



REAL

ESTATE

ERRORS &

OMISSIONS

INSURANCE

**January 1, 2010
to
January 1, 2011**

REAL ESTATE ERRORS & OMISSIONS INSURANCE

All active real estate licensees must submit evidence of errors and omissions professional liability insurance to the Nebraska Real Estate Commission (Commission). If you enroll under the group policy, such evidence will be provided automatically by the Program Administrator.

Williams Underwriting Group, a division of Maverick Insurance, LLC was chosen as the program administrator for a group professional liability policy underwritten by National Union Fire Insurance Company of Pittsburgh, Pa. (National Union).

The group policy is available to each licensee with no right on the part of National Union to cancel coverage for any licensee during the policy period, other than as set forth by Commission rules and regulations.

The group policy provides professional liability protection for covered loss that results from the conduct of your duties as a real estate licensee including real estate appraisal services when conducted by an active real estate licensee. **The policy is a claims-made insuring agreement.**

Highlights of the group program include:

- A group E&O policy covering all real estate licensees that pay the required premium.
- A policy period of January 1, 2010 to January 1, 2011
- **Choice of Limits** - Minimum State mandatory limits \$100,000/\$300,000 or optional limits of \$250,000/\$750,000 or \$500,000/\$1,000,000. Defense expenses are paid in addition to the limits of liability. The limits apply per licensee.
- **Deductible** is \$1,000 per claim. Each licensee pays this deductible. There is no deductible for defense expenses.
- **Lock box** property damage limit of liability is \$10,000 total limit. There is no deductible for Lock Box coverage.
- **\$25,000** sublimit, damages and defense expenses, for Fair Housing Discrimination subject to a \$1,000 per claim deductible.
- **Personal Injury** liability - as determined by your choice of limits, referenced in the third bullet above.
- **Coverage** for the sale or listing of your primary or principle residence provided the sale or listing is performed under the real estate license laws of Nebraska (coverage does not include For Sale By Owner sales or listings).

- **Allows** up to 25% ownership/financial interest in the management or sale of property that is owned, built or developed by an insured or spouse of an insured.
- **90 day** limited extended reporting period after policy expiration.
- **Two Optional Extended Reporting Period Endorsements** are available to licensees who do not renew their coverage under this policy. These endorsements extend the time to report certain claims alleging wrongful acts that are committed before the end of the policy period, but not before your retroactive date. The claim must be reported during the applicable extended reporting period. These endorsements do not extend the policy period or change the scope of coverage provided or increase the applicable limit of liability.
- **Coverage** for certain "prior acts" if the insured has had similar claims-made coverage continually in force up until the time coverage begins under this policy.
- **Coverage** conforms to conditions of other mandatory state's E&O requirements (Refer to enrollment form for TN and IA Instructions).
- **Appraising** activities are covered only if you also hold and maintain an active real estate license from the NREC.
- **Optional Personal Identity Coverage Endorsement** is available that provides up to \$25,000 reimbursement for expenses and lost wages from identity theft.

Summary of Policy Exclusions:

- Bodily injury, property damage, advertising injury
- Dishonest, fraudulent, criminal acts - etc.
- Conversion, misappropriation, failure to pay fees, etc.
- Violations of securities laws
- Failure to purchase/maintain insurance or bonds.
- Discrimination, employment related practices
- Pollutants including fungi/mold
- Asbestos, radon and lead
- Other business
- Contractual agreements
- Claims made by an insured
- Financial interest (appraisal, management or sale of property that is owned, built or developed by an insured or spouse of an insured who has over a 25% ownership interest in said property)

Insurance underwritten by National Union Fire Insurance Company of Pittsburgh, Pa. The above descriptions are a summary only. They do not include all terms, conditions and exclusions of the policy described. Please refer to the actual policy for complete details of coverage and exclusions. For a copy of the policy, please view our website at www.wugioe.com

REAL ESTATE ERRORS & OMISSIONS INSURANCE

QUESTIONS & ANSWERS

- 1. Are all real estate licensees required to buy coverage under the group policy?** No. Licensees who do not desire coverage under the group policy may purchase insurance coverage on an individual basis. However, all licensees obtaining coverage other than that provided by the group policy must submit proof of coverage to the Nebraska Real Estate Commission (Commission), and all coverage must meet the minimum equivalency requirements as established by the Commission.
- 2. How do I obtain coverage under the group policy?** Simply complete the enclosed enrollment form, per instructions -or- you may enroll on-line at www.wugioe.com and pay with Visa, Mastercard or Discover. Online enrollment is subject to a \$5.00 convenience fee, which is assessed by Williams Underwriting Group.
- 3. What is the cost of coverage under the group policy?** The fully earned annual premium for the minimum NREC required limits of \$100,000/\$300,000 is \$157.00 per licensee. Please refer to premium schedule for optional limit premium. The premium for any limit chosen will be prorated by month of enrollment after January 31. Please refer to premium schedule.
- 4. Can I obtain coverage under the group policy for my Firm?** Yes, Firms which are registered with the Commission may purchase this coverage, in addition to the brokers' individual coverage. Simply copy and fill out the form in the Firm's name indicating the choice of limits and submit the proper premium for both forms as instructed. Or, you may go online and enroll your Firm when you enroll yourself.
- 5. How do I obtain an Extended Reporting Period Endorsement?** Simply mail within ninety (90) days of the expiration of your policy your request and payment to Williams Underwriting Group to have issued either a three (3) year or five (5) year Extended Reporting Period Endorsement. The additional premium for the three (3) year optional extended reporting period is 200% of your expiring annual premium. The additional premium for the five (5) year optional extended reporting period is 300% of your expiring annual premium. In all cases, your request and payment for either endorsement must be received by The Williams Underwriting Group office no later than March 31, 2010. We will not accept postmarks subsequent to this date to purchase this endorsement.

WARNING!

Licensees who do not obtain an E&O policy by January 31, 2010, will lose any previously established retroactive date (prior acts coverage). Your new effective and retroactive date will be the 1st of the month in which your payment is received. Further, if you do not renew your insurance on time, your license will be placed on inactive status by the Nebraska Real Estate Commission.

- 6. Where does coverage apply?**
For resident Nebraska licensees including non-resident licensees who work for or represent a real estate firm licensed and located in Nebraska, the policy applies to wrongful acts - as defined in the policy - that are committed in the coverage territory as defined in the policy (all claims must be brought in the United States, its territories or possessions, Puerto Rico or Canada). For non-resident Nebraska licensees who do not work for or represent a real estate firm licensed and located in Nebraska, the policy responds to wrongful acts - as defined in the policy - committed only within the state of Nebraska.
- 7. When must claims or potential claims be reported?**
If an incident happens that may involve liability protection provided by this policy the incident must be reported as soon as possible during the policy period or during an extended reporting period (if applicable) in order for coverage to apply. Please refer to the policy for specific claim reporting procedures.
- 8. Where do licensees report claims?**
Licensees must report all claims or potential claims (as defined in policy) immediately to the carrier.

SEND TO:

Chartis
Errors & Omissions - Claims
175 Water Street, 7th Floor
New York, NY 10038
Attn: Vivian Beqaj
Ph: 212-458-1968 (Direct)
Ph: 888-602-5246 (Toll Free)
Fax: 866-754-1229
E-mail: Vivian.Beqaj@chartisinsurance.com

New license applicants or licensees joining the group program after January 31, 2010, will be required to pay the following premium amount that corresponds to the month you wish to obtain coverage and the limits of liability chosen.

	STATE MANDATORY	OR	OPTIONAL	
	LIMITS		LIMITS	LIMITS
	\$100,000/ \$300,000		\$250,000/ \$750,000	\$500,000/ \$1,000,000
January	\$157.00		\$247.00	\$316.00
February	\$144.00		\$226.00	\$290.00
March	\$131.00		\$206.00	\$263.00
April	\$118.00		\$185.00	\$237.00
May	\$105.00		\$165.00	\$211.00
June	\$ 92.00		\$144.00	\$184.00
July	\$ 79.00		\$124.00	\$158.00
August	\$ 65.00		\$103.00	\$132.00
September	\$ 52.00		\$ 82.00	\$105.00
October	\$ 39.00		\$ 62.00	\$ 79.00
November	\$ 26.00		\$ 41.00	\$ 53.00
December	\$ 13.00		\$ 21.00	\$ 26.00

Optional personal identity coverage endorsement \$13.50
Iowa conformity endorsement \$40 no prorate

NOTE: In order to notify the Commission of your compliance with the Statute for 2010, we must receive your **mandatory** payment -or- the **optional** payment **and** the enrollment form by November 30, 2009. Licensees submitting forms and payments to our office after November 30, 2009, will continue to be certified to the Commission. However, the NREC may impose a late license renewal fee and/or place your license on an inactive status if they do not receive E&O coverage certification by December 1, 2009.

Save Time, Enroll Online!

(Visa, Mastercard or Discover)

www.wugieo.com

(We assess a \$5.00 convenience fee for online enrollment)

EXCESS COVERAGE

Additional limits of Coverage are available to Brokers and/or Firms, subject to a completed application and underwriting approval.

OPTIONS

Limits available up to \$1,000,000/\$3,000,000 with choice of deductible starting at \$1,000.

The deductible only applies to claims which would not otherwise be covered by the primary limits.

This Coverage is available only to firms whose licensees have coverage under the group policy as issued by the Insurance Company.

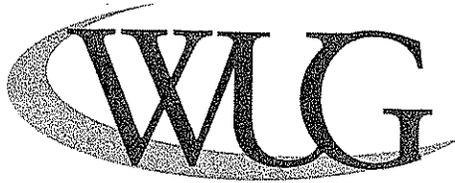
Brief Highlights of the Optional Excess & Augmented Coverage

- Failure to detect pollutants with limits up to:
 - \$1,000,000 residential
 - \$100,000 commercial
 - Paid claim and/or defense
- Discrimination - \$100,000 sublimit
 - Paid claim and/or defense
- Defense of Regulatory Complaints: \$5,000/\$10,000
- First dollar defense - unlimited
- Includes coverage for Franchise Grantor

Optional Coverage

1. Sale of owned property

To obtain additional information and/or an **application for excess & augmented coverage**, please contact Williams Underwriting Group at the location listed on the back of this brochure.



Williams Underwriting Group
A Division of Maverick Insurance, LLC

**PROGRAM MANAGERS &
ADMINISTRATORS**

WILLIAMS UNDERWRITING GROUP
P.O. Box 1086
New Albany, IN 47151-1086

Phone: 1-800-222-4035
Fax: 812-944-8010

Visit our website at
www.wugioe.com
email: wug@maverick-insurance.com

CARRIER
National Union Fire
Insurance Company
of Pittsburgh, Pa.

Insurance underwritten by National Union Fire
Insurance Company of Pittsburgh, Pa.