



• 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

**IOWA REAL ESTATE COMMISSION'S ERRORS & OMISSIONS INSURANCE PROGRAM**  
Administered by Rice Insurance Services Company, LLC and Issued by Continental Casualty Company

**2018 OPTIONAL ENDORSEMENT OVERVIEW**

**APPRAISAL ENDORSEMENT**

In consideration of the additional premium paid to the Company, it is understood and agreed that the policy is amended as follows:

- I. The Section entitled **EXCLUSIONS**, the exclusion entitled Specified Activities, paragraph 2., is deleted in its entirety.
- II. The Section entitled **DEFINITIONS**, the definition of **Professional Services**, is amended to add the following sentence:  
**Professional Services** also means services performed by the **Licensee** as a licensed real estate appraiser, provided all necessary licenses are held by the **Licensee** at the time of the act, error, or omission giving rise to the **Claim**.

This endorsement does not apply to any **Claim** made prior to the effective date of the endorsement or after the expiration of the **Individual Policy Period**.

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy, unless another effective date is shown below, and expires concurrently with said Policy.

CNA79395IA (8-14)

**CONFORMITY ENDORSEMENT**

In consideration of the additional premium paid to the Company, it is understood and agreed as follows:

Notwithstanding anything to the contrary in the policy, the terms and conditions of coverage herein shall be altered to conform to the minimum requirements for real estate errors and omissions insurance established by the States listed below, provided that: (1) the Licensee holds a current real estate license in such States; and (2) the negligent acts, errors or omissions arise out of the rendering of Professional Services in such States.

Applies to following States: \_\_\_\_\_

This endorsement does not apply to any Claim made prior to the effective date of the endorsement or after the expiration of the Individual Policy Period.

Only those terms and conditions specifically addressed in the minimum requirements of the statutes, rules and regulations of the States listed above are altered.

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy, unless another effective date is shown below, and expires concurrently with said Policy.

CNA79393IA (8-14)

**CONTINGENT BODILY INJURY AND PROPERTY DAMAGE ENDORSEMENT**

In consideration of the additional premium paid to the Company, it is understood and agreed that the policy is amended as follows:

- I. The Declarations Page is amended to include the following new Item:

**SUBLIMITS BODILY INJURY CLAIM/PROPERTY DAMAGE CLAIM:**

(a) \$10,000 per **Licensee** per **Bodily Injury Claim** or **Property Damage Claim (Damages & Claim Expenses)**

(b) \$10,000 Aggregate all **Bodily Injury Claims** and **Property Damage Claims** per **Licensee (Damages & Claim Expenses)**

- II. The Section entitled **LIMITS OF LIABILITY** is amended to include the following:  
The Company's Sublimit of Liability for **Damages** and **Claim Expenses** for each **Bodily Injury Claim** or **Property Damage Claim** per **Licensee** shall not exceed the per **Licensee** per **Bodily Injury Claim** or **Property Damage Claim** Sublimit stated in the Declarations. The Company's Sublimit of Liability for **Damages** and **Claim Expenses** for all **Bodily Injury Claims** and **Property Damage Claims**, combined, per **Licensee** shall not exceed the Aggregate all **Bodily Injury Claims** and **Property Damage Claims** per **Licensee** Sublimit set forth in the Declarations. **Damages** paid within the **Bodily Injury Claim/Property Damage Claim** Sublimits of Liability are included within, and not in addition to, the per **Licensee** per **Claim** Limit of Liability and the Aggregate all **Claims** per **Licensee** Limit of Liability set forth in the Declarations.
- III. The Section entitled **LIMITS OF LIABILITY**, Subsection G. is deleted in its entirety and replaced with the following:
- G. Except with respect to a **Discrimination Claim, Environmental Claim, Escrow Claim, Lock Box Claim, Bodily Injury Claim, and Property Damage Claim, Claim Expenses** are in addition to the Limits of Liability. The Company will not pay **Claim Expenses** in connection with a **Discrimination Claim, Environmental Claim, Escrow Claim, Lock Box Claim, Bodily Injury Claim, or Property Damage Claim** after the applicable Sublimits of Liability have been exhausted. The Company's payment of the applicable Limits of Liability or Sublimits of Liability ends the Company's duties to defend, pay **Damages**, and pay **Claim Expenses**.
- IV. The Section entitled **EXCLUSIONS**, the exclusion entitled **Bodily Injury**, is deleted in its entirety and replaced with the following:
- Bodily Injury**  
bodily injury, sickness, disease, mental anguish, pain, suffering, emotional distress, or death of any person, except that this exclusion shall not apply to a **Bodily Injury Claim** or a **Property Damage Claim** until the **Bodily Injury Claim/Property Damage Claim** Sublimit of Liability has been exhausted;
- V. The Section entitled **EXCLUSIONS**, the exclusion entitled **Property Damage**, is deleted in its entirety and replaced with the following:
- Property Damage**  
physical injury to, destruction, or loss of use of tangible property, except that this exclusion shall not apply to (1) a **Lock Box Claim** until the **Lock Box Claim** Sublimit of Liability has been exhausted or (2) a **Bodily Injury Claim** or **Property Damage Claim** until the **Bodily Injury Claim/Property Damage Claim** Sublimit of Liability has been exhausted;
- VI. Solely with respect to the coverage provided by this endorsement, the Section entitled **EXCLUSIONS** is amended by the addition of the following new exclusions:
- Motor Vehicle**  
the ownership, maintenance, operation, use, entrustment to others, loading, or unloading of any motor vehicle, aircraft or watercraft, operated by, rented or loaned to any **Insured**;
- Workers Compensation**  
any act or omission for which any **Insured** could be held liable under any workers compensation, unemployment compensation or disability benefits law or under any similar law;
- Employee of Insured**  
bodily injury, sickness, disease, mental anguish, pain, suffering, emotional distress, or death of any employee of the **Insured**, arising out of his or her employment by the **Insured** or to any obligation of the **Insured** to indemnify or contribute with another employer because of damages arising out of such injury or death;
- VII. The Section entitled **DEFINITIONS**, the definition of **Claim**, is amended by the addition of the following:  
**Claim** also includes a **Bodily Injury Claim** and a **Property Damage Claim**.
- VIII. Solely with respect to the coverage provided by this endorsement, the Section entitled **DEFINITIONS** is amended by the addition of the following new definitions:
- Bodily Injury Claim** means:
1. a written demand for money or services received by the **Insured**; or
  2. service of a lawsuit or institution of arbitration or mediation proceedings against the **Insured**;

seeking **Damages** and alleging a negligent act, error, or omission in the **Licensee's** performance of or failure to perform **Professional Services** that resulted in bodily injury, sickness, disease, mental anguish, pain, suffering, emotional distress, or death of any person, provided that:

- a. the claim results solely from an act or omission committed by the **Insured** while performing **Professional Services**;
- b. such act or omission was a proximate cause of the bodily injury, sickness, disease, mental anguish, pain, suffering, emotional distress, or death; and
- c. there is no other policy that is applicable to such **Claim**.

**Property Damage Claim** means:

1. a written demand for money or services received by the **Insured**; or
  2. service of a lawsuit or institution of arbitration or mediation proceedings against the **Insured**;
- seeking **Damages** and alleging a negligent act, error, or omission in the **Licensee's** performance of or failure to perform **Professional Services** that resulted in physical injury to, destruction, or loss of use of tangible property, provided that:
- a. the claim results solely from an act or omission committed by the **Insured** while performing **Professional Services**;
  - b. such act or omission was a proximate cause of the physical injury to, destruction, or loss of use of tangible property; and
  - c. there is no other policy that is applicable to such **Claim**.

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy, unless another effective date is shown below, and expires concurrently with said Policy.

CNA79399IA (8-14)

#### **OPTIONAL EXTENDED REPORTING PERIOD ENDORSEMENT**

In consideration of the additional premium paid, it is understood and agreed that the following Optional Extended Reporting Period as set forth in the Section of the policy entitled **EXTENDED REPORTING PERIODS**, Paragraph B, shall apply:

From: «EndField1» To: «EndField2»

The Optional Extended Reporting Period set forth above shall apply unless the **Insured** fails to pay the premium when due. The premium for the Optional Extended Reported Period shall be:

1. due and payable as set forth in the policy; and
2. fully earned by the Company on the inception date of the Optional Extended Reporting Period as set forth above and no refunds will be permitted after that time.

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy, unless another effective date is shown below, and expires concurrently with said Policy.

CNA79392IA (8-14)

#### **FRANCHISE ENDORSEMENT**

In consideration of the additional premium paid to the Company, it is understood and agreed as follows:

In the event that the **Licensee** is affiliated with \_\_\_\_\_, then \_\_\_\_\_ meets the definition of a **Real Estate Firm** under the Section of the policy entitled **DEFINITIONS** and such entity shall therefore be an **Insured** as provided in the definition of **Insured**, paragraph 5.

This endorsement does not apply to any **Claim** made prior to the effective date of the endorsement or after the expiration of the **Individual Policy Period**.

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy, unless another effective date is shown below, and expires concurrently with said Policy.

**INCREASED LIMITS OF LIABILITY ENDORSEMENT**  
**\$250,000 PER CLAIM/\$750,000 AGGREGATE ALL CLAIMS**

In consideration of the additional premium paid to the Company, it is understood and agreed that the following amendment is made to the policy Declarations page solely with respect to the **Licensee** named in the Schedule below and solely with respect to a **Claim** first made against such **Licensee** and reported to the Company in writing after the effective date of this endorsement and before the expiration date of the **Individual Policy Period**:

**ITEM 3. LIMITS OF LIABILITY** of the Declarations is deleted in its entirety and replaced by the following:

- ITEM 3. LIMITS OF LIABILITY:**
- (a) \$250,000 per Licensee per **Claim (Damages)**
  - (b) \$750,000 Aggregate all **Claims per Licensee (Damages)**

This Endorsement does not apply to any **Claim** made prior to the effective date of the Endorsement or after the expiration of the **Individual Policy Period**. Nothing herein shall serve to increase any Sublimits of Liability shown on the Declarations page or any amounts provided under the Section of the policy entitled **SUPPLEMENTARY PAYMENTS**.

SCHEDULE:

\_\_\_\_\_

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy, unless another effective date is shown below, and expires concurrently with said Policy.

**INCREASED LIMITS OF LIABILITY ENDORSEMENT**  
**\$500,000 PER CLAIM/ \$1,000,000 AGGREGATE ALL CLAIMS**

In consideration of the additional premium paid to the Company, it is understood and agreed that the following amendment is made to the policy Declarations page solely with respect to the **Licensee** named in the Schedule below and solely with respect to a **Claim** first made against such **Licensee** and reported to the Company in writing after the effective date of this endorsement and before the expiration date of the **Individual Policy Period**:

**ITEM 3. LIMITS OF LIABILITY** of the Declarations is deleted in its entirety and replaced by the following:

- ITEM 3. LIMITS OF LIABILITY:**
- (a) \$500,000 per **Licensee per Claim (Damages)**
  - (b) \$1,000,000 Aggregate all **Claims per Licensee (Damages)**

This endorsement does not apply to any **Claim** made prior to the effective date of the endorsement or after the expiration of the **Individual Policy Period**. Nothing herein shall serve to increase any Sublimits of Liability shown on the Declarations page or any amounts provided under the Section of the policy entitled **SUPPLEMENTARY PAYMENTS**.

SCHEDULE:

\_\_\_\_\_

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy, unless another effective date is shown below, and expires concurrently with said Policy.



## RESIDENTIAL PERSONAL INTEREST COVERAGE ENDORSEMENT

In consideration of the additional premium paid, it is understood and agreed that the policy is amended as follows:

- I. The Section entitled **EXCLUSIONS**, the exclusion entitled Owned or Purchased Property, is amended by the addition of the following:

This exclusion also does not apply to any **Claim** arising from the sale or listing for sale of **Residential Property**, which is not the **Licensee's Primary Residence**, provided that:

- i. the property was owned for at least one hundred eighty (180) days by the **Licensee**; the **Licensee's** spouse or **Domestic Partner**; or any entity, corporation, partnership, or trust in which the **Licensee**, **Licensee's** spouse, or **Licensee's Domestic Partner** has or had a financial or ownership interest;
- ii. the property was not constructed or developed by the **Licensee**; the **Licensee's** spouse or **Domestic Partner**; or any entity, corporation, partnership, or trust in which the **Licensee**, **Licensee's** spouse, or **Licensee's Domestic Partner** has or had a financial or ownership interest;
- iii. prior to closing, a home warranty was purchased by or for the buyer;
- iv. prior to closing, if required by law, a seller disclosure form was signed by the buyer;
- v. prior to closing, any ownership or financial interest of the **Licensee** and **Licensee's** spouse or **Domestic Partner** in the **Residential Property** and the entity, corporation, partnership, or trust which owned the **Residential Property** was disclosed to and acknowledged by the buyer in writing;
- vi. a licensed inspector who was not related to or affiliated with the **Licensee**, **Licensee's** spouse, or **Licensee's Domestic Partner** issued a written home inspection report that the buyer acknowledged in writing prior to closing;
- vii. a state or local board approved standard sales contract was utilized;
- viii. the sale or listing was performed under and subject to applicable real estate license law; and
- ix. prior to the effective date of this endorsement, no **Insured** had a basis to believe that any negligent act, error, or omission; **Discriminatory Conduct**; or **Related Act, Error, or Omission** might reasonably be expected to be the basis of a **Claim** against the **Insured**.

- II. The Section entitled **DEDUCTIBLE** is deleted in its entirety and replaced by the following:

### III. DEDUCTIBLE

The **Insured** shall pay the Deductible, as stated in the Declarations for each **Claim**. In addition, the **Insured** shall also pay a separate \$500 Deductible for each **Claim** covered under the Residential Personal Interest Coverage Endorsement. The Deductible applies to the payment of **Damages** only. The Company's obligation to pay **Damages** begins only after the **Insured** has paid the Deductible. The Company may pay any part or all of the Deductible to settle, defend, or investigate a **Claim**. In such case, the **Insured** must promptly reimburse the Company any amount of the Deductible paid by the Company. In the event the **Insured** does not reimburse the Company within sixty (60) days, the Company will be entitled to recover reasonable costs and attorney fees incurred in collecting such reimbursement.

If a **Claim** involves two or more **Insureds** or **Licensees** who are affiliated with the same **Real Estate Firm**, only one Deductible applies. However, the Deductible amount will be shared equally by all such persons. Payment of the Deductible is the joint and several liability of all such persons, but collection of the Deductible will be the responsibility of the **Real Estate Firm**.

- III. Solely with respect to the coverage provided by this endorsement, the Section entitled **DEFINITIONS** is amended by the addition of the following new definition:

**Residential Property** means a single family residence or multi-family residences with four (4) or fewer units.

This endorsement does not apply to any **Claim** made prior to the effective date of the endorsement or after the expiration of the **Individual Policy Period**.

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy, unless another effective date is shown below, and expires concurrently with said Policy.

SAMPLE