



COLORADO REAL ESTATE COMMISSION'S (CREC'S) GROUP ERRORS & 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

NOTICE – If you were insured under the CREC’s 2019 group program, your insurance expired January 1, 2020. Colorado law requires that all active individual real estate licensees carry and maintain E&O insurance to cover all licensed activities. Failure to timely obtain or renew coverage may lead the CREC to inactive your license and assess fines and penalties. Prospective licensees must obtain insurance before license activation. Licensees may obtain insurance outside the group program, provided coverage complies with state law and proof of coverage is provided to the CREC as required by state law.

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 Colorado licensees. The insurance carrier is Continental Casualty Company, a CNA insurance company. RISC’s experience and excellent claims service, combined with CNA’s strong financial performance and ratings (rated “A” by A.M. Best), ensures a quality program.

IMPORTANT INFORMATION REGARDING FIRM LICENSEES – Actively licensed real estate companies that (1) employ licensees in addition to the responsible broker and (2) are organized as corporations, limited liability companies, or partnerships also must carry E&O insurance. Licensed real estate firms that do not employ licensees other than the responsible broker are not required to carry E&O insurance but may opt to do so (the responsible broker must maintain individual E&O coverage).

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, or by calling us toll-free at 1-800-637-7319, Option 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, 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 failed to enroll timely, call RISC immediately to see if you qualify to backdate your individual policy period to January 1, 2020. This procedure will not remedy noncompliance with mandatory insurance laws, which will result in penalties and fines.

Not Renewing Coverage through the Group 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 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.

Territory – Licensees domiciled in Colorado 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 Colorado. Licensees not domiciled in Colorado are insured for Colorado transactions only. Out-of-state licensees may be considered domiciled in Colorado if their principal real estate license is affiliated with a real estate office in Colorado and they reside within 50 miles of the Colorado state line. Please see the Territory section of the policy for more information.

Effective Date – Licensees who enroll after January 1, 2020 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, 2020) for Continental’s consideration, insert date here: _____

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 the Company 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: _____

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 Colorado. © 2020



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INDIVIDUAL ENROLLMENT FORM – PRORATED

NOTICE – Colorado law requires that all active individual real estate licensees carry and maintain E&O insurance to cover all licensed activities. Failure to maintain continuous E&O coverage may lead the CREC to inactive your license and assess fines and penalties.

HOW TO ENROLL

ONLINE – At www.risceo.com with a Visa or MasterCard and download a certificate of coverage immediately (\$5 nonrefundable convenience fee applies).

MAIL – Select desired coverages below and send completed form (both pages) with a check or money order payable to RISC. Allow 7 – 10 business days to allow us time to process your enrollment and provide proof of coverage to the CREC.

Mailing Address

RISC, PO Box 6709, Louisville, KY 40206-0709

Overnight Delivery

RISC, 4211 Norbourne Blvd, Louisville, KY 40207-4048

LICENSEE INFORMATION – Failure to provide correct and complete information may delay issuance of your coverage and confirmation to the CREC. *This form is for individual licensees only. Firm licensees should use the firm enrollment form – prorated.*

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: <input type="checkbox"/> I want text reminders if / when that option is available.
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](mailto:risceo.com)) to your address book.

BASIC POLICY

Limits of Liability: \$100,000 per claim / \$300,000 aggregate	Deductible: \$1,000 (damages)	See prorated premiums at left	\$ _____
Prorated Premiums (2020 effective date – all policies expire January 1, 2021): Jan \$239 / Feb \$219 / Mar \$199 / Apr \$179 / May \$159 / June \$139 / July \$120 / Aug \$100 / Sept \$80 / Oct \$60 / Nov \$40 / Dec \$20			

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).

Appraisal Endorsement – Eligibility requirements: (1) active real estate license and (2) active appraisal license. Appraisal License #: _____	\$140	
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Appraisal Trainee Endorsement – Changes the definition of insured to include specific appraiser trainees listed in the endorsement. Eligibility requirements: (1) an active real estate license; (2) an active appraisal license; and (3) also purchase an appraisal endorsement (above). You <u>must</u> attach a list of appraiser trainees you would like listed in the endorsement. A separate premium applies to each appraisal trainee listed.	\$140 per appraisal trainee	
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Conformity Endorsement – Conforms your insurance through the CO group policy to comply with E&O requirements in other mandated states where you have an active real estate license. Eligibility requirement: actually domiciled in CO or treated as domiciled in CO by the policy terms. Circle applicable state(s): AK ID IA KY LA MS NE NM ND RI 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>	\$20 (Regardless of number of states at issuance)	
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Contingent Bodily Injury / Property Damage Endorsement – \$10,000 per claim / \$10,000 aggregate (damages and claim expenses, combined) for bodily injury and property damage claims that arise from professional services under certain conditions.	\$30	
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Property Management Endorsement – Adds specified property management services to insured professional services.	\$25	
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Endorsement Bundle – Includes the Following Five Endorsements:	\$15	
• Environmental Endorsement – \$10,000 per environmental claim / \$20,000 aggregate (damages and claim expenses, combined).		
• Residential Personal Interest Endorsement – Provides coverage for claims relating to the sale or listing for sale of residential property owned by the insured licensee under certain conditions.		
• Supplemental Coverage Security Breach Notification Endorsement – Reimbursement up to \$5,000 for costs incurred by the insured licensee's 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 \$5,000 per real estate firm, regardless of the number of licensees or incidents involved). This is not coverage for personal identity theft risk, which is not a professional liability risk and is usually offered to individuals by personal insurance policy providers and credit card companies.		
• Increased Sublimits for Fair Housing / Discrimination Claims Endorsement – Increases sublimits to \$50,000 per discrimination claim / \$50,000 aggregate (damages and claim expenses, combined). The basic policy automatically includes sublimits of \$30,000 (damages and claim expenses, combined) per discrimination claim / \$30,000 aggregate.		
• Increased Claim Expenses Coverage for Regulatory Complaints (Disciplinary Proceedings): Endorsement – Increases defense cost coverage to \$5,000 per covered regulatory complaint / \$5,000 maximum. The basic policy automatically includes defense costs of \$2,500 per regulatory complaint / \$5,000 maximum.		

Increased Limits Endorsements – You may purchase ONLY ONE of the following:		
Increased Limits of \$250,000 per Claim / \$750,000 Aggregate	\$189	
Increased Limits of \$500,000 per Claim / \$1,000,000 Aggregate	\$309	

	BASIC POLICY PREMIUM	\$ _____
	+ ANY OPTIONAL ENDORSEMENT PREMIUM	\$ _____
	TOTAL DUE	\$ _____