IDAHO REAL ESTATE COMMISSION’S ERRORS & OMISSIONS INSURANCE PROGRAM
Administered by Rice Insurance Services Center, A Division of AssuredPartners NL, LLC
and Issued by Continental Casualty Company

2023 OPTIONAL ENDORSEMENT OVERVIEW

APPRAISAL ENDORSEMENT

In consideration of the additional premium paid to the Company, it is understood and agreed that the policy is amended as follows:

I. The Section entitled EXCLUSIONS, the exclusion entitled Specified Activities, paragraph 2. is deleted in its entirety.

II. The Section entitled EXCLUSIONS, the exclusion entitled Commission Disputes is deleted in its entirety and replaced with the following:

disputes over commissions or fees between real estate brokers, real estate salespersons, real estate sales associates, and/or appraisers or disputes over commissions or fees involving lawsuits initiated by the Insured. This exclusion does not apply to disputes over commissions or fees involving counterclaims filed with the approval of the Company;

III. The Section entitled DEFINITIONS, the definition of Professional Services is amended by the addition of the following:

Professional Services also means services performed by the Licensee as an Idaho licensed or certified real estate appraiser, provided all necessary licenses are held by the Licensee at the time of the act, error, or omission giving rise to the Claim.

This endorsement does not apply to any Claim made prior to the effective date of the endorsement or after the expiration of the Individual Policy Period or any applicable Extended Reporting Period. If prior to the effective date of this endorsement any Insured had a reasonable basis to believe a Claim may arise, then this endorsement shall not apply to such Claim or Related Claim.

All other terms and conditions of the Policy remain unchanged.

CNA96125ID (6-19)

APPRAISAL TRAINEE ENDORSEMENT

In consideration of the additional premium paid, it is understood and agreed that:

I. The Section of the policy entitled DEFINITIONS, the definition of Insured is amended by the addition of the following new language:

Insured also means the Appraisal Trainees listed in the Schedule below, but only while (a) employed by the Licensee and acting under the Licensee’s supervision and control and (b) assisting the Licensee in the performance of the Licensee’s Professional Services as an Idaho licensed or certified real estate appraiser, provided that all necessary licenses are held by the Licensee at the time of the act, error, or omission giving rise to the Claim.

II. The Section of the policy entitled DEFINITIONS is amended by the addition of the following new definition:

Appraisal Trainee means an individual registered as a real estate appraiser trainee under the Idaho Rules of the Real Estate Appraiser Board, who assists in the collection of data or preparation of an appraisal, is employed by the Licensee, and is under the Licensee’s supervision or control, provided the Appraisal Trainee holds all necessary licenses at the time of the act, error, or omission giving rise to the Claim.

III. Solely with respect to a Claim made against an Appraisal Trainee:

A. This endorsement shall not apply to any Claim made prior to the effective date of the endorsement or after the expiration of the Individual Policy Period or any applicable Extended Reporting Period; and
B. If, prior to the effective date of this endorsement, any Insured had a reasonable basis to believe a Claim may arise, then this endorsement shall not apply to such Claim or Related Claim.

IV. SCHEDULE OF APPRAISAL TRAINEES:

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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, unless another effective date is shown below, and expires concurrently with said Policy.

CNA96127ID (6-19)

CONFORMITY ENDORSEMENT

In consideration of the additional premium paid to the Company, it is understood and agreed as follows:

Notwithstanding anything to the contrary in the policy, the terms and conditions of coverage herein shall be altered to conform to the minimum requirements for real estate errors and omissions insurance established by the States listed below, provided that: (1) the Licensee holds a current real estate license in such States; and (2) the negligent acts, errors or omissions arise out of the rendering of Professional Services in such States.

Applies to following States:

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This endorsement does not apply to any Claim made prior to the effective date of the endorsement or after the expiration of the Individual Policy Period.

Only those terms and conditions specifically addressed in the minimum requirements of the statutes, rules, and regulations of the States listed above are altered.

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, unless another effective date is shown below, and expires concurrently with said Policy.

CNA96131ID (6-19)

DEVELOPED/CONSTRUCTED BY SPOUSE ENDORSEMENT

In consideration of the additional premium paid, it is understood and agreed that:

I. The Declarations Page of the policy is amended to include the following new Item:

SUBLIMTS DEVELOPED/CONSTRUCTED BY SPOUSE:

(a) $100,000 per Licensee per Developed/constructed by Spouse Claim (Damages)
(b) $300,000 Aggregate all Developed/constructed by Spouse Claims per Licensee (Damages)

II. The Section of the policy entitled LIMITS OF LIABILITY is amended to include the following:

The Company’s Sublimit of Liability for Damages for each Developed/constructed by Spouse Claim per Licensee shall not exceed the per Developed/constructed by Spouse Claim Sublimit stated in the Declarations. The Company’s Sublimit of Liability for Damages for all Developed/constructed by Spouse Claims per Licensee shall not exceed the Aggregate Developed/constructed by Spouse Claim Sublimit set forth in the Declarations. Damages paid within the Developed/constructed by Spouse Claim Sublimits of Liability are included within, and not in addition to, the per Claim Limit of Liability and the Aggregate Limit of Liability under Item 3 of the Declarations.

III. The Section of the policy entitled EXCLUSIONS, the exclusion entitled Developed/constructed Property, is amended by the addition of the following exception to the exclusion:

Except that this exclusion shall not apply to a Developed/constructed by Spouse Claim until the Developed/constructed by Spouse Claim Sublimit of Liability has been exhausted, provided that

a. the Licensee was not involved in the construction or development;
b. a home warranty was purchased by or for the buyer prior to closing;
c. prior to closing, if required by law, a seller disclosure form was signed by the buyer and seller;
d. the Licensee’s spouse’s or Domestic Partner’s relationship to the builder or developer was disclosed and acknowledged by the buyer prior to closing;
e. a written home inspection report was issued by a licensed inspector who is not related to or affiliated with the Licensee or Licensee’s spouse or Domestic Partner and acknowledged by the buyer prior to closing;
f. a state or local board approved standard sales contract was utilized; and
g. the sale or listing was performed under and subject to applicable real estate license law;

IV. The Section of the policy entitled DEFINITIONS is amended by the addition of the following new definitions:

Developed/ Constructed by Spouse Claim means a Claim arising from the sale or listing for sale of Residential Property constructed or developed by any of the following: the Licensee’s spouse; the Licensee’s Domestic Partner; or any entity, corporation, partnership, or trust in which the Licensee’s spouse or Domestic Partner owned or controlled more than a ten percent (10%) financial or ownership interest.

Residential Property means a single-family residence or multi-family residences with four (4) or fewer units.

This endorsement does not apply to any Claim made prior to the effective date of the endorsement or after the expiration of the Individual Policy Period or any applicable Extended Reporting Period. If prior to the effective date of this endorsement any Insured had a reasonable basis to believe a Claim may arise, then this endorsement shall not apply to such Claim or Related Claim.

All other terms and conditions of the Policy remain unchanged.

CNA96132ID (6-19)

FRANCHISE ENDORSEMENT

In consideration of the additional premium paid to the Company, it is understood and agreed as follows:

In the event that the Licensee is affiliated with ________________, then ________________ meets the definition of a Real Estate Firm under the Section of the policy entitled DEFINITIONS and such entity shall therefore be an Insured as provided in the definition of Insured, paragraph 5.

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, unless another effective date is shown below, and expires concurrently with said Policy.

CNA96126ID (6-19)

INCREASED LIMITS OF LIABILITY ENDORSEMENT

$250,000 FOR EACH CLAIM / $500,000 FOR ALL CLAIMS

In consideration of the additional premium paid, it is understood and agreed that the following amendment is made to the policy Declarations page only as respects the Licensee named in the Schedule below and only as respects a Claim first made against such Licensee and reported to the Company in writing after the effective date of this Endorsement and before the expiration date of the Individual Policy Period:

ITEM 3. LIMITS OF LIABILITY of the Declarations is deleted in its entirety and replaced by the following:

ITEM 3. LIMITS OF LIABILITY

(a) $250,000 per Licensee per Claim (Damages)
(b) $500,000 Aggregate all Claims per Licensee (Damages)

Nothing herein shall serve to increase any Sublimits of Liability shown on the Declarations page or any amounts provided under the Section of the policy entitled SUPPLEMENTARY PAYMENTS.

This endorsement does not apply to any Claim made prior to the effective date of the endorsement or after the expiration of the Individual Policy Period or any applicable Extended Reporting Period. If prior to the effective date of this endorsement any Insured had a reasonable basis to believe a Claim may arise, then this endorsement shall not apply to such Claim or Related Claim.

SCHEDULE:

All other terms and conditions of the Policy remain unchanged.
INCORPORATED IN THE UNITED STATES OF AMERICA

INCREASED LIMITS OF LIABILITY ENDORSEMENT

$500,000 FOR EACH CLAIM / $1,000,000 FOR ALL CLAIMS

In consideration of the additional premium paid, it is understood and agreed that the following amendment is made to the policy Declarations page only as respects the Licensee named in the Schedule below and only as respects a Claim first made against such Licensee and reported to the Company in writing after the effective date of this Endorsement and before the expiration date of the Individual Policy Period:

ITEM 3. LIMITS OF LIABILITY of the Declarations is deleted in its entirety and replaced by the following:

ITEM 3. LIMITS OF LIABILITY

(a) $500,000 per Licensee per Claim (Damages)
(b) $1,000,000 Aggregate all Claims per Licensee (Damages)

Nothing herein shall serve to increase any Sublimits of Liability shown on the Declarations page or any amounts provided under the Section of the policy entitled SUPPLEMENTARY PAYMENTS.

This endorsement does not apply to any Claim made prior to the effective date of the endorsement or after the expiration of the Individual Policy Period or any applicable Extended Reporting Period. If prior to the effective date of this endorsement any Insured had a reasonable basis to believe a Claim may arise, then this endorsement shall not apply to such Claim or Related Claim.

SCHEDULE:

All other terms and conditions of the Policy remain unchanged.

OPTIONAL EXTENDED REPORTING PERIOD ENDORSEMENT

In consideration of the additional premium paid, it is understood and agreed that the following Optional Extended Reporting Period as set forth in the Section of the policy entitled EXTENDED REPORTING PERIODS, Paragraph B, shall apply:

From: _______________ To: _______________

The Optional Extended Reporting Period set forth above shall apply unless the Insured fails to pay the premium when due. The premium for the Optional Extended Reporting Period shall be:

1. due and payable as set forth in the policy; and
2. fully earned by the Company on the inception date of the Optional Extended Reporting Period as set forth above and no refunds will be permitted after that time.

All other terms and conditions of the Policy remain unchanged.
RESIDENTIAL PERSONAL INTEREST COVERAGE ENDORSEMENT

In consideration of the additional premium paid, it is understood and agreed that:

I. The Declarations Page of the policy is amended to include the following new Item:

SUBLIMTS RESIDENTIAL PERSONAL INTEREST:
(a) $100,000 per Licensee per Residential Personal Interest Claim (Damages)
(b) $300,000 Aggregate all Residential Personal Interest Claims per Licensee (Damages)

II. The Section of the policy entitled LIMITS OF LIABILITY is amended to include the following:

The Company’s Sublimit of Liability for Damages for each Residential Personal Interest Claim per Licensee shall not exceed the per Residential Personal Interest Claim Sublimit stated in the Declarations. The Company’s Sublimit of Liability for Damages for all Residential Personal Interest Claims per Licensee shall not exceed the Aggregate Residential Personal Interest Claim Sublimit set forth in the Declarations. Damages paid within the Residential Personal Interest Claim Sublimits of Liability are included within, and not in addition to, the per Claim Limit of Liability and the Aggregate Limit of Liability under Item 3 of the Declarations.

III. The Section of the policy entitled EXCLUSIONS, the exclusion entitled Owned or Purchased Property, is amended by the addition of the following exception to the exclusion:

except that this exclusion shall not apply to a Residential Personal Interest Claim until the Residential Personal Interest Claim Sublimit of Liability has been exhausted, provided that
i. the Residential Property was owned for at least one hundred eighty (180) days by the Licensee, the Licensee’s spouse or Domestic Partner, or any entity, corporation, partnership, or trust in which the Licensee or Licensee’s spouse or Domestic Partner has or had a financial or ownership interest;
ii. the property was not constructed or developed by the Licensee; the Licensee’s spouse or Domestic Partner; or any entity, corporation, partnership, or trust in which the Licensee or Licensee’s spouse or Domestic Partner has or had a financial or ownership interest;
iii. prior to closing, a home warranty was purchased by or for the buyer;
iv. prior to closing, if required by law, a seller disclosure form was signed by the buyer;
v. prior to closing, the ownership or financial interest of the Licensee; Licensee’s spouse or Domestic Partner; or entity, corporation, partnership, or trust in the Residential Property was disclosed in writing to and acknowledged by the buyer;
vi. a licensed inspector who was not related to or affiliated with the Licensee issued a written home inspection report that the buyer acknowledged prior to closing;
vii. a state or local board approved standard sales contract was used;
viii. the sale or listing was performed under and subject to applicable real estate license law; and
ix. prior to the effective date of this endorsement, no Insured had a basis to believe that any negligent act, error or omission, or Related Negligent Act, Error or Omission might reasonably be expected to be the basis of a Claim against the Insured;

IV. The Section of the policy entitled DEFINITIONS is amended by the addition of the following new definitions:

Residential Personal Interest Claim means a Claim arising from the sale or listing for sale of Residential Property other than the Licensee’s Primary Residence.

Residential Property means a single-family residence or multi-family residences with four (4) or fewer units.

This endorsement does not apply to any Claim made prior to the effective date of the endorsement or after the expiration of the Individual Policy Period or any applicable Extended Reporting Period. If prior to the effective date of this endorsement any Insured had a reasonable basis to believe a Claim may arise, then this endorsement shall not apply to such Claim or Related Claim.

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, unless another effective date is shown below, and expires concurrently with said Policy.

CNA96139ID (6-19)