



• We put the *Experience and Options* in E&O programs •
 502-897-1876 / 1-800-637-7319
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 www.risceo.com

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

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

RISC is pleased to offer a new, enhanced policy for the LREC's 2018 group real estate E&O insurance program. We recognize that each licensee has unique insurance needs. The group policy is tailored to provide Louisiana real estate licensees with coverage that exceeds state requirements. Visit our website, www.risceo.com, to enroll online, 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.

\$129 BASIC POLICY PREMIUM (+ \$7 LREC TRANSACTION FEE) AUTOMATICALLY INCLUDES	
Limits of Liability	\$100,000 per claim / \$300,000 aggregate with \$1,000 damage deductible (Only one deductible applies if a claim involves multiple licensees with the same firm.)
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 fair housing/discrimination claims, subpoenas, and regulatory complaints, 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
ENHANCED Firm / Team / Franchise Coverage	Real estate firm, real estate team (NEW), 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
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.
ENHANCED Environmental Coverage	Increased sublimits of \$10,000 per claim / \$20,000 aggregate (damages) with no limit on defense costs
NEW Escrow Coverage	\$5,000 per claim / \$10,000 aggregate (damages) with no limit on defense costs
Fair Housing / Discrimination Coverage	\$25,000 per claim / \$25,000 aggregate (damages & defense costs, combined)
Lock Box Coverage	\$5,000 per claim / \$10,000 aggregate (damages) with no limit on defense costs
Subpoena Coverage	\$2,500 per subpoena / \$2,500 aggregate (attorneys' fees)
NEW 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 (up to a maximum of \$10,000 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 which is usually offered to individuals by personal insurance policy providers and credit card companies.
Primary Residence Coverage	Provides coverage for the sale or listing for sale of the insured licensee's primary residence, under certain conditions.
OPTIONAL ENDORSEMENTS AVAILABLE TO INDIVIDUAL (NOT FIRM) LICENSEES	
Increased Limits – Additional Premium	\$250,000 per claim / \$750,000 aggregate (additional premium \$139 or \$189, see individual supplementary enrollment form for more information) & \$500,000 per claim / \$1,000,000 aggregate (additional premium \$214 or \$277, see individual supplementary enrollment form for more information)
Regulatory Complaints Endorsement – \$25	\$2,500 per regulatory complaint / \$5,000 aggregate (defense costs)
NEW Residential Personal Interest Endorsement – \$50	Provides coverage up to policy limits for claims relating to the sale or listing for sale of residential property (as defined in the endorsement) in which you have an ownership or financial interest, under certain conditions.
ENHANCED Appraisal Endorsement – \$250	Provides coverage up to policy limits for your services as an active licensed residential certified real estate appraiser, general certified real estate appraiser, or real estate appraiser trainee. This endorsement is available to licensees who hold both an active real estate license and an active appraisal license. ENHANCEMENT – This endorsement is now also available to individuals who only have an active Louisiana real estate appraiser license (without also having an active real estate license).
Appraisal Trainees	If you previously purchased an appraiser trainee endorsement for trainees under your 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.
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 Louisiana group policy coverage to comply with the other states' requirements. Eligibility requirement: You must be actually domiciled in Louisiana or considered to be domiciled in Louisiana under the policy. (Licensed Louisiana real estate firms with an active real estate license in another state that also requires firm license coverage may also purchase a conformity endorsement.)
WHERE INSURANCE APPLIES – TERRITORY	
For licensees domiciled in Louisiana, the policy applies to professional services provided anywhere in the world, provided 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 POLICIES – SUBJECT TO UNDERWRITING APPROVAL	
Firm excess policies (written by Continental Casualty Company) with \$1,000,000 limits available to firms whose licensees are all insured through the group program. In addition to traditional excess coverage, our excess program includes these key features at no additional cost: (1) Environmental Hazards Claims Coverage sublimits of \$100,000 per claim and in the aggregate for covered claims alleging failure to advise of the existence of pollutants, asbestos, radon, or lead and (2) Discrimination Claims Coverage sublimits of \$100,000 per claim and in the aggregate for covered claims alleging discrimination in the performance or failure to perform professional services (in addition to the underlying group program's environmental and discrimination coverages).	



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Louisiana Real Estate Commission's Group Policy Designed for Louisiana Licensees

Please Support Your State Program

Over **\$19 Million** in defense costs and damages have been incurred as of October 1, 2017 since RISC 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 is charging a very low amount, you may find out 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 Casualty Company, a CNA company. 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'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 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.

Have Questions?

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

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 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 under the basic policy (except under the discrimination, subpoena, and regulatory complaints coverages, which were not covered at all under traditional E&O policies).

Does the policy insure transactions you do for relatives? Yes. The RISC policy applies to claims involving services performed for your parents; grandparents; siblings; aunts; uncles; cousins; children; and your spouse's parents, grandparents, siblings, and children. 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 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. Under the group program, the 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:

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

[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 such as you and [your staff]. T.G. (LA licensee)