



**LOUISIANA REAL ESTATE COMMISSION'S (LREC'S)
GROUP ERRORS AND OMISSIONS (E&O) PROGRAM**

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

502-897-1876 / 1-800-637-7319
4211 Norbourne Blvd., Louisville, KY 40207
PO Box 6709, Louisville, KY 40206
www.risceo.com

**TO ENROLL IN THE GROUP POLICY, SUBMIT PREMIUM FOR BASIC COVERAGE
DIRECTLY TO THE LREC WITH YOUR LICENSE RENEWAL.**

**ANNUAL COST ONLY \$136 (\$129 PREMIUM + \$7 LREC TRANSACTION FEE). PRORATED PREMIUMS ON BACK.
Any desired optional endorsements can be purchased from RISC (instructions on back).**

NOTICE – Louisiana law requires that all active real estate licensees (including licensed firms) carry and maintain E&O insurance as a condition of licensing. If coverage is not timely obtained or renewed, the LREC will inactivate your license on the current policy's termination date. If you were enrolled in the LREC's 2019 group policy, your coverage expired January 1, 2020. To enroll in the group program for 2020, submit your premium to the LREC when renewing your real estate license. Prospective licensees must obtain insurance before license activation. Verify your company participates in the group program with your broker before enrolling. Optional endorsements for individual licensees may be purchased through RISC using this form. Licensees may purchase insurance outside the group program, provided coverage meets state requirements and proof of coverage is provided to the LREC pursuant to state law.

APPRAISERS WITH BOTH AN ACTIVE LOUISIANA REAL ESTATE LICENSE AND AN ACTIVE APPRAISER LICENSE – Enroll in the basic policy through the LREC when renewing your real estate license and purchase an appraisal endorsement (and any other desired endorsements) through RISC using this form. Disregard the appraiser enrollment form you receive in the mail.

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 Louisiana licensees. The insurance carrier is Continental, a CNA insurance company, rated "A" by A.M. Best. RISC's experience and excellent claims service, combined with CNA's strong financial performance, ensures a quality program.

REVIEW THE FOLLOWING IMPORTANT INFORMATION

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 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 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 Louisiana 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 Louisiana. Licensees not domiciled in Louisiana are insured for Louisiana transactions only. Out-of-state licensees may be considered domiciled in Louisiana if their principal real estate license is affiliated with a real estate office in Louisiana and they reside within 50 miles of the Louisiana 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: _____

Premium / Deductible – All premiums are fully earned at policy inception and no refunds are permitted after that date. If your payment is returned for non-sufficient 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.

**Contact RISC at 1-800-637-7319 or info@risceo.com with any questions or concerns
about the group program, basic group policy, or optional endorsements.**

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 Louisiana. © 2020



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INDIVIDUAL LICENSEE PRORATED SUPPLEMENTARY ENROLLMENT FORM FOR OPTIONAL ENDORSEMENTS

Basic Coverage – Submit the applicable prorated premium for a 2020 inception date (Jan \$129 / Feb \$118 / Mar \$107 / Apr \$96 / May \$86 / June \$75 / July \$64 / Aug \$53 / Sept \$43 / Oct \$32 / Nov \$21 / Dec \$10) + \$7 LREC transaction fee DIRECTLY TO THE LREC with your license renewal. You do not need to complete this form or send anything to RISC unless you are purchasing an optional endorsement.

Limits of Liability – \$100,000 per claim / \$300,000 aggregate **Deductible** – \$1,000 damages **Expiration Date** – January 1, 2021

TO PURCHASE OPTIONAL ENDORSEMENTS

Send completed form TO RISC (not the LREC) with a check or money order to either address below. We must have confirmation you renewed your license and paid the basic premium to the LREC before an endorsement can be issued (include a copy of your receipt from the LREC showing payment for license renewal and E&O premium to expedite this process).

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

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

LICENSEE INFORMATION – Provide correct and complete information.

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:
Fax:	Email*:	<input type="checkbox"/> I want to receive text reminders if / when available

*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.

Optional Endorsements Available to Individual (Not Firm) Licensees – 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).

<p>Conformity Endorsement – Conforms your insurance through the LA policy to comply with E&O requirements in another mandated state where you have an active real estate license. You must be actually domiciled in or treated as domiciled in LA by the policy terms.</p> <p>Circle applicable state(s): AK CO ID IA KY MS MT NE NM ND RI SD TN* WY</p> <p>Other State License Type: _____ / Other State License #: _____ (identify state if more than one)</p> <p><i>*Eligibility for TN conformity is limited by TN regulations. Contact RISC if you need coverage for a TN license.</i></p>	<p>\$25 (Regardless of number of states at issuance)</p>
<p>Residential Personal Interest Endorsement – Adds insurance for claims relating to the sale or listing for sale of residential property (as defined in the endorsement) in which you have an ownership or financial interest, under certain conditions.</p>	<p>\$50</p>
<p>Appraisal Endorsement – <u>There is no coverage for appraisal activity unless this endorsement is purchased.</u> Adds insurance for your services as a licensed residential certified real estate appraiser, general certified real estate appraiser, or real estate appraiser trainee.</p> <p>Appraisal License #: _____</p> <p>Prorated Premiums: Jan \$250 / Feb \$229 / Mar \$208 / Apr \$187 / May \$167 / June \$146 / Jul \$125 / Aug \$104 / Sept \$83 / Oct \$62 / Nov \$42 / Dec \$21</p>	<p>See prorated premiums at left</p>
<p>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.</p>	<p>\$250</p>
<p>Limited Claim Expenses Coverage Real Estate Regulatory Complaints Endorsement – \$2,500 per covered complaint filed with a real estate regulatory board or commission / \$5,000 maximum aggregate (claim expenses).</p>	<p>\$25</p>

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

Increased Limits of \$250,000 per claim / \$750,000 aggregate	A* \$139
	B** \$189
Increased Limits of \$500,000 per claim / \$1,000,000 aggregate	A* \$214
	B** \$277

***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 1 or more claims³ in the past 5 years.

¹To determine 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 means sales of properties zoned for and occupied exclusively as residences for 4 families or less. Residential Sales also includes: (1) sales of vacant land, provided the land is zoned for residential use and is not a development project of 4 or more residences and (2) 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.
³For purposes of calculating the endorsement premium, if you are a qualifying 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. If you are not a qualifying broker, a claim made against you or your firm for your acts is considered a claim against you.

Total Optional Endorsement Premium \$ _____



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Reason for requesting endorsement(s) after the group policy's effective date:

The undersigned certifies that as of this date, the undersigned (1) holds an active Louisiana real estate license; (2) has no knowledge of any of the following: (a) claims against the undersigned; (b) negligent acts, errors, or omissions that may reasonably be expected to become the basis of a claim against the undersigned; or (c) related negligent acts, errors, or omissions committed or alleged to have been committed that may reasonably be expected to become the basis of a claim against the undersigned; (3) understands endorsement(s), if issued, will not apply to any of the following: (a) claims that first arose prior to the endorsement's effective date; (b) claims that arise after the endorsement's effective date and relate to a claim that first arose prior to that date; (c) negligent acts, errors, or omissions committed or alleged to have been committed prior to the endorsement's effective date that may reasonably be expected to become the basis of a claim against the undersigned; or (d) related negligent acts, errors, or omissions committed or alleged to have been committed prior to the endorsement's effective date that may reasonably be expected to become the basis of a claim against the undersigned; and (4) understands the endorsement premium is fully earned upon the endorsement's inception date and no refunds will be given after that time.

SIGNATURE		DATE	
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