



• 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 (IREC’s) GROUP ERRORS AND OMISSIONS (E&O) PROGRAM

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

NOTICE – Iowa law requires that all active real estate licensees, including firms, carry and maintain E&O insurance to cover all licensed activities. New licensees must obtain insurance before their license can be activated. Licensees may purchase insurance outside the group program, as long as coverage meets state requirements and proof of coverage is provided to the IREC as required by state law. **If you were enrolled in the IREC’s 2019 group policy, your coverage expired January 1, 2020. Active licensees who did not have insurance for the January 1, 2020 to January 1, 2021 policy period by January 1, 2020 may be in violation of licensing law, and the IREC may issue penalties and fines.**

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 Iowa licensees. The insurance carrier is Continental, 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.

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, 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, 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, 2020. 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 another provider), you should consider purchasing an ERP endorsement. We offer optional 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 Iowa 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 Iowa. Licensees not domiciled in Iowa are insured for Iowa transactions only. Out-of-state licensees may be considered domiciled in Iowa if their principal real estate license is affiliated with a real estate office in Iowa and they reside within 50 miles of the Iowa state line. 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: _____

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: _____

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 Iowa. © 2020



**IOWA REAL ESTATE COMMISSION'S (IREC'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
P.O. Box 6709, Louisville, KY 40206
www.risceo.com

INDIVIDUAL ENROLLMENT FORM – PRORATED

NOTICE – Iowa law requires that all active real estate licensees (including firm licensees) carry and maintain E&O insurance to cover all licensed activities. Licensees may purchase insurance outside the group program, as long as coverage meets state requirements and proof of coverage is provided to the IREC as required by state law.

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

ENROLL BY MAIL – Send completed form (both pages) with a check or money order payable to RISC. Allow 7 – 10 days for processing.

Mailing Address RISC, P.O. Box 6709, Louisville, KY 40206-0709

Overnight Delivery RISC, 4211 Norbourne Blvd., Louisville, KY 40207-4048

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

Licensee Name:		License Type:	License Number:
Company:			Last 4 of SSN:
Address:			
City:	State:	ZIP:	
Cell Phone: <input type="checkbox"/> Check to receive text reminders if / when that option is available.	Work Phone:	Home 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.

BASIC POLICY

Limits of Liability: \$100,000 per claim / \$100,000 aggregate **Deductible:** \$0
Prorated Premium (Effective Date 2020 – All policies expire January 1, 2021): Jan \$148 / Feb \$136 / Mar \$123 / Apr \$111
May \$99 / June \$86 / July \$74 / Aug \$62 / Sept \$49 / Oct \$37 / Nov \$25 / Dec \$12

See prorated amounts at left \$ _____

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 – Adds licensed appraisal services to the activity insured by the group policy.
Eligibility requirements: (1) an active real estate license and (2) an active appraisal license.
Appraisal License #: _____

\$200

Conformity Endorsement – Conforms your coverage under the IA policy to comply with the E&O requirements in another mandated state where you hold an active real estate license. Eligibility requirement: you must be actually domiciled in IA or treated as domiciled in IA by the policy terms. Please circle applicable state(s): **AK CO ID KY LA MS MT NE NM ND RI SD TN* WY**
Other State License Type: _____ / Other State License #: _____ (identify state if more than one)

\$15
(Regardless of number of states at issuance)

* Eligibility for TN conformity is limited by TN regulations. Contact RISC if you need coverage for a TN license.

Contingent Bodily Injury / Property Damage Endorsement – \$10,000 per claim / \$10,000 aggregate for damages and defense costs, combined, for bodily injury and property damage claims that arise from professional services under certain conditions.

\$25

Residential Personal Interest Coverage Endorsement – Provides coverage for claims relating to the sale or listing for sale of residential property owned by the licensee, the licensee's spouse, or a company owned by the licensee under certain conditions (a \$500 damage deductible applies to damage payments made under this endorsement).

\$15

Developed / Constructed by Spouse Endorsement – Adds insurance for the sale or listing for sale of residential property which is constructed or developed by the licensee's spouse under certain conditions.

\$250

Increased Limits Endorsements – You may purchase ONLY ONE of the following:

Increased Limits \$250,000 per claim / \$750,000 aggregate	A* \$68 B** \$88
Increased Limits \$500,000 per claim / \$1,000,000 aggregate	A* \$127 B** \$152

***A** 75% or more¹ of your real estate activity income is earned from Residential Sales² and you have had no claims³ in the past 5 years.
****B** Less than 75%¹ of your real estate activity income is earned from Residential Sales² or you have had one or more claims³ in the past 5 years.

¹To determine the percentage of your real estate activity income derived from Residential Sales, divide your income derived from Residential Sales by the amount of your total real estate activity income.

²Residential Sales are (1) sales of properties zoned for and occupied exclusively as residences for 4 families or less; (2) sales of vacant land, provided the land is zoned for residential use and is not a development project of 4 or more residences; and (3) sales of farm property that will be a buyer's principal residence and where a buyer will derive no more than 25% of total income from farming. Commercial sales and renting, leasing, managing, or appraising residential or commercial property are not Residential Sales.

³If you are a broker, a claim made against you, your firm for your acts, or your firm for the firm's acts is considered a claim against you for purposes of calculating the endorsement premium. If you are not a broker, a claim made against you or your firm for your acts is considered a claim against you for purposes of calculating the endorsement premium.

Basic Premium	\$ _____
+ Optional Endorsement Premium (If Any)	\$ _____
TOTAL	\$ _____