



**SOUTH DAKOTA REAL ESTATE COMMISSION'S (SDREC's)  
GROUP ERRORS AND OMISSIONS (E&O) PROGRAM**

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

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

**South Dakota law requires all active brokers and salespersons to carry and maintain E&O insurance to cover all licensed activities. If insurance is not timely obtained or renewed, the SDREC may inactivate your license and issue other penalties. If you were enrolled in the SDREC's 2020 group policy, your insurance expired January 1, 2021.** Licensees may purchase insurance outside the group program, provided coverage meets state requirements and a certificate of equivalent coverage is provided to the SDREC as required by state law. New licensees must obtain insurance before their license can be activated.

**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. This program is specially tailored to meet the specific needs of South Dakota licensees. The insurance carrier is Continental Casualty Company, a CNA insurance company (rated "A" by A.M. Best). RISC's experience and excellent claims service combined with CNA's strong financial performance and ratings ensures a quality program.

**Option for Renewing E&O Coverage for Multiple Licensees** – Companies with 10+ licensees can request a Multiple Licensee Renewal Form to electronically submit enrollment information for all the firm's licensees timely and expediently.

**REVIEW THE FOLLOWING IMPORTANT INFORMATION AND SIGN BELOW**

**What is and is Not Covered** – We urge all licensees to review a sample policy, including the Exclusions section. A sample policy and additional information are available on our website, [www.risceo.com](http://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. 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 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](http://www.risceo.com), then select the "Resources" tab and click "Forms" 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. 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 failed to enroll timely, call RISC immediately to see if you qualify to backdate your individual policy period to January 1, 2021. This procedure will not remedy noncompliance with mandatory insurance laws, which will result in penalties and fines.

**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 do not renew coverage for any reason (e.g. inactivating / retiring your license or switching to a different 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 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** – Licensees domiciled in South Dakota are insured for real estate services performed anywhere they hold an active real estate license, provided the services would require a real estate license if performed in South Dakota. Licensees not domiciled in South Dakota are insured for South Dakota transactions only. Out-of-state licensees may be considered domiciled in South Dakota if their principal real estate license is affiliated with a real estate office in South Dakota and they reside within 50 miles of the South Dakota state line. See the Territory section of the policy for more information.

**Effective Date** – Licensees who enroll after January 1, 2021 will have an inception date of the day we receive the licensee's *completed application and premium*. To request a different inception date (after January 1, 2021) for Continental's consideration, insert date: \_\_\_\_\_

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

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

**SIGNATURE:** \_\_\_\_\_

**DATE:** \_\_\_\_\_



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**ENROLLMENT FORM - PRORATED**

**RISC COLLECTS THE PAYMENTS FOR THE SDREC'S GROUP E&O PROGRAM.  
DO NOT SEND YOUR PAYMENT TO THE SDREC.**

South Dakota law requires that all active real estate brokers and salespersons carry and maintain E&O insurance that applies to all licensed activities. Licensees who enroll in the group program will receive a certificate of coverage so that the licensee may provide proof of coverage to the SDREC. Licensees may purchase insurance outside the group program, provided coverage meets state requirements and proof of coverage is provided to the SDREC as required by state law.

**HOW TO 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 to online enrollment).

**MAIL** – Select desired coverages below and send your completed form (both pages) with a check or money order payable to RISC. Allow 7 – 10 days for processing.

<b>Mailing Address</b> RISC, P.O. Box 6709, Louisville, KY 40206-0709	<b>Overnight Delivery</b> RISC, 4211 Norbourne Blvd., Louisville, KY 40207-4048
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**LICENSEE INFORMATION**

Provide correct and complete information. Failure to do so may delay issuance of your coverage.

Licensee Name:		License Type:	License No.:
Real Estate Firm:			SSN (last 4 digits only):
Address:			
City:	State:	Zip Code:	
Work Phone:	Home Phone:	Cell Phone:	
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.

**SELECT DESIRED COVERAGE(S)**

<b>BASIC POLICY: Limits of Liability</b> – \$100,000 per claim / \$500,000 aggregate							<b>See prorated premiums at left.</b>	\$ _____
<b>Deductibles</b> – \$1,000 (damages) & \$500 (claims expenses)								
<b>Prorated Premium:</b> <small>(All policies expire January 1, 2022)</small>	Jan \$187	Feb \$171	Mar \$156	Apr \$140	May \$125	Jun \$109		
	Jul \$94	Aug \$78	Sep \$62	Oct \$47	Nov \$31	Dec \$16		

**OPTIONAL ENDORSEMENTS**

*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).*

<b>Appraisal Endorsement</b> – Adds licensed real estate appraisal services to insured professional services. Eligibility requirements: (1) an active real estate license and (2) an active appraisal license. <b>Appraisal License #:</b> _____	<b>\$200</b>	
<b>Conformity Endorsement</b> – Conforms your insurance through the SD policy to comply with the E&O requirements in another state where you have an active real estate license. Eligibility requirement: You must be actually domiciled in SD or treated as domiciled in SD by the policy terms. <b>Circle applicable state(s):</b> AK CO ID IA KY LA MS MT ND NE NM RI TN* WY <b>Other State License Type:</b> _____ / <b>Other State License #:</b> _____ (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>	<b>\$20</b> regardless of # states at issuance	
<b>Residential Personal Interest Coverage Endorsement</b> – Provides coverage for claims relating to the sale or listing for sale of residential property owned by you, your spouse, or an entity you own, under certain conditions.	<b>\$50</b>	
<b>Increased Limits Endorsements</b> – You may purchase <b>ONLY ONE</b> of the following:		
<b>Increased Limits of \$250,000 per claim / \$750,000 aggregate</b>	<b>\$98</b>	
<b>Increased Limits of \$500,000 per claim / \$1,000,000 aggregate</b>	<b>\$169</b>	
<b>Basic Policy Premium</b>	\$ _____	
<b>+ Any Optional Endorsement Premium</b>	\$ _____	
<b>TOTAL</b>	<b>\$ _____</b>	

CNA is a service mark and trade name registered with the US Patent and Trademark Office. The program referenced herein is underwritten by Continental Casualty Company, a CNA insurance company. The information included on both pages of this document is for illustrative purposes only and is not a contract. It is intended to provide a general overview of the products and services offered. Only the policy can provide the actual terms, coverages, amounts, conditions, and exclusions. This program is only available in South Dakota. © 2021