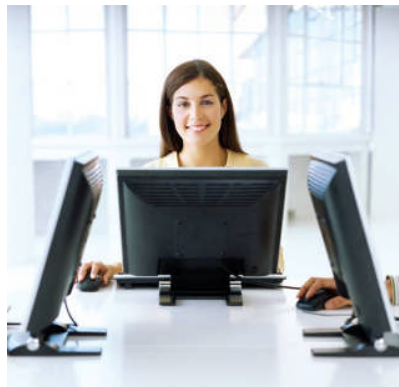


E&O Features and Benefits



Superior Customer Service

We work closely with all of our clients to establish a long lasting, valuable relationship.

Risk Management Information

We provide your firm with access to valuable risk management information in order to protect you from exposure to E&O claims.

Experienced Professionals

Our dedicated professionals provide you with over 25 years of experience in the E&O insurance industry. Our in depth knowledge of the market helps us to better serve our clients.

If you offer a professional service, you have an E&O exposure. Although many firms feel they operate in manner that would prevent them from having a suit brought against them, the fact is that nobody is perfect. In fact, even if a company has done nothing wrong, they can find themselves dragged into an E&O claim.

An E&O claim is defined as a demand for money or services as a result of your failure to perform your professional duties. In the event that a client holds you responsible for services that you provided or did not have the expected outcome, these claims can range anywhere from a couple of thousand dollars up to 7 figure sums. Even if a claim is groundless, the attorney's fees associated to defend such claims can add up to amount greater than the damages awarded. Such imposing figures can often cripple a firm's ability to generate profits.

A comprehensive E&O insurance policy protects a firm and its employees from potentially devastating claims as a result of the firm's operations. Our detailed policies will provide coverage for defense and damages costs incurred by the firm and employees acting on behalf of the firm, ensuring your business the ability to continue to operate profitably into the future. Many policies include valuable additional coverage, such as defense costs included in policy limits. If you want to ensure the financial stability of your firm, please consider this valuable coverage.

Real Estate E&O

Our specialized Real Estate E&O programs offer unique coverage's, including:

- Damages & Defense Costs
- Deductible Waiver
- Sale of Agent Owned Property
- Property Management
- Fair Housing
- Environmental Hazards
- Defense of Disciplinary Complaints
- Limits up to \$3,000,000
- Prior Acts Coverage
- Pollution Coverage
- Mold Disclosure Coverage

SERVICES AVAILABLE

Real Estate
Lawyers Professional Liability
Architects & Engineers
Insurance Agents & Brokers
Financial Consultants
Business Office Packages (BOP)
Directors & Officers
Mortgage Brokers

Real Estate E&O Information:

About 1 in 4 firms will have an E&O suit brought against them

The average cost to defend an E&O claim is \$17,000

Even the most experienced professionals can be named in an E&O suit

Some customers and banks require E&O insurance in order to work with a firm

E&O insurance protects a firm and its agents

If you offer a professional service, you have an exposure to E&O claims

National Association of Realtors: 5 Tips for Selecting the Right E&O Carrier

1. Find a specialized agent. Not every insurance office has an agent who is knowledgeable about this type of insurance. It's a specialized field, and an agent will need expertise in both real estate and malpractice insurance to quote this coverage effectively.

2. Make sure all your services are covered. If the insurer can't cover all of the services your company offers—residential, commercial, property management—it's probably not the right company for your needs.

3. Look carefully at prior-acts coverage. Most E&O policies provide coverage on a claims-made basis rather than an occurrence-basis one. That means they cover only claims made during the life of the policy, regardless of when the alleged injury occurred. Some claims-made policies exclude all prior acts from coverage; some cover acts that occurred within a specified time before the policy was created; and others provide full coverage for prior acts. When changing carriers, be aware of when one policy expires and a new one takes effect to avoid gaps in prior-acts coverage.

4. Consider "tail" protection. If you are changing carriers and full prior-acts coverage is unavailable under the new policy, consider purchasing extended reporting period coverage, or tail protection, from your previous carrier.

5. Be sure your policy offers innocent party protection. Assume that a listing salesperson deliberately fails to disclose important information about a property, but the brokerage doesn't know about his actions. The company would be an innocent party and would want coverage in case of a claim.

Adapted from "Errors, Omissions, and Lawsuits, Oh My!," Guy Chipman, *Texas REALTOR*®, Texas Association of REALTORS®, February 1996

TIP: Although it's not widely available, it's possible to get insurance coverage for fair housing claims.

TIP: According to statistics from the NATIONAL ASSOCIATION OF REALTORS®, more than two-thirds of E&O claims involve misrepresentation or failure to disclose information about the condition of a property.

TIP: Some states require real estate licensees to carry E&O insurance.