



Williams Underwriting Group

WILLIAMS UNDERWRITING GROUP 2016 INDEPENDENT CARRIER REAL ESTATE ERRORS AND OMISSIONS PROGRAM BROCHURE

Williams Underwriting Group (WUG), a division of Assured Neace Lukens is pleased to announce that we will continue to provide Real Estate Errors & Omissions coverage in 2016 for Mississippi licensees and Firms. For the past five years WUG has understood the importance of providing quality claims-made E&O coverage to Mississippi real estate licensees and Firms. For this reason, we will continue to partner with Zurich American Insurance Company (Zurich) to provide the same quality coverage to which you have been accustomed. Coverage meets or exceeds the minimum requirements established by the Mississippi Real Estate Commission.

POLICY FEATURES:

- Choice of Limits:** Limits of Liability available for both individual and firm licenses of \$100,000/\$500,000 (**\$161. annual premium**), \$250,000/\$750,000 (**\$252. annual premium**) or \$500,000/\$1,000,000 (**\$318. annual premium**). Claim expenses are paid in addition to the limits of liability.
- Deductible:** A deductible of \$1,000 per wrongful act applies to damages. There is no deductible for claim expenses.
- Prior Acts Coverage:** Insures certain "prior acts" provided the licensee has maintained continuous similar claims-made coverage from the date of the professional service to the date a claim is first made.
- Lock Box Coverage:** Limit of \$50,000 per claim / \$50,000 total limit. There is no deductible that applies.
- Fair Housing Discrimination:** Limit of \$50,000 per claim / \$50,000 total limit for damages and defense costs combined. There is no deductible that applies.
- Escrow / Earnest Money Coverage:** Limit of \$5,000 per claim / \$10,000 total limit for damages. A \$1,000 per claim deductible applies.
- Subpoena Assistance Costs Coverage:** Limit of \$2,500 per subpoena / \$2,500 for all subpoena costs.
- Environmental Hazards Coverage:** Limit of \$10,000 per claim / \$20,000 total limit for damages and defense costs combined. A \$1,000 per claim deductible applies.
- Regulatory Complaint Coverage:** Limit of \$2,500 per complaint / \$5,000 for all complaints – defense expenses only.
- Primary Residence Coverage:** Provides coverage for the sale or listing of an insured licensee's primary or principle residence
- Residential Investment Property:** Provides coverage for the sale or listing of residential property of 2 or fewer units which is owned by an insured licensee. Certain conditions apply.
- Property Management Services:** Automatically included in the definition of Real Estate Services. Does not include property which a licensee owns. See policy for terms and conditions.
- Conformity Coverage:** The policy automatically conforms to the conditions of other mandatory states E&O requirements. WUG will certify coverage directly to the other states where allowed. WUG will provide the necessary certification forms to you for all other states. **There is no additional charge for the certification process.** Please contact WUG for certification to the Tennessee Real Estate Commission due to their unique and specific requirements.
- Franchise Grantor:** Provides coverage for franchisors for vicarious liability for wrongful acts of an insured licensee's performance of professional services.

Optional Coverage Endorsements Available: (additional premiums apply)

- **Contingent Bodily Injury and Property Damage (\$25.)** 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.
- **Licensed Appraisal Endorsement (\$200.)** Active Real Estate Licensees, who are also Appraisers, may purchase this endorsement to cover their appraisal activities. (If you do not hold an **active** real estate license, then you cannot purchase this endorsement and no appraisal coverage will apply. You must also maintain an active real estate license for the entire policy period for appraisal coverage to apply.

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- **Personal Identity Coverage Endorsement (\$15.).** This endorsement provides up to \$25,000 reimbursement for expenses you incurred as a result of getting your identity back.
- **Extended Reporting Period Endorsement.** An Extended Reporting Period Endorsement of 1, 2 or 3 years are available at a cost of 75%, 150% and 200% respectively, of the expiring **annual** premium including any applicable endorsement premium(s). This endorsement is available to licensees who do not renew their coverage under this policy. This endorsement extends the time in which to report certain claims or a wrongful act brought against the insured which occurred after the retroactive date (as listed on the insured's certificate of coverage or policy) and before the policy period ends. Payment must be received within ninety (90) days of the policy expiration date.

Other Services Provided:

- **Certification:** WUG will certify your coverage directly to the Mississippi Real Estate Commission. There are no certification forms you need to complete.
- **Online enrollment** with Visa, MasterCard or Discover – www.wugioe.com. A \$5.00 convenience fee applies to enroll online. (This is in addition to and not included in the policy premium.)

Summary of Policy Exclusions: (For a full listing of exclusions please read the entire policy including the EXCLUSIONS section)

- Bodily injury, property damage, personal injury, advertising injury
- Dishonest, fraudulent, criminal acts, unfair competition
- Conversion, misappropriation, failure to pay, fees or commissions etc.
- Violations of federal and state securities laws
- Failure to maintain insurance or bonds
- Discrimination (limited Fair Housing Discrimination coverage automatically provided – see Policy Features), employment related practices
- Pollutants including mold/fungi (limited coverage for damages and claim expenses automatically provided – see Policy Features)
- Formation, syndication, operation or administration of a corporation or partnership
- Financial interest (management or sale of property that is owned, built or developed by an insured or spouse who has over a 25% ownership interest in said property)
- Notarizing signatures not signed before the insured

EXCESS COVERAGE:

Additional limits of coverage are available to Brokers and/or Entities, subject to underwriting considerations. Limits are available up to \$2,000,000/\$2,000,000 with a choice of deductibles starting at \$1,000. Excess coverage is available to Entities, where the majority of licensees are covered under the WUG program, and sole proprietorships. To obtain additional information and an application, please contact WUG at 800-222-4035.

NOTICE:

Premium payment must be received by WUG no later than June 23, 2016 in order to guarantee certification to the Mississippi Real Estate Commission (MREC). Neither WUG nor the insurance company will be responsible for any late penalty fees imposed by MREC or late certifications of payments received after June 23, 2016. Further, if you do not renew your insurance on time, the MREC may put your license on an inactive status.

Licensees who elect not to maintain continuous coverage (due to retirement, putting your license on inactive status, etc.), may not have coverage for claims reported in the future for past real estate services, other than the coverage provided for under the ninety (90) Limited Extended Reporting Period included in the policy.

Licensees who do not obtain insurance by July 31, 2016 will lose any previous established retroactive date (i.e., "prior acts" coverage). Your new retroactive date will be the 1st of the month in which your payment is received, coinciding with your effective date. (This prior acts warning only applies to coverage purchased under the WUG program. Other insurance companies may or may not have their own requirements.)

If, prior to the end of the policy period, an insured becomes aware of any circumstance that may lead to a claim (it does not have to be in writing), it needs to be reported to your current insurance company. The insurance company is not obligated to pay or defend any claim or potential claim of which an insured was aware of before the beginning of the new policy period.

All premiums are fully earned at policy inception and no refunds are permitted once coverage is in effect.

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).