REAL ESTATE ERRORS & OMISSIONS INSURANCE

All individual real estate licensees, with an active real estate license, must submit evidence of errors and omissions professional liability insurance to the Wyoming Real Estate Commission (the Commission). If enrolled under the group policy, the Program Administrator will provide such evidence automatically.

Williams Underwriting Group (WUG), a Division of Assured Partners will continue to be the contracted provider for the Wyoming Real Estate Commission (WREC) Real Estate Errors and Omissions Group Insurance Program for the 2020 policy year.

The group policy is available to each licensee with no right on the part of the insurance company 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. The policy is a claims-made and reported policy.

Highlights of the group program include:

- A group E&O policy covering all real estate licensees that pay the required premium. Licensed Real Estate Firms may purchase coverage in the firms name in addition to individual coverage. (See enrollment form for instructions.)
- Choice of Limits - Minimum State mandatory limits of $100,000/$500,000 or optional limits of $250,000/$750,000 or $500,000/$1,000,000. Claim expenses are paid in addition to the limits of liability. The limits apply per licensee.
- Deductibles are $1,000 per wrongful act and $1,000 for claim expenses. Only one of each such deductibles will apply to the same claim for licensees of the same real estate firm.
- Lock box property damage limit of liability is $100,000/$300,000 limit. No deductible will apply.
- Fair Housing Discrimination A $50,000 limit for damages and expenses is included. No deductible applies.
- Regulatory Complaint Defense Expense A $5,000 sub-limit for expense is included.
- Environmental Hazards sub-limit of $10,000 per claim and $20,000 for all claims for damages and claim expenses 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 expenses apply.
- Subpoena and Earnest money Coverage A $5,000 per subpoena limit and a $5,000 aggregate limit applies. No deductible applies.
- Property Management Services are included in the policy as long as its not property you own.
- Sale of your Primary or Principal Residence is included provided the sale or listing is performed under Wyoming’s Real Estate Laws.
- Sale of Other Residential Property subject to certain conditions.
- Franchise Grantor is automatically included as an additional insured.
- 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.
- 90 Day automatic extended reporting period after policy expiration.
- An Optional Extended Reporting Period is available, by request, under the group policy for licensees who do not renew their coverage under this policy. This endorsement extends for three (3) years the time to report certain claims alleging wrongful acts that are committed before the end of the policy period, and after your retroactive date. The claim must be reported during the applicable extended reporting period. This endorsement does not extend the policy period or change the scope of coverage.
- Coverage for certain “prior acts” if the insured had similar claims-made coverage continually in force up until the time coverage begins under the policy.
- Coverage conforms to conditions of other mandatory state E&O requirements.

Optional Coverage Endorsements (additional premiums apply)
- An Appraisal Endorsement is available to individual real estate licensees who also hold and maintain an active real estate license.
- A Personal Identity Coverage Endorsement is available that provides up to $25,000 reimbursement for expenses and lost wages from identity theft.
- Contingent Bodily Injury and Property Damage A sub-limit of $10,000 for all claims solely arising from Property Management Services (as defined in the policy) This is subject to a $1,000 deductible.

Summary of Policy Exclusions:

- Bodily injury, property damage, personal injury, advertising injury.
- Dishonest, fraudulent, criminal acts.
- Conversion, misappropriation, failure to pay fees, commission.
- Failure to pay or collect money held for others.
- Violations of securities laws.
- Failure to purchase/maintain insurance or bonds.
- Discrimination (other than fair housing discrimination), employment related practices.
- Other business activity.

DISCLAIMER: Insurance underwritten and coverage(s) provided by Zurich American Insurance Company. (Zurich), an individual member company of Zurich in North America, and do not include all terms, conditions and/or exclusions of the policies described herein. Please refer to the actual policies for full terms, conditions, and exclusions and complete details of coverage(s).
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 elsewhere.

2. What is the cost of coverage under the group policy? The minimum WREC required limits of $100,000/$500,000 is $165.00 per license. Please refer to the premium schedule for optional limit premiums. The premium for any chosen limit after January 31, 2020 will be prorated. All premiums are fully earned.

3. Where does coverage apply under the group policy? For resident Wyoming licensees, including non-resident licensees who work for or represent a real estate firm located in Wyoming, the policy applies to wrongful acts - as defined in the policy - that are committed in the coverage territory as described in the policy (all claims must be brought in the United States, its territories or possessions, Puerto Rico or Canada). For non-resident Wyoming licensees who do not work for or represent a real estate firm located in Wyoming, the policy only responds to wrongful acts - as defined in the policy - committed within the State of Wyoming.

4. When must claims or potential claims be reported? If you receive a written demand for damages or services; a written demand to cease and desist; a civil proceeding/declaratory relief; or an arbitration/other alternative dispute resolution such claim must be reported in writing as soon as possible during the policy period or any applicable extended reporting period for coverage to apply. If you become aware of an act, error, omission, incident or circumstance that may develop into a claim but have not received any written demand you may still report this as a potential claim. Please see the policy for complete claim reporting procedures. Claim forms will be provided with your certificate of insurance or you can obtain them from our website.

5. Where do licensees report claims? Licensees must report all claims or potential claims (as defined in the policy) immediately to the insurance company.

REPORT CLAIMS TO:  
Zurich American Insurance Company  
NY Real Estate Broker Claims  
Zurich Care Center  
PO Box 968017  
Schaumburg, IL 60196  
Email: USZ_CareCenter@ Zurichna.com  
Ph: 800-987-3373  
Fax: 877-962-2567

New license applicants or licensees joining the group program after January 31, 2020 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.

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6. What is a Claims-Made Policy? Under a claims-made policy, you are protected for covered claims reported under the policy that is in effect at the time you report the claim, not when the real estate transaction occurred. However, the real estate transaction must have occurred after your retroactive date and before your coverage ends.

7. What is a “Retroactive Date”? Each licensee covered under the group policy will have his/her own retroactive date. It is the earliest date that a licensee is first insured under a claims-made policy that has been continuously in force.

8. What is the importance of a “Retroactive Date”? A claim resulting from a wrongful act - as described in the policy - which took place before a licensee’s retroactive date will not be covered under the policy. It is therefore very important for licensees enrolling in the group policy to carefully determine what his/her retroactive date is if he/she is currently covered under a claims-made policy.

9. What will be my “Retroactive Date” if I am not currently insured under a Claims-Made policy? Licensees joining the group policy who are not currently insured under a claims-made policy will have a “retroactive date” the day after the month in which they become insured under the group policy.

10. What is an Extended Reporting Period Endorsement (Tail Coverage)? This endorsement extends the time to report certain claims alleging wrongful acts that are committed before the end of the policy period, and after your retroactive date. The claim must be reported during the applicable extended reporting period. This endorsement does not extend the policy period or change the scope of coverage.

QUESTIONS & ANSWERS

1. Who must become aware of an act, error, omission, incident or circumstance that may develop into a claim but have not received any written demand you may still report this as a potential claim? All licensees must become aware of an act, error, omission, incident or circumstance that may develop into a claim and report it promptly.

2. What is the importance of a “Retroactive Date”? The “retroactive date” is the earliest date that a licensee is first insured under a claims-made policy that has been continuously in force.

3. What is the importance of a “Retroactive Date” with respect to claims reporting? Licensees enrolling in the group policy need to carefully determine what their retroactive date is to ensure that they are protected for covered claims reported under the policy.

EXCESS COVERAGE

Additional Limits of Coverage of up to $1,000,000 per claim and $3,000,000 for all claims is available to Brokers and/or Firms, subject to a completed 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 $25,000 per claim with a $25,000 limit for all claims. These limits are in addition to the limits provided under the primary group program.

2. Pollution limits with sub-limits of $100,000 per claim and $100,000 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.