



**CERTIFICATION OF COLORADO REAL ESTATE
ERRORS AND OMISSIONS INSURANCE
INDEPENDENT COVERAGE**

(Use for all group or individual policies other than the state-contracted group E&O policy for which the provider certifies proof of coverage direct to the Commission.)

Group Policy Individual Policy

Named Insured: _____

Real estate license number: _____ License expiration date: ____/____/____
(Note: Entity licenses do not expire)

Business Address: _____
(Company Name)

(Number and Street)

Phone number (____)
(City) (State) (Zip Code)

e-Mail Address: _____

AFFIDAVIT BY INSURANCE PROVIDER

Pursuant to Rule D-14 (see reverse side) the insurance representative signing below certifies to the Colorado Real Estate Commission that:

- a. The insurance company listed below is in compliance with Colorado Real Estate Commission Rule D-14.
- b. The named insured, and in the event the named insured is a corporation, partnership, limited liability company or broker proprietor, all employed licensees or licensees who may become employed during the course of the policy period, are insured against claims resulting from errors and omissions as a real estate licensee.
- c. The policy referenced below includes, at a minimum, the coverage set forth in Commission Rule D-14 on the reverse side of this form.
- d. The insurance company listed below hereby agrees to immediately notify the named insured and the Colorado Real Estate Commission (1560 Broadway, Suite 925, Denver, CO, 80202) **in writing** at of any cancellation or lapse in coverage.

INSURANCE REPRESENTATIVE, PLEASE COMPLETE THE FOLLOWING INFORMATION:
Please print or type

1. The named insured shown above is covered by policy number: _____
The policy is effective ____/____/____ The policy expires ____/____/____

2. Name and License Number of Insurance Agency: _____
(Name as registered with the Colorado Division of Insurance)

(License Number)

Address: _____
(Number and Street)

Phone number (____)
(City) (State) (Zip Code)

3. Name and NAIC Number of Insurance Carrier: _____
(Name as registered with the Colorado Division of Insurance)

(National Association of Insurance Commissioners Identification Number)

I DECLARE UNDER PENALTY OF PERJURY IN THE SECOND DEGREE PURSUANT TO C.R.S. 18-8-503, THAT I HAVE READ AND UNDERSTAND THE STATUTE AND RULE ON THE REVERSE SIDE OF THIS FORM AND THE STATEMENTS MADE IN THIS APPLICATION ARE TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE.

Print Name and License Number of Insurance Representative: _____

(License Number)

Title of Insurance Representative: _____

Signature of Insurance Representative: _____

Date: ____/____/____

CRS 12-61-103.6.

12-61-103.6. Errors and omissions insurance - duties of the commission - certificate of coverage, when required - group plan made available - effect - repeal.

- (1) Commencing January 1, 1998, every licensee under this part 1, except an inactive broker or salesperson or an attorney licensee who maintains a policy of professional malpractice insurance which provides coverage for errors and omissions for their activities as a licensee under this part 1, shall maintain errors and omissions insurance to cover all activities contemplated under this article. The commission shall make the errors and omissions insurance available to all licensees by contracting with an insurer for a group policy after a competitive bid process in accordance with article 103 of title 24, C.R.S. Any group policy obtained by the commission shall be available to all licensees with no right on the part of the insurer to cancel any licensee. Any licensee may obtain errors and omissions insurance independently if the coverage complies with the minimum requirements established by the commission.
- (2)
 - (a) If the commission is unable to obtain errors and omissions insurance coverage to insure all licensees who choose to participate in the group program at a reasonable annual premium as determined by the commission, the errors and omissions insurance requirement of this section shall not apply during any year for which coverage cannot be obtained.
 - (b) The commission shall solicit and consider information and comments from interested persons when determining the reasonableness of annual premiums.
- (1) The commission shall determine the terms and conditions of coverage required under this section, including the minimum limits of coverage, the permissible deductible, and permissible exemptions. Each licensee shall be notified of the required terms and conditions at least thirty days prior to the annual premium renewal date as determined by the commission. Each licensee shall file a certificate of coverage showing compliance with the required terms and conditions with the commission by the annual premium renewal date, as determined by the commission.
- (4) In addition to all other powers and duties conferred upon the commission by this article, the commission shall adopt such rules as it deems necessary or proper to carry out the provisions of this section.

Colorado Real Estate Commission Rule D-14 (Independent Coverage)

D-14: Commencing January 1, 1998 every active real estate licensee, including licensed real estate companies, shall have in effect a policy of errors and omissions insurance to cover all acts requiring a license.

- (c) Licensees or applicants may obtain errors and omissions coverage independent of the group plan from any insurance carrier subject to the following terms and conditions:
 - (1) The insurance carrier is licensed and authorized by the Colorado division of insurance to write policies of errors and omissions insurance in this state and is in conformance with all Colorado statutes.
 - (2) The insurance provider maintains an A.M. Best rating of "B" or better.
 - (3) The policy, at a minimum, complies with all relevant conditions set forth in this rule and the insurance carrier so certifies in an affidavit issued to the insured licensee or applicant in a form specified by the Commission and agrees to immediately notify the Commission of any cancellation or lapse in coverage. Independent coverage must provide, at a minimum, the following:
 - (i) The contract and policy are in conformance with all relevant Colorado statutory requirements.
 - (ii) Coverage includes all acts for which a real estate license is required, except those illegal, fraudulent or other acts which are normally excluded from such coverage.
 - (iii) Coverage cannot be canceled by the insurance provider, except pursuant to and in conformance with 10-4-109.7 CRS
 - (iv) Coverage is for not less than \$100,000 for each licensed individual and entity per covered claim, regardless of the number of licensees or entities to which a settlement or claim may apply, with an annual aggregate limit of not less than \$300,000 per licensed individual and entity.
 - (v) **Payment of claims by the provider shall be on a first dollar basis and the provider shall look to the insured for payment of any deductible.**
 - (vi) The ability of a licensee, upon payment of an additional premium to obtain an extended reporting period of not less than 365 days.
 - (vii) That the provider of the independent policy has executed an affidavit in a form or manner specified by the commission attesting that the independent policy is in force and, at a minimum, complies with all relevant conditions set forth herein and that the provider will immediately notify the commission in writing of any cancellation or lapse in coverage of any independent policy.
 - (viii) Coverage of a licensee's use of lock boxes, which coverage shall not be less than \$25,000 per occurrence.