

# ERRORS & OMISSIONS INSURANCE

**Comprehensive E&O Coverage That's Right For You**

## ***Is E&O coverage really essential?***

Whether you're new to the real estate industry or have been in the business for years, the risks you face every day make you a prime target for lawsuits. Over the past two decades, your chance of being sued has risen dramatically. Even if your name is cleared, the time taken away from your business, money spent on defense, and added stress of dealing with the situation can prove to be taxing. That's why choosing an Errors & Omissions Program that meets the needs and budget of your firm is essential. E&O Insurance helps ease the burden by responding to, defending, and sharing the monetary risks for whatever claims are brought against you.

## ***Why should I choose Pearl as my provider?***

Since 1979, Pearl has been one of the nation's leading providers of Errors & Omissions Insurance. In fact, we were among the first to offer a truly successful custom-tailored professional liability program to real estate professionals. Today, we are sponsored by over 40 national, state, and local real estate associations. Our program, underwritten by the A rated XL Insurance companies (Greenwich Insurance Company and Indian Harbor Insurance Company), offers one of the most comprehensive E&O programs in the marketplace. Our commitment of working hard, working smart, and working together ensures that we will not only continually bring you the best products and services available, but also equip you with the right tools and support to maintain your competitive edge.

## ***What determines my annual premium?***

Your firm will be given an initial base rate that is determined by state-by-state experience. From there, the rate is modified to reflect a number of risk factors including the individual characteristics of your firm, past claims experience, risk management practices, the number of professionals you need to cover, and the limits, deductible, and breadth of coverage you request.\*

## ***How can I reduce my risk?***

You can reduce your risk in many ways. Some key risk reduction techniques include maintaining well-documented files of all transactions with your clients, never interpreting conditions of the property—leave that to the professionals, and always recommending a professional home inspection and warranty to your clients. Pearl also provides several risk management tools to help real estate professionals effectively minimize their legal liability. These include nationwide Risk Management Seminars, monthly real life claims examples and prevention tips, and various articles addressing issues you and your firm face on a daily basis.

\*Our program requires you to provide the number of full and part-time agents in your firm.

[www.pearlinsurance.com/quote](http://www.pearlinsurance.com/quote)

**Get an E&O quote in minutes and  
buy instant coverage online today!**

\*For qualifying firms.

**PEARL**  
INSURANCE



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**Yes! I am interested in Pearl's Real Estate E&O Insurance.**

**Please send me a premium estimate and new business application immediately.**

**Please contact me at my next renewal date.**

## Program Highlights

- Underwritten by XL Insurance companies, rated A by A.M. Best
- Sponsored by over 40 national, state, and local real estate associations
- Choice of per claim coverage and aggregate limits range from \$250K/\$250K to \$5M/\$5M
- Choice of per claim deductibles range from \$1,000 to \$25,000 (higher deductibles available)
- 50% deductible reduction for claims resolved within one year (limit \$5,000 per policy period; applies to damages only)\*
- Coverage for services via the Insured's Internet, e-mail, telecommunications, and other similar systems included\*\*
- Environmental Failure to Advise up to full policy limits (i.e. pollutants, asbestos, lead, and radon)
- Consent to Settle included
- Attorney Selection by the Insurance Company or by the Insured with written consent
- Defense Outside Limits included
- \$250,000 Automatic Fair Housing Discrimination sub-limit (up to \$1,000,000 available)\*
- Innocent Partner Protection included for fraud and late reporting
- \$250,000 lockbox sub-limit (all types of lockboxes are covered; no deductible applies to this benefit)\*
- Personal Injury included
- \$2,500 included for regulatory complaints with a \$10,000 aggregate per policy period\*\*
- \$250 per day reimbursement of expenses (up to \$10,000 per policy)
- Coverage for the Sale of Agent-owned Residential Properties held for over 180 days
- Short-Term Escrow included
- Vicarious Liability for Franchise Corporation
- Risk Management Services

\*Coverage differs in the state of New York. Please contact Pearl Insurance for details.

\*\*Not applicable in the state of New York.

"XL Insurance" is a registered trademark of XL Capital Ltd. XL Insurance is the global brand used by member insurers of the XL Capital Ltd group of companies. Errors & Omissions coverage is underwritten by Greenwich Insurance Company and Indian Harbor Insurance Company, members of the XL America Insurance Group. This flyer is not a contract. Please consult the insurance policy for actual description of term coverages, amounts, conditions, limitations, and exclusions. **Coverage(s) available in most states.**

**Please note: If your firm has 15 or more agents, please fax us the completed form and a Pearl representative will contact you to assist you with continuing the process with a full application. This ensures you will receive the best quote possible and all premium credits available to your firm.**

BROKER NAME | \_\_\_\_\_

FIRM NAME | \_\_\_\_\_

PHONE | ( \_\_\_\_\_ ) \_\_\_\_\_

STATE | \_\_\_\_\_

- Date broker licensed as a broker: \_\_\_/\_\_\_/\_\_\_ As an agent: \_\_\_/\_\_\_/\_\_\_
- Date firm established: \_\_\_/\_\_\_/\_\_\_
- Average value of properties sold: \$ \_\_\_\_\_
- Number of licensed agents (include owners and managers):  
Earning \$20,001 or more in commission: \_\_\_\_\_  
Earning \$20,000 or less in commission: \_\_\_\_\_  
No income (no commission income): \_\_\_\_\_
- Number of agents with professional designations: \_\_\_\_\_
- Have any licensees of the firm had their license cancelled or revoked in the last 3 years? \_\_\_Yes \_\_\_No
- Do you currently have E&O Insurance? \_\_\_Yes \_\_\_No  
a. If yes, Current Carrier: \_\_\_\_\_  
Renewal date: \_\_\_/\_\_\_/\_\_\_ Deductible: \$ \_\_\_\_\_  
Limits: \$ \_\_\_\_\_ Years of Continuous Coverage: \_\_\_\_\_  
Annual premium: \$ \_\_\_\_\_
- Any claims in the last 5 years? \_\_\_Yes \_\_\_No  
a. If yes, date of claim and amount paid: \_\_\_\_\_
- Is the firm independently owned and not controlled, affiliated with, or owned by another entity? \_\_\_Yes \_\_\_No
- Are you a franchise? \_\_\_Yes \_\_\_No  
a. If yes, with what company? \_\_\_\_\_
- Do you always offer home warranty programs? \_\_\_Yes \_\_\_No
- In what percentage of transactions do you represent both the buyer and seller? \_\_\_\_\_%
- Has the firm's name ever changed? \_\_\_Yes \_\_\_No  
a. If yes, list prior name(s): \_\_\_\_\_
- Gross commission for the last 12 months (projected 12-month gross commission if new firm): \$ \_\_\_\_\_
- Percentage of commissions (total must equal 100%):  
a. **Residential:** Real Estate \_\_\_\_\_% Raw Land \_\_\_\_\_% Appraisals \_\_\_\_\_%  
Property Mgmt \_\_\_\_\_% Owned Property \_\_\_\_\_%  
b. **Commercial:** Real Estate \_\_\_\_\_% Raw Land \_\_\_\_\_% Appraisals \_\_\_\_\_%  
Property Mgmt \_\_\_\_\_% Owned Property \_\_\_\_\_%  
c. Farm/Ranch (income producing): \_\_\_\_\_%  
d. Auctioneering (residential and commercial): \_\_\_\_\_%  
e. Mortgage brokerage \_\_\_\_\_%



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Send completed form by mail or fax:  
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For online E&O quote  
and instant coverage:  
[www.pearlinsurance.com](http://www.pearlinsurance.com)

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