

**All E&O Providers are Not the Same . . .  
Neither are All E&O Policies**

**Always Review the Actual Policy Provisions!**

The most accurate representation of what a policy covers is the policy itself. We recommend you review any policy you are considering and ask these questions:

**Does the policy provide first dollar defense? Yes.** Under the RISC policy, there is no deductible for damages or defense costs. Other policies may have stringent requirements that must be followed to qualify for first dollar defense.

**Does the policy offer unlimited defense costs? Yes.** Under the RISC policy, there is no limit on the amount of defense costs available to pay covered claims (except under the subpoena and regulatory complaint coverages which were not traditionally covered at all under many E&O policies).

**Does the policy insure transactions you do for relatives? Yes.** The RISC policy applies to claims involving services performed for your and your spouse's relatives. This is important, since buyers and sellers often turn to a trusted relative who is a real estate licensee to represent them in a transaction.

**Does the policy apply to claims relating to all types of real property? Yes.** The RISC policy applies to any claim relating to professional services, regardless of the type of property involved. Other policies may limit coverage to a specific type of property, such as residential, or require additional premium for coverage for other kinds of property. Even if you currently handle only residential transactions, consider whether you are willing to forgo an opportunity to work with commercial property or farmland or to risk not having coverage for a claim resulting from the transaction.

**Does the policy insure your firm for its vicarious liability for your professional services? Yes.** Claims are often made against real estate firms as a result of their licensees' negligence. Under the RISC policy, the insured licensee's policy applies to covered claims alleging the firm's vicarious liability for negligence in the licensee's professional services. Some policies issued to individual licensees may not provide coverage for the firm's vicarious liability for their actions, which may leave the firm uncovered in the event of a claim.

**Are insureds satisfied with the provider's service? Yes.** Below are excerpts from actual emails we have received:

*Rice Insurance Services has consistently responded to our needs in a timely and professional manner. With the current atmosphere of frequent litigation, it is very important to our survival as a real estate service provider to have access to this level of quality when the need arises for insurance coverage.* M.G., Iowa Broker

*I have had many occasions to work with RISC, and I always have received timely professional service. I have consistently found RISC's management and staff to be friendly, cooperative and fair.* J.J., general counsel for large Iowa real estate firm



PO Box 6709, Louisville KY 40206-0709

**Contact Us**

Rice Insurance Services Company, LLC  
4211 Norbourne Blvd  
Louisville, KY 40207-4048

502-897-1876  
1-800-637-7319

[www.risceo.com](http://www.risceo.com)

**Support your state program!**

Experienced real estate agents spend years growing their business and developing their reputation, and new agents hope to do the same. It only takes one unhappy buyer or seller to threaten your financial livelihood. The group policy provides \$100,000 limits per claim and in the aggregate per licensee, with no deductible for damages or legal fees -- for just \$144 per licensee.

**IOWA REAL ESTATE  
COMMISSION'S GROUP  
E&O POLICY**

Administered By  
Rice Insurance Services Company, LLC

Issued By  
Continental Casualty Company

Real Estate E&O Insurance  
Designed for Iowa Licensees



502-897-1876 / 1-800-637-7319  
4211 Norbourne Blvd, Louisville, KY 40207-4048  
PO Box 6709, Louisville, KY 40206-0709  
[www.risceo.com](http://www.risceo.com)

## Please Support Your State Program

Over **\$10 Million** in defense costs and damages have been incurred as of September 30, 2020 since the current carrier began issuing the Iowa state group program in 2003. RISC and the carrier share a commitment to their insureds and providing valuable coverage to Iowa licensees. When shopping for insurance coverage it's important to ask about the company's experience and paid claims in Iowa. If a company is charging a very low amount, you may find the carrier doesn't provide much coverage or pay many claims.

The state group program offers affordable E&O insurance to each and every licensee by spreading the risk over a large number of insureds. Without the group program's low premium, other carriers have no incentive to offer real estate E&O policies at affordable prices. In states without a group program, real estate E&O premiums may cost thousands of dollars and some licensees report being unable to obtain insurance at any price.

## Rely on the Most Experienced Provider in the Business

The Rice family and their colleagues have specialized in mandated real estate E&O programs since 1989. We provide group policies in the vast majority of states that have group programs and require licensees to maintain insurance. CNA has more than 50 years of experience in E&O programs, including over 30 years in real estate E&O. CNA is the top provider of real estate liability insurance, delivering more than 100 years of experience, industry knowledge, and financial strength to manage even the most complex risks. You can be confident we will be here for you even after you purchase coverage.

## When a Claim is Made, Our In-House Adjusters Focus on You

Some people assume insurance companies look for reasons to deny coverage. Our duty to find coverage where the policy supports it is our utmost concern. Most insurance providers use one entity to sell the policy and another to handle claims. Because we do both, the information we provide about the policy reflects how it will actually apply in the event of a claim. Providers who don't administer claims may not know how the carrier actually applies the policy when a claim is made.

## We Stand by You Even if there is a Claim

You may be involved in a claim even if you did everything by the book. Some providers won't write your coverage if you have had a claim. Or if you have a claim, they may not renew your policy! There is no need to fear reporting a claim under our program. We understand having a claim does not mean you did anything wrong. Anyone can be involved in a transaction that goes sour. Never think that it can't happen to you. And we are here to help you if it does.

**VISIT [WWW.RISCEO.COM](http://WWW.RISCEO.COM) FOR ONLINE ENROLLMENT, SAMPLE POLICY FORMS, AND ADDITIONAL INFORMATION. CONTACT US WITH ANY QUESTIONS OR CONCERNS.**

Rice Insurance Services Company, LLC (RISC) is honored to continue to provide the Iowa Real Estate Commission's group errors and omissions (E&O) insurance program. After 25+ years of service to real estate licensees, exceeding our insureds' expectations remains our top priority. The insurance carrier is Continental Casualty Company, a CNA company (rated "A Excellent" by A.M. Best).

## BASIC POLICY only \$148

**Limits of Liability** – \$100,000 per claim / \$100,000 aggregate with NO deductible.

**Increased Limits Available to Individual (Not Firm) Licensees for Additional Premium** – \$250,000 per claim / \$750,000 aggregate (\$78) or \$500,000 per claim / \$1,000,000 aggregate (\$140).

## OPTIONAL ENDORSEMENTS AVAILABLE TO INDIVIDUAL (NOT FIRM) LICENSEES

**Appraisal (\$200)** – Active Iowa real estate licensees who also have an active appraisal license may purchase an appraisal endorsement to add licensed appraisal services to the activity insured by the group policy.

**Appraisal Trainee (\$200 per Appraiser Trainee)** – Adds specific appraiser trainees listed as insureds (under the supervising appraiser's insurance for services assisting with the supervising appraiser's professional services. Eligibility Requirement: must also purchase an appraisal endorsement).

**Contingent Bodily Injury / Property Damage (\$25)** – Sublimits of \$10,000 per claim / \$10,000 aggregate for damages and defense costs, combined, for bodily injury and property damage claims that arise from professional services under certain conditions.

**Residential Personal Interest (\$30)** – Sublimits of \$100,000 per residential personal interest claim / \$100,000 aggregate for claims relating to the sale or listing for sale of residential property owned by the licensee, the licensee's spouse, or a company owned by the licensee under certain conditions.

**Developed / Constructed by Spouse Endorsement (\$250)** – Sublimits of liability of \$100,000 per developed/constructed by spouse claim / \$100,000 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.

## OPTIONAL ENDORSEMENTS AVAILABLE TO INDIVIDUAL AND FIRM LICENSEES

**Conformity (\$20)** – Conforms the licensee's coverage under the Iowa group policy to comply with another mandated state's E&O requirements. Eligibility requirement: must be actually domiciled or treated as domiciled in Iowa under the policy.

## WHERE INSURANCE APPLIES

For licensees domiciled in Iowa, the policy applies to professional services provided anywhere in the world, provided the licensee is duly licensed in the state where services were provided, and the services would require a real estate license had they been performed in Iowa. Licensees not actually domiciled in Iowa or not considered to be domiciled in Iowa under the policy terms are insured only for professional services rendered in Iowa.

## AUTOMATICALLY INCLUDES

**First Dollar Defense** – Applies WITH NO CONDITIONS to all covered claims.

**Defense Outside Limits** – NO LIMIT on the amount of defense costs the carrier will pay in connection with claims covered under the basic policy limits (except under the subpoena and regulatory complaints coverages, which were traditionally not covered at all under many E&O policies).

**Expanded Definition of Professional Services** – Insured professional services include property management and services performed or advice given (including as a notary public and as a real estate consultant or counselor) in connection with licensed activity.

**Firm / Team / Franchise Coverage** – Real estate firm, real estate team, and franchisor insured for vicarious liability for covered claims.

**Spousal Coverage** – Licensee's spouse or domestic partner 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.

**Discrimination / Fair Housing Sublimits ENHANCED FOR 2021** – \$25,000 per discrimination claim / \$25,000 aggregate (damages).

**Environmental Sublimits ENHANCED FOR 2021** – \$10,000 per environmental claim / \$20,000 aggregate (damages).

**Escrow / Earnest Money Sublimits ENHANCED FOR 2021** – \$5,000 per escrow claim / \$10,000 aggregate (damages).

**Lock Box Sublimits ENHANCED FOR 2021** – \$5,000 per lock box claim / \$10,000 aggregate (damages).

**Subpoena Coverage** – Up to \$2,500 in attorneys' fees in connection with a covered subpoena (\$2,500 maximum for all subpoenas).

**Primary Residence Coverage** – \$100,000 per primary residence claim / \$100,000 primary residence aggregate for 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.

**Regulatory Complaints Coverage** – \$2,500 per regulatory complaint / \$5,000 aggregate (defense costs).

**Security Breach Supplementary Payment Coverage** – Reimbursement up to \$5,000 to the real estate firm for costs incurred to provide required notification of a security breach when information may have been disclosed or used in an unauthorized manner (\$5,000 maximum per real estate firm, regardless of the number of licensees or incidents involved). This is not personal identity theft risk coverage.

## FIRM EXCESS COVERAGE

(Subject to Underwriting Approval)

Firm excess policies with \$1,000,000 limits available to firms whose licensees are all insured through the group program

## RISK REDUCTION MATERIAL

Available on our website. We incorporate our knowledge of the policy and extensive claims handling experience into educational articles and videos