



• 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

Rice Insurance Services Company, LLC (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 to 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 offer online enrollment at www.risceo.com. Licensees who enroll online may download a certificate of coverage immediately. Licensees who enroll by mail should do so by **April 17, 2020** to ensure adequate time to receive a certificate of coverage by the Rhode Island Department of Business Regulation (RIDBR) license renewal deadline of April 30, 2020. All active individual licensees must certify coverage with their RIDBR license renewal. It is your responsibility to provide verification to the RIDBR and other commissions and entities as they may require.

Principal brokers should verify 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, www.risceo.com, for sample policy and endorsement forms and additional information. Contact us with any questions or concerns. We are always happy to hear from Rhode Island licensees!

Basic Policy Features

Limits of Liability	\$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.
Defense Outside Limits	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.
Firm Coverage	Real estate firm included in the definition of insured for vicarious liability for covered claims.	Automatically included.
Retroactive / Prior Acts Coverage	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.
Lock Box Coverage	\$5,000 per claim / \$10,000 aggregate (damages) with no limit on defense costs.	Automatically included.

Optional Endorsements Available

Fair Housing / Discrimination	\$2,500 per claim / \$5,000 aggregate (defense costs only).	\$30
Environmental	\$2,500 per claim / \$5,000 aggregate (defense costs only).	\$30
Regulatory Complaints	\$2,500 per regulatory complaint / \$5,000 aggregate (defense costs only).	\$30
Property Management	Adds specified property management services to the professional services insured by the policy.	\$200
Appraisal	Adds services as a licensed appraiser to the professional services insured by the policy.	\$200

Firm Excess Policies – Subject to Underwriting Approval

We offer CNA excess policies with limits of \$250,000; \$500,000; or \$1,000,000 on an underwritten basis for firms that desire higher limits of liability than provided by our basic policy's individual per claim limit. Our excess policies meet most franchise requirements for higher limits and additional insured language.

As the excess policy is issued to the firm, all the firm's licensees must participate in the excess program. All the firm's licensees must also 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.

Excess policy premium 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.

Risk Reduction Material – Available at www.risceo.com

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

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 US, 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 the vast majority of 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 offer online enrollment for Rhode Island licensees through our website, 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.

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 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 you and your spouse's relatives. 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 farmland 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

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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).

PROTECTION FROM THE MOST EXPERIENCED PROVIDER IN THE BUSINESS – Continuing more than 25 years of service to Rhode Island licensees, RISC's management team is pleased to provide E&O insurance that meets RIDBR requirements. Our policy is issued by Continental Casualty Company, a CNA insurance company (rated "A" by A.M. Best). Our experience and excellent claims service (specializing in real estate E&O), combined with CNA's strong financial performance and ratings results in a quality program. Insurance may be purchased from other providers, as long as coverage complies with RIDBR requirements and a certificate of coverage is filed with the RIDBR in compliance with RIGL § 5-20.5-25.

POLICY INFORMATION – If you are enrolled in RISC's 2018 – 2020 program, your policy will expire April 30, 2020. **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 2-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, 2020 may pay a prorated premium; contact RISC for the proper amount. A sample policy and additional information are on our website, www.risceo.com.

EXCLUSIONS – All licensees considering RISC's program are urged to read the entire policy, including the "Exclusions" section. A copy of the policy is available on our website, www.risceo.com, or by calling us at 1-800-637-7319, 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. 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. See the policy's "Territory" section for more information.

OPTIONAL ENDORSEMENTS AVAILABLE – Sample copies of the endorsements are available on our website, 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** – Adds insurance for services that require an appraisal license. You must have both an active real estate license and an active appraiser license to be eligible for this endorsement.
- **Property Management Endorsement** – Adds insurance for specified property management activities.
- **Limited Claim Expenses Coverage Endorsements**
 - **Environmental** – \$2,500 per covered environmental claim / \$5,000 aggregate (claim expenses only).
 - **Fair Housing** – \$2,500 per covered fair housing claim / \$5,000 aggregate (claim expenses only).
 - **Real Estate Regulatory Complaints** – \$2,500 per covered complaint to a regulatory board or commission / \$5,000 aggregate (claim expenses only).

NOT RENEWING COVERAGE THROUGH RISC'S PROGRAM? CONSIDER AN OPTIONAL EXTENDED REPORTING PERIOD (ERP) ENDORSEMENT – There is no coverage for claims that arise after the end of your individual policy period unless an ERP is in place. Claims often arise years after the subject transaction occurred. If you are not renewing coverage through RISC for any reason (e.g. inactivating / retiring your license or switching to another insurance provider), you should consider purchasing an ERP endorsement. We offer 1, 2, and 3 year ERP endorsements to extend the policy's reporting date to apply to claims first made against the insured and reported to the insurance company within the ERP. An ERP endorsement may only be purchased any time during or up to 90 days after the end of your individual policy period.

LIMITS UP TO \$1,000,000 AVAILABLE TO FIRMS DESIRING LIMITS OF LIABILITY ABOVE THE UNDERLYING POLICY LIMITS – We offer CNA firm excess policies with limits up to \$1,000,000 per claim and in the aggregate. The excess policy will not apply until all applicable limits of the individual licensees' underlying insurance have been exhausted. 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. All of the firm's licensees must also be insured through RISC's underlying policy. Excess policy premium 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 1-800-637-7319, ext. 3.

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. Any claim under RISC's 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 "Resources" tab and click "Forms" or call us toll-free at 1-800-637-7319, Option 2.

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 from which you have continuously maintained uninterrupted E&O insurance, with no gaps. 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. If you fail to enroll timely, call RISC immediately to see if you qualify to backdate your individual policy period to April 30, 2020. This procedure will not remedy noncompliance with mandatory insurance laws, which may result in penalties and fines.

EFFECTIVE DATE – Licensees who enroll before April 30, 2020 will have an April 30, 2020 inception date. Licensees who enroll after April 30, 2020 will have an inception date of the day we receive the licensee's *completed application and premium*. Licensees not enrolled in RISC's current policy may request a different inception date (after April 30, 2020) on the enrollment form.



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ENROLLMENT FORM – ONLINE ENROLLMENT AVAILABLE NOW!

Enroll online or by mail through RISC. **DO NOT** submit your E&O premium to the RIDBR. If you renew your license online through the RIDBR, list “Continental Casualty Company” for the Errors and Omissions Insurance Company Name and “4/30/2022” for the Expiration Date and keep your certificate of coverage in a safe place to present to the RIDBR upon request. If you renew your license by mail, you may attach a copy of your certificate of coverage as proof of insurance.

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).

ENROLL BY MAIL – Select desired coverages below and send completed form with a check or money order payable to RISC at either of the following addresses by **APRIL 17, 2020** to ensure adequate processing time.

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

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) () -	Telephone (work) () -	
<input type="checkbox"/> If cell: Check here if you would like text reminders if / when that option is available.		
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) to your address book.

BASIC POLICY 2-Year Period from April 30, 2020 to April 30, 2022.	Unit Price	Amount Due
Limits of Liability – \$100,000 per claim / \$500,000 aggregate Deductibles – \$1,000 damages and \$1,000 claim expenses	\$234	\$234
OPTIONAL ENDORSEMENTS AVAILABLE All endorsements expire April 30, 2022.		
Conformity Endorsement – Conforms your insurance through our RI policy to comply with E&O requirements in other mandated states where you have an active real estate license. Eligibility requirement: Actually domiciled in RI or treated as domiciled in RI by the policy terms. Circle applicable state(s): AK CO ID IA KY LA MS NE NM ND SD TN* WY Other State License Type: _____ / Other State License #: _____ (identify state if more than one) <small>* Eligibility for TN conformity is limited by TN regulations. Contact RISC if you need coverage for a TN license.</small>	\$30 Regardless of # of states at time of issuance.	
Appraisal Endorsement – Adds insurance for services that require an appraisal license. Eligibility Requirements: Both an active real estate license and an active appraisal license to qualify for this endorsement. Appraisal License #: _____	\$200	
Property Management Endorsement – Adds insurance for specified property management activities.	\$200	
Limited Claim Expenses Coverage Environmental Endorsement – \$2,500 per covered environmental claim / \$5,000 aggregate (claim expenses only).	\$30	
Limited Claim Expenses Coverage Fair Housing Endorsement – \$2,500 per covered fair housing claim / \$5,000 aggregate (claim expenses only).	\$30	
Limited Claim Expenses Coverage Regulatory Complaints Endorsement – \$2,500 per covered complaint to a real estate regulatory board or commission / \$5,000 aggregate (claim expenses only).	\$30	
BASIC POLICY PREMIUM		\$234
+ ANY APPLICABLE OPTIONAL ENDORSEMENT PREMIUM		+ \$ _____
TOTAL		\$ _____

***** 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 the above statements and particulars are true and Applicant has not suppressed or misstated any material facts. Applicant agrees this application shall be the basis of the contract with the Company and coverage, if written, will be provided on a claims-made-and-reported basis. Applicant understands 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 the completion of this application does not bind the Company to issue a policy. Coverage will be effective the later of April 30, 2020 or the date we receive your *completed application* and premium payment. If you are not currently enrolled in RISC's 2018 – 2020 program and would like to request a different effective date (after April 30, 2020), provide the requested effective date: _____.

The undersigned understands 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** _____