



Williams Underwriting Group

REAL ESTATE ERRORS & OMISSIONS COVERAGE

You are NOT REQUIRED to enroll in the state plan

THE CHOICE IS YOURS

Williams Underwriting Group (WUG) is pleased to announce that we will continue to offer Tennessee Licensees E&O coverage for the 2017-2019 term at a reduced price. Discover why WUG believes that we are your best choice for superior E&O coverage.

WUG has been providing group real estate services since 1988. Our policy is underwritten by Zurich American Insurance Company (Zurich) which is currently rated A+ XV (Superior \$2 billion or greater) by A.M. Best*. We have worked on your behalf to enhance our **Independent Carrier** Tennessee Real Estate Errors and Omissions Group Policy.

Below is a listing of the primary coverages that are included in the WUG policy for **no additional premium**. How do other insurance policies coverages compare? Are you required to pay an additional premium? Is coverage even available? We are providing you a tool to become better informed and to enable you to make the right choice to help protect your livelihood.

COVERAGE	WUG	Other
Limits of Liability of up to \$500,000/\$1,000,000 available to Individuals and Firms	Yes	
Property Management Services coverage - automatically included?	Yes	
Lock Box Property Damage Limits of \$100,000/\$300,000 - automatically included?	Yes	
Fair Housing Discrimination Limits of \$50,000/\$50,000 - automatically included?	Yes	
Regulatory Complaints limit of \$5,000/\$5,000 - automatically included?	Yes	
Environmental Hazards limit of \$100,000/\$300,000 - automatically included?	Yes	
Escrow / Earnest Money limits of \$5,000/\$10,000 - automatically included?	Yes	
Subpoena Assistance costs of \$5,000/\$5,000 - automatically included?	Yes	
Sale of Primary Residence - automatically included? Do certain conditions apply?	Yes/No	/
Sale of Residential Investment Property - automatically included?	Yes	
Conformity to Other States E&O Requirements - automatically included?	Yes	
Defense Cost for Fraud Allegations - automatically included?	Yes	
Modified Defense and Settlement Provision - automatically included?	Yes	
COVERAGES AVAILABLE (additional premiums apply)		
Contingent Bodily Injury and Property Damage Endorsement sub-limit of \$10,000	Yes	
Personal Identity Coverage Endorsement limit of \$25,000 expense reimbursement	Yes	
Licensed Appraisal Endorsement	Yes	

We will certify your coverage directly to the Tennessee Real Estate Commission (Commission) electronically. WUG's process works the same as the state group plan. **The choice is yours! You choose the best plan to meet your needs. You choose the best plan for the best price.**

In order to notify the Commission of your compliance with the Statute for 2017, we must receive your payment and the attached renewal invoice or enrollment form by **December 16, 2016**. Licensee submitting forms and payments to our office after December 16, 2016 will continue to be certified to the Commission. However, the Commission 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 January 1, 2017.

Please make any necessary address changes to the invoice or enrollment forms included with this mailing and return it with your check for the applicable premium based off the Limits of Liability you desire. You may also renew or purchase coverage online at www.wugioe.com. Please note that all premiums become fully earned (NO REFUNDS) once coverage goes into effect.

If your expiring coverage is with Williams Underwriting Group then your policy is written on a **CLAIMS MADE** basis as are most real estate errors and omissions policies. Generally under a Claims Made basis, the policy only applies to otherwise covered claims made against you on or after your inception date and before coverage end date arising out of wrongful acts involving your real estate services, as defined in the policy, which occurred after your retroactive date.

All claims must be reported timely in accordance with the policy's requirements. Failure to timely report a claim may jeopardize coverage under the policy. **If you are in receipt of a written demand for damages, to cease or desist, a civil proceeding or arbitration/other alternative dispute resolution such claim must be reported to the Insurance Company before your current policy expires. The Insurance Company will not be obligated to defend or pay for any claims of which you had knowledge before your policy period begins. If you have notice of claim or potential claim, report immediately to your current carrier or risk not having coverage for the claim. If your expiring coverage is with us, you may call us for procedures on reporting a claim or for Notice of Claim form. The Claims Procedures and Notice of Claim form are also available online at www.wugioe.com.**

If you do not renew your policy by January 31, 2017 and have not purchased replacement coverage, you will lose your current retroactive date (**prior acts coverage**). Your retroactive date is the date when you first obtained and have continuously maintained insurance coverage with no gaps. If you elect to place your coverage on inactive status or fail to purchase coverage timely and your expiring coverage is with WUG you have the option to purchase up to a three-year Extended Reporting Endorsement (the "ERP Endorsement" or "tail" coverage). Please contact Williams Underwriting Group at 1-800-222-4035 **within** 90 days of your policy expiration date of January 1, 2017. Payment must be received within the same 90 period. The extended reporting endorsement would allow you to report otherwise covered claims for wrongful acts arising out of your real estate services, as defined in the policy, that occurred after your retroactive date of coverage (listed on your Certificate of Insurance) and prior to the policy expiration date of January 1, 2017. This endorsement does not extend the policy period or change the scope of coverage.

If your expiring policy is not insured with Williams Underwriting Group you will need to contact your current insurance company to discuss with them the terms and conditions for purchasing an extended reporting period endorsement.

For licensees who do not renew their coverage by January 31, 2017 your new effective date and retroactive date will be established as the 1st of the month in which your payment is received by us. This only applies to licensees who elect to purchase coverage through our program. Other providers will have their own deadline provisions

We look forward to working with you and please do not hesitate to contact us if we can be of any assistance.

We look forward to continuing our relationship with you and we want to assure you that our commitment to you and all Tennessee licensees remains unchanged.

Please do not hesitate to contact us if can be of any assistance.

Sincerely,

Williams Underwriting Group

* Rating as of **October 1, 2016**. For more information, please access www.ambest.com.

DISCLAIMER: *Insurance underwritten and coverage(s) provided by Zurich American Insurance Company. ("Zurich"), an individual member company of Zurich in North America. The descriptions herein are 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).*

2211 River Road, Louisville, KY 40206

P 800.222.4035 f 502-326-5909 wug@wugioe.com

www.wugioe.com