



**MONTANA BOARD OF REALTY REGULATION'S (BOARD'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** – The 2019 Montana Legislature enacted requirements for licensed real estate salespersons and brokers to carry mandatory errors and omissions insurance. The Legislature also required that the Board offer a group policy to its salespersons and brokers. RISC was selected as the official group policy provider. We are looking forward to working with Montana licensees.

**Montana real estate license renewal procedures require all brokers and salespersons to apply to renew their license with the Board on or before October 31, 2020. Effective NOVEMBER 1, 2020, all licensed real estate brokers and salespersons are required to maintain continuous E&O insurance. E&O insurance may be purchased through the Board's group policy through RISC – visit [www.risceo.com](http://www.risceo.com) to enroll online and download proof of coverage immediately upon purchase.** Licensees may also enroll in the group program by mail. Failure to timely obtain or renew E&O insurance is a violation of Montana real estate licensing law. New licensees must obtain insurance before their license can be activated. Licensees may purchase insurance outside the group program, provided coverage meets state requirements and proof of coverage is provided to the Board as required by state law.

**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 Montana 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](http://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](http://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 fail to enroll timely, call RISC immediately to see if you qualify to backdate your individual policy period to November 1, 2020 (subject to approval, \$20 cost if requested more than 60 days after group policy inception). This procedure will not remedy noncompliance with mandatory insurance requirements.

**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 policy expires unless an ERP is in place. However, claims often arise years after the subject transaction occurred. If you enroll but decide not to renew coverage when the policy expires for any reason, including inactivating or retiring your license, you should consider purchasing a 1, 2, 3, or 5 year ERP endorsement, which extends the reporting date of your policy to apply to claims that arise within the ERP. ERP endorsements may only be purchased during or within 90 days of the end of your individual policy period.

**Territory** – Licensees domiciled in Montana are insured for real estate services performed anywhere they hold a real estate license, provided the services would require a real estate license if performed in Montana. Licensees not domiciled in Montana are insured for Montana transactions only. Out-of-state licensees may be considered domiciled in Montana if their principal real estate license is affiliated with a real estate office in Montana and they reside within 50 miles of the Montana state line. See the Territory section of the policy for more information.

**Effective Date** – Licensees who enroll after November 1, 2020 will have an inception date of the day we receive the licensee's *completed application and premium*. Licensees may request a different inception date (after November 1, 2020) for Continental's consideration: \_\_\_\_\_

**Premium / Deductible** – Once premium has been paid and the policy coverage has incepted, you may not cancel the policy. 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.

**Option for Enrolling 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 expeditiously.

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 Montana. © 2020



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**PRORATED ENROLLMENT FORM**

**Effective November 1, 2020, Montana law requires that all real estate brokers and salespersons carry and maintain E&O insurance that applies to all licensed activities. E&O insurance may be purchased through the Board's group policy through RISC. Licensees may purchase insurance outside the group program, provided coverage meets state requirements and proof of coverage is provided to the Board as required by state law.**

**ENROLL ONLINE AT [WWW.RISCEO.COM](http://WWW.RISCEO.COM)** with a Visa or MasterCard and receive a certificate of coverage immediately upon completion (a nonrefundable \$5 convenience fee applies).

**ENROLL BY MAIL** Complete sections 1. – 3. below and send completed form (both pages) with a check or money order payable to RISC.

**1. Licensee Information.** Failure to provide complete / correct information may delay issuance of coverage.

|               |  |              |      |            |                          |          |
|---------------|--|--------------|------|------------|--------------------------|----------|
| Licensee Name |  | License Type | RRE- | -LIC-      | Insert BRO or RBS        | Insert # |
| Firm          |  |              |      |            | SSN (Last 4 Digits ONLY) |          |
| Address       |  |              |      |            |                          |          |
| City          |  | State        |      | ZIP        |                          |          |
| Work Phone    |  | Home Phone   |      | Cell 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.*

**2. Basic Policy. Circle Month of Inception Date.**

Licensees who enroll after November 1, 2020 will have an inception date of the day we receive the licensee's *completed application and premium*. Licensees may request a different inception date (after November 1, 2020) for Continental's consideration. All policies expire November 1, 2021.

| Limits of Liability – \$100,000 per Claim / \$300,000 Aggregate |                  |                  |                  |                  |                 | Deductible – \$1,000 (Damages) |  | See prorated amounts to the left | \$ _____ |
|---|------------------|------------------|------------------|------------------|-----------------|--------------------------------|--|----------------------------------|----------|
| NOV 2020 - \$168  | DEC 2020 - \$154 | JAN 2021 - \$140 | FEB 2021 - \$126 | MAR 2021 - \$112 | APR 2021 - \$98 |                                |  |                                  |          |
| MAY 2021 - \$84   | JUN 2021 - \$70  | JUL 2021 - \$56  | AUG 2021 - \$42  | SEPT 2021 - \$28 | OCT 2021 - \$14 |                                |  |                                  |          |

**3. Select Any Desired 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).

|   |   |  |
|---|---|--|
| <b>Appraisal</b> – Adds insurance for services as a licensed / credentialed appraiser. Eligibility requirements: (1) a real estate license and (2) an active appraisal license.<br><b>Appraisal License #:</b> _____  | <b>\$200</b>  |  |
| <b>Appraiser Trainee</b> – Supervising appraisers may purchase this endorsement to add specific appraiser trainees listed in the endorsement to the definition of insured. Eligibility requirements: (1) a real estate license; (2) an active appraisal license; and (3) also purchase an appraisal endorsement (above). Attach a list of appraisal trainees that you would like listed in the endorsement (required). A separate premium applies to each appraisal trainee.  | <b>\$200</b><br>per appraisal trainee                             |  |
| <b>Conformity</b> – Conforms your insurance through the MT 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 MT or treated as domiciled in MT by the policy terms.<br><b>Please circle applicable state(s):</b> AK CO ID IA KY LA MS ND NE NM RI SD TN* WY<br><b>Other State License Type:</b> _____ / <b>Other State License #:</b> _____ (identify state if more than one)<br><small>*Eligibility for TN conformity is limited by TN regulations. Contact RISC if you need coverage for a TN license.</small> | <b>\$20</b><br>regardless of number of states at time of purchase |  |
| <b>Developed / Constructed by Spouse Endorsement</b> – Sublimits of \$100,000 per claim, up to \$300,000 aggregate for claims relating to the sale or listing for sale of residential property which is constructed or developed by the licensee's spouse under certain conditions.   | <b>\$250</b>  |  |
| <b>Property Management</b> – Adds specified property management services to the definition of insured professional services.  | <b>\$150</b>  |  |
| <b>Residential Personal Interest Coverage</b> – Sublimits of \$100,000 per claim, up to \$300,000 aggregate 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.  | <b>\$50</b>   |  |
| <b>Increased Limits</b> – You may purchase <b>ONLY ONE</b> of the following:  |   |  |
| -----<br><b>\$250,000 per Claim / \$750,000 Aggregate</b><br>-----  | <b>\$100</b>  |  |
| -----<br><b>\$500,000 per Claim / \$1,000,000 Aggregate</b><br>-----  | <b>\$160</b>  |  |
| <b>BASIC PREMIUM</b>  | \$ _____  |  |
| <b>+ OPTIONAL ENDORSEMENT PREMIUM (IF ANY)</b>  | \$ _____  |  |
| <b>TOTAL DUE</b>  | \$ _____  |  |

**4. Send Completed Form (Both Pages) with a Check or Money Order Payable to RISC.**

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

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