



• We put the *Experience and Options* in E&O programs •
 502-897-1876 / 1-800-637-7319
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 P.O. Box 6709, Louisville, KY 40206-0709
 www.risceo.com

NEW MEXICO REAL ESTATE COMMISSION'S (NMREC's) GROUP ERRORS AND OMISSIONS (E&O) PROGRAM

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

RISC is pleased to continue to provide the NMREC's group real estate E&O insurance program for New Mexico brokers. After more than 25 years of service to real estate licensees, we hope that we 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. Visit our website, www.risceo.com, to enroll online, download a sample policy, and obtain additional information. Feel free to contact us with any questions or concerns; we are always happy to hear from New Mexico brokers.

AUTOMATICALLY INCLUDED FOR BASIC POLICY PREMIUM OF \$320	
Limits of Liability	\$100,000 per claim / \$500,000 aggregate with \$1,000 damage deductible and no deductible for defense costs
First Dollar Defense	Applies WITH NO CONDITIONS to all covered claims
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 limits (except for defense of a regulatory complaint and attorneys' fees for a subpoena, which were not covered at all under most traditional E&O policies).
Expanded Definition of Professional Services	The definition of professional services includes property management; auctioning real property; and services as a real estate consultant or counselor, notary public, or escrow agent in connection with services as a licensed real estate broker.
Firm / Franchise Coverage	Real estate firm and franchisor included in the definition of insured for vicarious liability for covered claims.
Spousal Coverage	Broker's spouse or domestic partner considered an insured in certain situations
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
Fair Housing / Discrimination Coverage	\$25,000 per claim / \$25,000 aggregate (damages) with no limit on defense costs
Environmental Coverage	\$10,000 per claim / \$20,000 aggregate (damages) with no limit on defense costs
Escrow / Earnest Money Coverage	\$5,000 per claim / \$10,000 aggregate (damages) with no limit on defense costs
Lock Box Coverage	\$5,000 per claim / \$10,000 aggregate (damages) with no limit on defense costs
Subpoena Coverage	Payment of \$2,500 in attorneys' fees to represent the insured in connection with a covered subpoena (maximum for all subpoenas \$2,500)
Regulatory Complaints Coverage	\$2,500 per regulatory complaint / \$5,000 aggregate (defense costs)
Primary Residence Coverage	Provides coverage for the sale or listing for sale of the insured broker's primary residence, under certain conditions.
OPTIONAL ENDORSEMENTS AVAILABLE FOR ADDITIONAL PREMIUM	
Increased Limits	\$250,000 per claim / \$750,000 aggregate
Appraisal	Available to active real estate brokers who also have an active real estate appraisal license/credential to add appraisal services to the professional services insured under the policy
Conformity	Conforms insurance under the New Mexico group policy to comply with E&O requirements in other states with mandatory insurance requirements where you have an active real estate license
WHERE INSURANCE APPLIES	
Territory	For brokers domiciled in New Mexico, the policy applies to professional services provided anywhere in the world, provided the broker is duly licensed in the state where services were provided and the services would require a real estate license had they been performed in New Mexico. Brokers not actually domiciled in New Mexico or not considered to be domiciled in New Mexico under the policy are insured only for professional services rendered in New Mexico. A conformity endorsement is only needed if you are actively licensed in another state that mandates E&O coverage.
FIRM EXCESS POLICIES	
Subject to Underwriting Approval, Contact Us for an Application or Additional Information	Firm excess policies with \$1,000,000 limits available to firms whose brokers are all insured through the group program (written by Continental Casualty Company). In addition to traditional excess coverage, our excess program automatically includes these key features at no additional cost: (1) Environmental Hazards Claims Coverage 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) Discrimination Claims Coverage 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 underlying group program's environmental and discrimination sublimits).
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.	
OPTION FOR RENEWING E&O COVERAGE FOR MULTIPLE BROKERS	
Companies with more than 10 licensees can request a Multiple Licensee Renewal Form for convenience and to ensure all licensees are in compliance.	

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. This information 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 New Mexico. ©2017



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Please Support Your State Program

Over **\$15.5 Million** in defense costs and damages have been incurred as of August 31, 2017 since RISC began administering the New Mexico state group program in 2004. RISC and the carrier share a commitment to their insureds and providing valuable coverage to New Mexico brokers. When shopping for insurance coverage it's important to ask about the company's experience and paid claims in New Mexico. 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 broker 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 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.

Our Website Makes Everything Easier

We are dedicated to providing exceptional service to all of our customers. Our website makes it quick and easy to enroll for coverage, find sample forms, and download educational and risk reduction information. Take a look at our website and learn how RISC puts the Experience and Options in E & O programs.

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 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, so there is no cost to the you unless there is a damage award or settlement.

Does the policy offer unlimited defense costs? Yes.

There is no limit on the amount of defense costs under the basic policy (except for defense of a regulatory complaint and attorneys' fees for a subpoena, which were not covered at all under most traditional E&O policies).

Does the policy insure transactions you do for relatives? Yes.

The 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 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 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. 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 New Mexico 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.L.

Have Questions?

Call us at 1-800-637-7319 or visit our website at www.risceo.com.

We look forward to hearing from you.