

**ALASKA REAL ESTATE COMMISSION'S (AREC's) GROUP ERRORS AND OMISSIONS (E&O) PROGRAM**

Administered by Rice Insurance Services Center (RISC), a division of AssuredPartners NL, LLC, and Issued by Continental Casualty Company (Continental)

**ENROLLMENT FORM – PRORATED**

**NOTICE:** Alaska law requires that all active real estate licensees carry and maintain E&O insurance to cover all licensed activities. Before activation of a license, a prospective licensee must obtain insurance coverage. Failure to timely obtain or renew insurance may lead the AREC to inactivate your license and assess fines and penalties. Licensees may purchase insurance outside of the group program, provided it complies with state law and proof of coverage is provided to the AREC as required by state law.

**ENROLL ONLINE:** At [www.risceo.com](http://www.risceo.com) with a Visa, MasterCard, or Discover card and download a certificate of coverage immediately.

**ENROLL BY MAIL:** Select desired coverages below and send completed form (all pages) with payment by check or money order payable to RISC. Allow 7-10 business days to allow us time to process your enrollment and provide proof of coverage to the AREC.

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

**I. LICENSEE INFORMATION** – Please correct any incorrect information and fill in any blanks. Failure to provide correct information may delay issuance of your coverage and confirmation to the AREC.

Licensee Name:	License Type:	
Real Estate Firm:	License No.:	
Address:	SSN (Last 4 digits only):	
City:	State:	Zip Code:
Phone (home / cell): <input type="checkbox"/> If cell: Check here if you would like text reminders if/when that option is available.	Phone (work):	
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](mailto:@risceo.com)) to your address book.

**II. DETERMINE SCOPE OF COVERAGE – Circle Yes or No as applicable. The AREC will be notified of false reporting of your real estate activity or claims history on this form.**

<p><b>Question 1.</b> <b>Have you had any Paid Claims in the past 5 years?</b> Paid Claim is (1) a written demand for money or services or (2) service of a lawsuit or institution of arbitration or mediation proceedings that seeks Damages and alleges a negligent act, error, or omission in your Professional Services as a real estate licensee, in which payment was made for Damages (compensatory award or settlement) or Claim Expenses (legal fees/defense costs) by you or on your behalf.</p>	<p><b>Question 2.</b> <b>Do you, have you ever, or do you plan to do real estate activity other than Residential Sales?</b> Residential sales are sales or listings for sale of real property whose primary purpose is to provide 1 or 2 single-family dwellings in one building. Residential Sales do not include commercial sales; commercial listings; or renting, leasing, managing, or appraising any type of property.</p>		
NO	YES	YES	NO
↓	↓	↓	↓
<p>You MUST select the enhanced coverage option – <b>Residential Sales Coverage + Expanded Definition of Professional Services Endorsement / Annual Premium \$642</b></p>			
<p>Do you want insurance for any and all professional services that require a real estate license, including (a) sales or listings of all types of property (not limited to real property whose primary purpose is to provide 1 or 2 single-family dwellings in one building); (b) renting, leasing, managing, or appraising any type of property, including residential; and (c) community association management?</p>			
YES		NO	
↓		↓	
<p>Select the enhanced coverage option – <b>PREMIUM A: Residential Sales Coverage + Expanded Definition of Professional Services Endorsement</b></p>	<p>Select <b>PREMIUM B: Residential Sales Coverage Only</b>. If you select this option, your insurance will be limited to claims involving your professional services in connection with residential sales, as defined in the policy.</p>		
<p>See next page for pricing information</p>			

III. DETERMINE TOTAL PREMIUM

Select ONE of the Following Policy Options – 2023 Effective Date, All Policies Expire January 1, 2024 Limits of Liability: \$100,000 per claim / \$300,000 aggregate Deductible: \$2,500 (damages)						Unit Price	Amount Due
<b>See flow chart on prior page to determine applicable option</b>							
<b>OPTION A: Residential Sales Coverage + Expanded Definition of Professional Services Endorsement</b>						<b>See prorated Premiums at left</b>	
<b>Prorated Premiums:</b>							
Jan \$642	Feb \$589	Mar \$535	Apr \$482	May \$428	June \$375		
July \$321	Aug \$268	Sept \$214	Oct \$161	Nov \$107	Dec \$54		
<b>OPTION B: Residential Sales Coverage Only</b>						<b>See prorated Premiums at left</b>	
<b>Prorated Premiums:</b>							
Jan \$450	Feb \$413	Mar \$375	Apr \$338	May \$300	June \$263		
July \$225	Aug \$188	Sept \$150	Oct \$113	Nov \$75	Dec \$38		
<b>WARNING:</b> If you select this option, your insurance will be limited to claims involving your professional services in connection with residential sales, as defined in the policy. If you have the opportunity to perform professional services other than residential sales during the policy period, we strongly suggest you consider requesting to add an Expanded Professional Services Endorsement to your insurance and that you continue purchasing that endorsement for as long as you would like that coverage to apply.							
<b>ALASKA FRAUD STATEMENT:</b> A person who knowingly and with intent to injure, defraud, or deceive an insurance company files a claim containing false, incomplete, or misleading information may be prosecuted under state law.							
<b>Optional Endorsements</b>							
<b>Conformity Endorsement:</b> Conforms your insurance under the AK policy to comply with E&O requirements in other states where you have an active real estate license. Eligibility requirements: You must be domiciled in AK and purchase the Residential Sales Coverage + Expanded Definition of Professional Services Endorsement option. Please circle applicable state(s):						<b>\$20</b> (Regardless of number of states at issuance)	
CO ID IA KY LA MS MT NE NM ND 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.							
<b>Limited Coverage Lock Box Claim Endorsement:</b> \$5,000 per lock box claim for damages and defense costs, combined, up to a \$10,000 aggregate						<b>\$20</b>	
<b>Residential Personal Interest Coverage Endorsement:</b> Adds insurance for claims relating to the sale or listing for sale of residential property, as defined in the endorsement, owned by the insured licensee, insured licensee's spouse or domestic partner, or an entity owned or controlled by the licensee or licensee's spouse or domestic partner, under certain conditions.						<b>\$50</b>	
<b>Selected Policy Premium Option + Any Optional Endorsement Premium</b>						<b>Total</b>	<b>\$ _____</b>

IV. 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.

**Prior Acts and Importance of Continuous, Uninterrupted E&O Coverage:** Your "retroactive date" determines whether there is coverage for services performed before the policy's effective date. The retroactive date is the date you first obtained, and since which have continuously maintained, E&O insurance, with no gaps. Even a one-day gap between policy periods will result in loss of coverage for any services provided before and through the last day of the gap, even if insurance was in place at the time of the services and again when the claim arises.

**Effective Date:** The group policy period is January 1, 2023 to January 1, 2024. Your individual policy period will begin the day we receive your *completed application* and premium. If your prior E&O insurance expires after January 1, 2023 and you fail to enroll prior to that policy's end date, call RISC immediately to see if you qualify to backdate your individual policy period, which may avoid a gap in coverage and loss of any previously-established retroactive date. This procedure will not remedy noncompliance with state requirements. If you would like to request an effective date different than the day we receive your *completed application* and premium, provide the requested effective date: \_\_\_\_\_ (must be between January 1, 2023 and January 1, 2024).

**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. To report a claim under the group policy, you must send us written notice of the claim and a notice of claim form, available on our website or by calling us and requesting one.

There is no coverage for claims that arise after the policy expires unless an extended reporting period (ERP) is in place. However, claims often arise years after the subject transaction occurred. If you are not renewing coverage 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. An ERP Endorsement may only be purchased within 90 days after the group policy expires.

**Territory:** Licensees domiciled in Alaska are insured for errors and omissions committed anywhere they hold an active real estate license, provided the services would require a real estate license if performed in Alaska. Licensees domiciled outside of Alaska are insured for Alaska transactions only. If a claim results in or from a lawsuit, the lawsuit must be brought within the U.S., its territories or possessions.

**Premium / Deductible:** Applicant understands that 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 the Company 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: \_\_\_\_\_