



Real Estate Agents Errors and Omissions — Professional Liability

Real Estate Agents Errors and Omissions with Professional Office Package

This product targets traditional residential real estate sales firms.



The Hit Zone – *Our highest hit ratio*

- 🚫 Firms that derive at least 65% of income from residential real estate sales (homes, farm and land)
- 🚫 Firms that have fewer than 15 agents and/or brokers and under \$1,000,000 in commission income
- 🚫 No involvement in construction or development
- 🚫 Firms in operation more than 3 years or whose principal has been either an agent 5 years or a broker 2 years
- 🚫 No errors and omissions claims or disciplinary actions in the past 5 years
- 🚫 Non-franchised real estate firms

ELIGIBLE RISKS – Includes all of the above characteristics except where amended below

- ▶ Up to 50 agents/brokers and \$5,000,000 in commission income
- ▶ 1 or 2 errors and omissions claims in the past 5 years
- ▶ Disciplinary action against a member of the real estate firm
- ▶ Firms that derive less than 10% of commission income from sales of homes built by them or a related construction or development company
- ▶ Accounts with more than 35% of commission income from property management or appraisal activity may be considered under our property managers or appraisers products
- ▶ Franchised real estate firms

INELIGIBLE RISKS

- ▶ More than 35% of commission income from commercial sales
- ▶ Firms deriving more than 10% of their commission income from construction or development activities or more than 10% of commission income from 1 builder or developer
- ▶ Firms deriving more than 10% of commission income from 1 location or development
- ▶ Firms specializing in the sale of high priced real estate (average property sold exceeding \$600,000)
- ▶ More than 2 errors and omissions claims in the past 5 years
- ▶ Firms that derive more than 10% of their commission income from the sale of owned property
- ▶ Disciplinary action against the principal of the firm that resulted in his or her license being suspended or revoked
- ▶ Applicants located in Alabama, Alaska, California, Colorado, Iowa, Louisiana, Hawaii, Kentucky, Nebraska, New Mexico, Tennessee or Texas
- ▶ Principal has less than 5 years licensed agent or 2 years licensed broker experience



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PRODUCT ADVANTAGES

- ▶ A.M. Best rated A++ carrier
- ▶ \$150,000 (damages and defense) of discrimination coverage built into the policy form
- ▶ Defense outside the limit
- ▶ Duty to defend
- ▶ Coverage for the sale of any residential owned property
- ▶ Internet coverage provided
- ▶ Full prior acts coverage available
- ▶ \$2,500/\$5,000 for defense of Insureds in front of licensing or regulatory bodies
- ▶ Ability to provide general liability and property coverage via a Business Owners Policy. General liability includes coverage for bodily injury arising out of professional services
- ▶ Optional environmental pollutants coverage
- ▶ \$25,000 Lockbox coverage

AVAILABLE LIMITS

- ▶ Up to \$5,000,000

RETENTIONS

- ▶ Retentions start at \$2,500

SUBMISSION REQUIREMENTS

- ▶ Any new business Real Estate Agents Errors and Omissions application