164**	
$500,000 per claim / $1,000,000 aggregate	**$246**	

Basic Premium & Appraisal Endorsement	**$ 392**
+ Any Optional Endorsement Premium	**$______**
TOTAL	**$______**