



**NORTH DAKOTA REAL ESTATE COMMISSION'S (NDREC'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
PO Box 6709, Louisville, KY 40206
www.risceo.com

NOTICE – North Dakota law requires that all active real estate brokers and salespersons carry and maintain E&O insurance that applies to all licensed activities. If you were enrolled in the NDREC's 2019 group policy, your insurance expired January 1, 2020. Licensees who enroll in the group program will receive a certificate of coverage so that the licensee may provide proof of coverage to the NDREC. Upon completion of our online enrollment process, licensees may immediately download a certificate of coverage. If insurance is not timely obtained or renewed, the NDREC may deactivate your license and issue other penalties. Licensees may purchase insurance outside the group program, provided coverage meets state requirements and proof of coverage is provided to the NDREC as required by state law. New licensees must obtain insurance before their license can be activated.

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 North Dakota licensees. The insurance carrier is Continental Casualty Company (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.

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 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 North Dakota 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 North Dakota. Licensees not domiciled in North Dakota are insured for North Dakota transactions only. Out-of-state licensees may be considered domiciled in North Dakota if their principal real estate license is affiliated with a real estate office in North Dakota and they reside within 75 miles of the North Dakota 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: _____

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.

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.

SIGNATURE: _____

DATE: _____



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We put the Experience and Options in E&O programs

ENROLLMENT FORM -- PRORATED

North Dakota law requires that all active real estate brokers and salespersons carry and maintain E&O insurance that applies to all licensed activities. Licensees may purchase insurance outside the group program, provided coverage meets state requirements and proof of coverage is provided to the NDREC as required by state law.

HOW TO ENROLL

ONLINE – At www.risceo.com with a Visa or MasterCard and receive a certificate of coverage immediately upon completion (a nonrefundable \$5 convenience fee applies to online enrollment).

MAIL – Select desired coverages below and send completed form (both pages) with a check or money order payable to RISC. Allow 7 – 10 days for us to process and provide you with proof of coverage.

Mailing Address RISC, P.O. Box 6709, Louisville, KY 40206-0709 **Overnight Delivery** RISC, 4211 Norbourne Blvd., Louisville, KY 40207-4048

LICENSEE INFORMATION – Provide correct and complete information. Failure to do so may delay issuance of coverage.

Licensee Name:		License Type:	License Number:
Firm:			SSN (Last 4 Digits ONLY):
Address:			
City:	State:	ZIP:	
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) to your address book.

SELECT DESIRED COVERAGE(S) BELOW

BASIC POLICY: Prorated Premiums (2020 effective date – all policies expire January 1, 2021)							See prorated premiums at left	\$ _____
Jan \$187	Feb \$171	Mar \$156	Apr \$140	May \$125	June \$109	July \$94		
Aug \$78	Sept \$62	Oct \$47	Nov \$31	Dec \$16				
Limits of Liability – \$100,000 per Claim / \$500,000 Aggregate; Deductibles – \$1,000 (Damages) & \$1,000 (Claims Expenses)								

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 – Adds insurance for services as a licensed / credentialed appraiser. Eligibility requirements: (1) an active real estate license and (2) an active appraisal license. **Appraisal License #:** _____ **\$200**

Conformity – Conforms your insurance through the ND policy to comply with the E&O requirements of another mandated state where you have an active real estate license. Eligibility requirement: You must be actually domiciled in ND or treated as domiciled in ND by the policy terms.
Circle applicable state(s): AK CO ID IA KY LA MS MT NE NM RI SD TN* WY
Other State License Type: _____ / **Other State License #:** _____ (identify state if more than one)
**Eligibility for TN conformity is limited by TN regulations. Contact RISC if you need coverage for a TN license.*

Property Management – Adds specified property management services to insured professional services with no revenue restrictions. The group policy automatically includes specified property management services that are incidental to services that require a real estate license, provided your income from leasing and property management is 50% or less of your annual revenue. **\$150**

Residential Personal Interest Coverage – Up to policy limits for claims concerning the sale or listing for sale of residential property (defined in the endorsement) owned by you or your spouse, under certain conditions. **\$15**

Increased Limits – You may purchase ONLY ONE of the following

\$250,000 per Claim / \$750,000 Aggregate	A*	\$73
	B**	\$109
\$500,000 per Claim / \$1,000,000 Aggregate	A*	\$140
	B**	\$186

*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 from Residential Sales, divide your income 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.

³If you are a designated 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 designated 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 DUE	\$ _____