



• We put the Experience and Options in E&O programs •  
 502-897-1876 / 1-800-637-7319  
 4211 Norbourne Blvd., Louisville, KY 40207-4048  
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 www.risceo.com

## COLORADO REAL ESTATE COMMISSION'S (CREC's) GROUP ERRORS AND OMISSIONS (E&O) PROGRAM

Administered by RISC and Issued by Continental Casualty Company (Continental)

RISC is pleased to continue to provide the CREC's group real estate E&O insurance program. We recognize that each licensee has unique insurance needs. We have tailored the group policy to provide Colorado real estate licensees with coverage that exceeds state requirements for an affordable premium of \$239. Visit our website, [www.risceo.com](http://www.risceo.com), to enroll online, download a sample policy, and obtain additional information. Contact us with any questions or concerns; we are always happy to hear from Colorado licensees.

<b>Limits of Liability</b>	\$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.)	\$239
<b>Increased Limits Available</b>	Increased limits available to individual (not firm) licensees in the amounts of \$250,000 per claim / \$750,000 aggregate & \$500,000 per claim / \$1,000,000 aggregate	Available for additional premium
<b>Firm Excess Policies</b>	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 automatically includes these key features at no additional cost: (1) <b>Environmental Hazards Claims Coverage</b> 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) <b>Discrimination Claims Coverage</b> sublimits of \$100,000 per claim and in the aggregate for covered claims alleging discrimination in the performance or failure to perform professional services (this is in addition to the discrimination sublimits provided in the underlying group program). All of the firm's licensees must participate in the group program for the firm to qualify for an excess policy.	Subject to underwriting approval
<b>First Dollar Defense</b>	Applies WITH NO CONDITIONS to all covered claims	Automatically included
<b>Defense Outside Limits</b>	There is NO LIMIT on the amount of defense costs the carrier will pay in connection with claims covered under the basic policy limits (Note, there are limits on defense costs under the discrimination, escrow, regulatory complaints, and subpoena coverages, which were not covered at all under many E&O policies).	Automatically included
<b>Risk Reduction Material</b>	We incorporate our knowledge of the policy and extensive claims handling experience into educational articles and videos.	Available at <a href="http://www.risceo.com">www.risceo.com</a>
<b>Expanded Definition of Professional Services</b>	The definition of professional services includes (1) services performed or advice given (including as a notary public and as a real estate consultant or counselor) in connection with licensed activity; (2) market analyses and valuations for listing a property or guiding a buyer in making an offer; and (3) broker price opinions.	Automatically included
<b>Firm / Franchise Coverage</b>	Real estate firm and franchisor included in the definition of insured for vicarious liability for covered claims.	Automatically included
<b>Spousal Coverage</b>	Licensee's spouse or domestic partner considered an insured in certain situations	Automatically included
<b>Retroactive / Prior Acts Coverage</b>	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.	Automatically included
<b>Discrimination / Fair Housing Coverage</b>	\$30,000 per claim / \$30,000 aggregate (damages & defense costs, combined), with option to increase to \$50,000 per claim / \$50,000 aggregate for a low price (see endorsement bundle)	Automatically included
<b>Escrow / Earnest Money Coverage</b>	\$10,000 per claim / \$25,000 aggregate (damages & defense costs, combined)	Automatically included
<b>Lock Box Coverage</b>	\$100,000 per claim / \$300,000 aggregate (damages) w/ no limit on defense costs and no deductible	Automatically included
<b>Subpoena Coverage</b>	\$5,000 per subpoena / \$5,000 aggregate (attorneys' fees)	Automatically included
<b>Regulatory Complaints Coverage</b>	\$2,500 per regulatory complaint / \$5,000 aggregate (defense costs), with option to increase to \$5,000 per complaint / \$5,000 aggregate for a low price (see endorsement bundle)	Automatically included
<b>Primary Residence Coverage</b>	Provides coverage for the sale or listing for sale of the insured licensee's primary residence, under certain conditions.	Automatically included
<b>Endorsement Bundle</b>	<b>Environmental Endorsement:</b> \$10,000 per claim / \$20,000 aggregate (damages & defense costs, combined) <b>Residential Personal Interest Endorsement:</b> Up to policy limits for claims concerning the sale or listing for sale of the licensee's residential property (defined in the endorsement), under certain conditions <b>Increased Discrimination / Fair Housing Sublimits:</b> Increases fair housing sublimits to \$50,000 per claim / \$50,000 aggregate (damages & defense costs, combined) <b>Increased Regulatory Complaints Coverage:</b> Increases regulatory complaints coverage to \$5,000 per complaint / \$5,000 aggregate (defense costs)	\$15 for all 4
<b>Property Management Activities</b>	The group policy insures professional services that require a real estate license, such as renting and leasing real property. We offer an endorsement to expand the definition of professional services to include additional, specified services that do not require a real estate license but are often performed by property managers, such as collecting rents and processing evictions.	\$25 to add a Property Management Endorsement
<b>Territory</b>	For licensees domiciled in CO, 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 CO. Licensees not actually domiciled in CO or not considered to be domiciled in CO under the policy are insured only for professional services rendered in CO. A conformity endorsement is only needed if you are actively licensed in another state that mandates E&O coverage. If so, you may purchase an endorsement for only \$20 to conform your CO group policy coverage to comply with the other states' requirements.	Subject to policy provisions

**Option for Renewing E&O Coverage for Multiple Licensees:** Companies with more than 10 licensees can request a Multiple Licensee Renewal Form for convenience and to ensure all licensees are in compliance. Call us for more information or to request the form.

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### Please Support Your State Program

Over **\$25 Million** in defense costs and damages have been incurred as of July 31, 2015 since RISC began administering the Colorado state group program in 2004. RISC and the carrier share a commitment to their insureds and providing valuable coverage to Colorado licensees. When shopping for insurance coverage it's important to ask about the company's experience and paid claims in Colorado. 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, real estate 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 11 of the 13 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 20 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.

### Questions?

Visit our website, [www.risceo.com](http://www.risceo.com) or contact us at 1-800-637-7319. We are always happy to hear from Colorado licensees.

### 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 (defense costs are limited under the discrimination, escrow, regulatory complaints, and subpoena coverages; however, traditional E&O policies do not provide these coverages at all).

**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; or your spouse's parents, grandparents, siblings, or 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 group 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.

**Does the policy allow you a voice in choosing an attorney? Yes.** The group policy provides that defense counsel must be mutually agreeable to the insured and the carrier, so the carrier cannot assign an attorney you do not agree to represent you in a covered claim.

**Are insureds satisfied with the provider's service? Yes.** Below are excerpts from emails we have received from actual insureds:

*I've never seen better service than what you provide for us each year. I ask for something and it's always answered by the end of the day. I wish all companies had your work ethic. I know I'm not the only one asking many questions and you're always there.... Thank you. B.F. (CO licensee)*

*My sincere thanks to [the RISC adjuster] for her professional, timely, and compassionate handling of my situation. I have never gone through this . . . but at this point, I feel that I am in excellent hands with [local defense counsel] and his firm. G.R. (CO licensee)*

*[T]hank you for going the extra mile. M.C. (CO licensee)*

*WOW!!!! I am completely blown away by how quickly and efficiently you [provide service]. You and your team are truly the best! T.J. (Director of HR and licensing of large CO firm)*