

COLORADO REAL ESTATE COMMISSION'S
GROUP ERRORS AND OMISSIONS GROUP POLICY
Administered by Rice Insurance Services Center (RISC), a division of AssuredPartners NL, LLC
Issued by Continental Casualty Company (Continental)

IMPORTANT NOTICE FROM RISC:
ERRORS AND OMISSIONS (E&O) COVERAGE IS REQUIRED.
DON'T FORGET TO RENEW YOURS!

Dear Licensee,

If you are insured through the Colorado Real Estate Commission's (CREC's) current group policy, your real estate errors and omissions (E&O) insurance expires January 1, 2023. Failure to timely obtain or renew coverage may lead the CREC to inactive your license.

INDIVIDUAL BROKER LICENSEE INSURANCE REQUIREMENT – Colorado law requires that all active individual real estate licensees carry and maintain E&O insurance to cover all licensed activities.

FIRM BROKERAGE LICENSE INSURANCE REQUIREMENT – Actively-licensed real estate firms also must carry E&O insurance if they both (1) employ licensees in addition to the responsible broker and (2) are organized as corporations, limited liability companies, or partnerships. Licensed real estate firms that do not employ licensees other than the responsible broker are not required to carry E&O insurance but may opt to do so (the responsible broker must maintain individual E&O insurance).

If you haven't yet enrolled in the 2023 group policy or obtained other compliant coverage from another qualified provider, you must do so before midnight December 31, 2022. Failure to do so may lead the CREC to inactivate your license.

The CREC has contracted with RISC to administer the group E&O insurance program for Colorado licensees. 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 tailored to meet the specific needs of Colorado licensees and exceeds State requirements. The group policy is underwritten by Continental Casualty Company, a CNA insurance company rated "A (Excellent)" by A.M. Best. Licensees may choose to purchase E&O insurance outside of the group program, as long as it meets the CREC's minimum requirements. If you have coverage outside of the group program, please check your insurance provider's requirements regarding continuous coverage and retroactive dates.

[BUY NOW](#)
[CLICK HERE FOR ONLINE ENROLLMENT](#)

It's quick and easy to enroll in the group program on RISC's website at <https://enroll2.risceo.com/> with a Visa or MasterCard (nonrefundable \$5 convenience fee applies). During online enrollment, you can create an account for online access to insurance documents and purchase history. If you have previously created an account, you may log in to renew your insurance. If you have forgotten your password, a password reset function is available. Your username is typically your email address. Feel free to contact RISC if you need assistance.

IF YOU PREFER TO ENROLL BY MAIL, DOWNLOAD
AN [INDIVIDUAL ENROLLMENT FORM](#) OR [FIRM ENROLLMENT FORM](#)

Mail your completed enrollment form with a check or money order for the applicable premium to RISC (further instructions on enrollment form). Allow 7-10 business days for processing mailed enrollments. Your purchase date will be noted as the date RISC receives your completed enrollment form and payment. Mailed enrollments received before December 31, 2022 will not be considered late by the CREC. RISC is able to provide a January 1, 2023 inception date for enrollments received by January 30, 2023. However, if you enroll *after* midnight December 31,

2022, you will still be in violation of licensing law, so the CREC may still inactivate your license, even if your effective date is backdated to January 1, 2023.

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.

CREC JANUARY 1, 2023 – JANUARY 1, 2024 GROUP POLICY

Only \$229 Basic Policy Premium for effective dates of January 1, 2023 to January 1, 2024

Limits of Liability – \$100,000 per claim / \$300,000 aggregate | **Deductible** – \$1,000 (damages)

Automatically Includes

- **First Dollar Defense / Unlimited Defense Costs** – First dollar defense available with NO CONDITIONS for all covered claims and NO CAP on defense costs for claims covered under the basic policy limits (limited coverage applies to subpoenas and regulatory complaints, which were not covered at all under traditional E&O policies).
- **Expanded Definition of Professional Services** – In addition to services requiring a Colorado real estate broker license, insured professional services include (1) services performed or advice given (including as a notary public and as a real estate consultant or counselor) in connection with licensed activity, (2) market analyses and valuations for listing a property or guiding a buyer in making an offer, and (3) broker price opinions.
- **Escrow / Earnest Money Claim Sublimits** – \$10,000 per escrow claim / \$25,000 aggregate (damages with unlimited defense costs).
- **Fair Housing / Discrimination Claim Sublimits** – \$30,000 per discrimination claim / \$30,000 aggregate (damages with unlimited defense costs); option to increase with Endorsement Bundle.
- **Primary Residence Claim Sublimits** – \$100,000 per primary residence claim (involving the sale or listing for sale of the insured licensee's primary residence, provided the sale or listing is performed under the licensee's real estate license and supervised by the licensee's real estate firm) / \$300,000 aggregate (damages with unlimited defense costs).
- **Regulatory Complaint Coverage** – \$2,500 per regulatory complaint / \$5,000 aggregate (defense costs); option to increase with Endorsement Bundle.
- **Subpoena Coverage** – \$2,500 for attorneys' fees to represent the insured in connection with a covered subpoena (maximum annual aggregate of \$2,500 for all subpoenas).
- **Lock Box Claim Sublimits** – \$100,000 per lock box claim / \$300,000 aggregate (damages with unlimited defense costs).
- **Firm / Franchise / Team Coverage** – Real estate firm, real estate franchisor, and real estate team insured for vicarious liability for covered claims.
- **Spousal Coverage** – Your spouse or domestic partner is 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.

Optional Endorsements Available to Individual Licensees – Appraisal, Appraiser Trainee, Conformity (available to firm and individual licensees), Contingent Bodily Injury / Property Damage, Developed / Constructed by Spouse, and Property Management Endorsements and Endorsement Bundle (includes Environmental, Residential Personal Interest, Supplemental Coverage Security Breach Notification, Increased Sublimits for Fair Housing / Discrimination, and Increased Claim Expenses Coverage for Regulatory Complaints Endorsements). Increased limits are also available to individual licensees (\$250,000 per claim / \$750,000 aggregate for \$189 additional premium or \$500,000 per claim / \$1,000,000 aggregate for \$309 additional premium). Sample endorsement forms available at www.risceo.com.

DON'T LOSE YOUR PRIOR ACTS COVERAGE!

Failure to pay your premium on time and maintain continuous coverage may cause you to lose any previously-established retroactive date and prior acts coverage (coverage for claims concerning professional

services performed before the enrollment date). Your retroactive date determines whether the policy applies to professional services performed before your individual effective date. Your retroactive date is the date from which you have maintained continuous, uninterrupted real estate E&O insurance, with no gaps. Even a one-day gap in coverage will result in loss of coverage for claims involving professional services performed before and through the last day of the gap, even if insurance is in place when the services were performed and again when the claim arises.

If you miss timely renewal and do not have continuous coverage, call RISC immediately to see if you qualify to backdate your individual effective date to the inception of the policy period. This may avoid a break in coverage and loss of your retroactive date. However, this procedure does not impact failure to comply with state licensing law or the CREC's ability to issue penalties.

FIRM EXCESS COVERAGE, SUBJECT TO UNDERWRITING APPROVAL

Firm excess policies with limits up to \$1,000,000 available to firms whose licensees are all insured through the group program (written by Continental Casualty Company). For additional excess program information, contact RISC at 1-800-637-7319, ext. 3.

IF YOU DO NOT PLAN TO RENEW YOUR COVERAGE

There is no coverage for claims that arise after the end of your individual policy period unless an extended reporting period (ERP) is in place. Claims often arise years after the subject transaction occurred. If you are not renewing coverage for any reason (e.g., inactivating/retiring your license or switching to a firm policy), you should consider purchasing a 1, 2, 3, or 5 year ERP endorsement to extend the policy's reporting date to apply to claims that are first made against the insured and reported to the carrier within that period. ERP endorsements may only be purchased during or up to 90 days after the end of your individual policy period. [Click here](#) for more information.

Don't hesitate to contact RISC at info@risceo.com or 1-800-637-7319 (ext. 1) with any questions or concerns. We love hearing from Colorado licensees!



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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 Colorado. ©2022

Please be aware that in the event of a claim, coverage would be determined as a result of the application of all policy terms and conditions based on the circumstances and allegations arising from such claim. Additionally, it is not our position to issue blanket coverage determinations based upon hypothetical fact patterns or general concerns. When a claim is made, each coverage situation is evaluated on its own merits, based upon the facts and allegations. These allegations, when reviewed with the policy terms, conditions, and exclusions determine the nature and extent of our response. Therefore, RISC is not in a position to determine coverage prospectively. In addition, this correspondence does not in any way amend the policy. RISC believes the policy form speaks for itself, and RISC specifically reserves all of our rights with respect to it, anything contained in this correspondence notwithstanding.

*This notice is being sent to actively-licensed Colorado real estate individual licensees as notice of the CREC's upcoming January 1, 2023 – January 1, 2024 group program pursuant to our contract with the State. Please disregard this notice if you have already enrolled in the CREC's 2023 group program or obtained other compliant coverage for 2023. If you do not wish to receive informational emails from RISC, you may reply to this message and include the word "remove" in the subject line of your email. ANY QUESTIONS REGARDING COVERAGE SHOULD BE DIRECTED TO RISC AT 1-800-637-7319****