Williams Underwriting Group

A Division of AssuredPartners

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**CARRIER**
**Zurich American Insurance Company**

# NEBRASKA GROUP REAL ESTATE ERRORS & OMISSIONS INSURANCE PROGRAM

## January 1, 2021 to January 1, 2022

## Nebraska Real Estate Errors & Omissions Insurance

All active Nebraska real estate licensees must provide evidence of Errors & Omissions (E&O) insurance to the Nebraska Real Estate Commission (Commission). Williams Underwriting Group a division of AssuredPartners (WUG) will continue to be the contracted provider for the Commission's group E&O policy for 2021. If you enroll under the group policy WUG will certify your coverage directly to the Commission. The group policy is underwritten by Zurich American Insurance Company (Zurich) and is available to each licensee with no right on the part of Zurich to cancel coverage for any licensee during the policy period, other than as set forth by Commission rules and regulations.

The group policy provides protection for covered loss that result from the conduct of your duties as a real estate licensee including property management and appraisal services. The policy also provides protection for prior acts, provided that you have maintained continuous real estate E&O insurance (from us or any other real estate E&O provider) from the date of the real estate service to the date the claim is first made against you. The group policy is written on a **Claims-Made Basis**.

**Highlights of the group program include:**

- A policy period of January 1, 2021 to January 1, 2022
- **Choice of Limits** - Minimum State mandatory limits of $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. There is no deductible for defense expenses.
- **Lock box** damage limit of liability is $100,000/$300,000 total. There is no deductible for Lock Box coverage.
- **Fair Housing Discrimination** limit of liability of $50,000 for damages and defense expenses, subject to a $1,000 per claim deductible.
- **Pollutants** sub-limit of $20,000 per claim and $40,000 for all claims for damages and claim expense including mold and fungi.
- **Escrow and Earnest Money Coverage** A sub-limit of $5,000 per claim and $10,000 for all claims for damages and claim expense apply.
- **Regulatory Complaint** sub-limit of $5,000 per claim and $5,000 for all claims for defense expense.
- **Subpoena Assistance Costs** A $2,500 per subpoena limit and a $2,500 aggregate limit applies. No deductible applies.
- **Property Management Services** as defined in the policy
- **Appraisal Services** are covered only if you also hold and maintain an active Nebraska real estate license.
- **Conformity Coverage**. The policy automatically conforms to conditions of other mandatory state's E&O requirements (Refer to enrollment form for AK, KY, TN and IA instructions).
- **Prior Acts Coverage** provided if the licensee has had similar claims-made coverage continually in force up until the date coverage begins under this policy.
- **Primary residence coverage**. Provides coverage for the sale or listing of a licensees' primary or principle residence provided the sale or listing is performed under the real estate license laws of Nebraska.
- **Sale of Other Residential Property** subject to certain conditions.
- **Allows** up to 25% ownership/financial interest in the management or sale of property that is owned by an insured or 15% ownership/financial interest in property built or developed by an insured.
- **Franchised Grantor** is automatically included as an additional insured.
- **Two Optional Extended Reporting Period Endorsements** are available to licensees who do not renew their coverage. 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.

**Optional Coverage Endorsements** (additional premiums apply)

- **Contingent Bodily Injury and Property Damage.** A sub-limit of $10,000 for all claim solely arising from Property Management Activity only (as defined in the policy) or for all Real Estate Services (as defined in the policy) which includes Property Management Services. This is subject to a $1000 deductible.
- **Personal Identity Coverage Endorsement** is available that provides up to $25,000 reimbursement for expenses from personal identity theft.

**Summary of Policy Exclusions:**

- Bodily injury, property damage, advertising injury
- Dishonest, fraudulent, criminal acts - etc.
- Conversion, misappropriation, failure to pay fees or commissions, etc.
- Violations of securities laws
- Failure to purchase or maintain insurance or bonds.
- Discrimination (other than fair housing discrimination), employment related practices
- Other business activities
- Appraisal, management or sale of property that is owned, built or developed by a licensee or spouse of a licensee or any entity, corporation, partnership or trust in which a licensee or spouse of a licensee who has over 25% financial/ownership interest in said property. However, this exclusion does not apply to the sale or listing of a licensees' primary residence or other residential property owned by the licensee.
- Relating to property that is constructed or developed by the licensee or a licensee's spouse, including any entity, corporation, partnership or trust in which the licensee or a licensee's spouse maintains a financial or ownership interest which exceeds twenty-five percent (25%).

DISCLAIMER: Insurance underwritten and coverage(s) by Zurich American Insurance Company. (Zurich), an individual member company of Zurich in North America. The descriptions herein are a summaries only. They do not in any way amend any coverage(s) you may have purchased from Zurich or any other member companies of Zurich in North America, and do not include all terms, conditions and/or exclusions of the policy(ies) described herein. Please refer to the actual policy(ies) for full terms, conditions, and exclusions and complete details of coverage(s).

# Nebraska 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 your group policy?*** Simply complete the enclosed enrollment form, per instructions -or- you may enroll on-line at www.wugieo.com and pay with Visa, Mastercard, AMEX or Discover.

3. ***What is the cost of coverage under your group policy?*** The fully earned annual premium for the minimum Commission required limits of $100,000/ $300,000 is $123.00 per licensee. Please refer to premium schedule for optional limit premiums. The premium for any limit chosen will be prorated by month of enrollment after January 31. Please refer to the premium schedule.

4. ***Can I obtain coverage under your group*** policy ***for my Firm?*** Yes, Firms which are registered with the Commission may purchase this coverage, in addition to the brokers' individual converage. 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, 2021. 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, 2021, 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 involves 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:

**Zurich American Insurance Company**
**NE Real Estate Broker Claims**
**Zurich Care Center**
**P.O. Box 968017**
**Schaumburg, IL 60196**
**Email: USZ_CareCenter@Zurichna.com**
**Ph: 800-987-3373**
**Fax: 877-962-2567**

New license applicants or licensees joining our group program after January 31, 2021, 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 LIMITS | OR | OPTIONAL LIMITS | |
|---|---|---|---|---|
| | $100,000/ $300,000 | | $250,000/ $750,000 | $500,000/ $1,000,000 |
| January | $123.00 | | $185.00 | $235.00 |
| February | $113.00 | | $170.00 | $215.00 |
| March | $103.00 | | $154.00 | $196.00 |
| April | $ 92.00 | | $139.00 | $176.00 |
| May | $ 82.00 | | $123.00 | $157.00 |
| June | $ 72.00 | | $108.00 | $137.00 |
| July | $ 62.00 | | $ 93.00 | $118.00 |
| August | $ 51.00 | | $ 77.00 | $ 98.00 |
| September | $ 41.00 | | $ 62.00 | $ 78.00 |
| October | $ 31.00 | | $ 46.00 | $ 59.00 |
| November | $ 21.00 | | $ 31.00 | $ 39.00 |
| December | $ 10.00 | | $ 15.00 | $ 20.00 |

**Optional Endorsements:**
**Iowa Conformity Endorsement - $15**
**Personal Identity Coverage Endorsement - $15**
**Contingent Bodily Injury & Property Damage for Property Management Services only- $25**
**Contingent Bodily Injury & Property Damage for all Real Estate Services which includes Property Management Services - $50**

**NOTE:** In order to notify the Commission of your compliance with the Statute for 2021, we must receive your **mandatory** payment -or- the **optional** payment **and** the enrollment form by November 17, 2020. Licensees submitting forms and payments to our office after November 17, 2020, 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 before December 1, 2020.

## Save Time, Enroll Online!

(Visa Mastercard, AMEX or Discover)
**www.wugieo.com**

## EXCESS COVERAGE

Additional Limits of Coverage of up to $2,000,000 per claim and $2,000,000 for all claims is available to Brokers and/or Firms, subject to a complete application and underwriting approval. Coverage is available only to those Firms whose licensees have purchased their coverage under the WUG primary group program as issued by the Insurance Company.

**The Excess Coverage automatically includes:**
1. Fair Housing Discrimination limit of $100,000 per claim with a $100,000 limit for all claims. These limits are in addition to the limits provided under the primary group program.

2. Pollutants with sub-limits of up to $100,000 per claim and $1,000,000 for all claims.

**Optional Coverage available:**
Sale of owned property, both residential and commercial property. Does not include property that is constructed or developed by the Insured.

To obtain additional information and/or an application for Excess coverage, please contact Williams Underwriting Group at wug@wugieo.com or 800-222-4035.