



Real Estate Errors and Omissions

The CRES Real Estate Errors and Omissions Program, with over a decade of uninterrupted service to the real estate industry, and which currently protects over 70,000 professionals, is now available through insurance agents and brokers! Come see why we are the market for mortgage professionals

Program Features:

Complete Risk Management Program
State of the art coverage - custom tailored for the real estate professional
Real estate attorneys on call from the StressLess hotline
Real Estate Toolkit - online legal forms and disclosure letters to help reduce after sale problems
Continuing Education package (eligibility varies)
Innovative Per Transaction reporting form program. Eligible clients complete an online reporting form and pay per closing.
States offered: Arizona, California, Colorado, Connecticut, Florida, Georgia, Illinois, Indiana, Maryland, Massachusetts, Michigan, Missouri, Nevada, New Jersey, North Carolina, Ohio, Oregon, Pennsylvania, South Carolina, Texas, Utah, Virginia and Washington.

Eligible Classes:

Real Estate Agents and Brokers
Incidental notary, mortgage, appraisal, or consulting
Property Managers, Lease Brokers, Auctioneers

Submission Requirements:

CRES Application
CRES Supplements as applicable
Completed Claim Supplementals for all pending claims (and all closed claims over \$20,000)
Currently dated loss run report for all clients who are requesting retroactive coverage

Minimum Premiums start at \$600

Limits to \$3,000,000

Deductibles as low as \$2,500

Coverage is through A- Rated, admitted carriers: Topa and Delos Insurance

Ryan Gillispie

info@cresprograms.com

800-880-2747

CRES Insurance Services, LLC
15373 Innovation Drive Ste. #250
San Diego, CA 92128

Phone: 800-880-2747
Fax: 858-618-1655
CA Lic# 0D85894

www.cresprograms.com



Eligibility Requirements for Payment Programs

Per Transaction Payment Plan: (certain states apply)

Pricing: Varies

- 1) 80% or more of clients revenue derived from the sale of residential real estate or mortgage brokering
- 2) Average Sale Price less than \$750,000
- 3) Limited claims and/or closed paid claim amounts
- 4) Gross Commission Income per licensee must be between \$15,000 and \$250,000

Annual Payment Plan: (certain states apply, please call for more details)

Pricing: Starting at \$750

Installment program available to all accounts with premium amounts over \$1,200

- 1) Less than 80% of gross commission income derived from the sale of residential real estate or mortgage brokering can be quoted annually only.
- 2) Clients that meet Per Transaction Guidelines can also be quoted on an annual basis
- 3) Average Sale Price: Any

Submission Requirements:

CRES Application

CRES Supplements as applicable

Completed Claim Supplementals for all pending claims (and all closed claims over \$20,000)

Currently dated loss run report for all clients who are requesting retroactive coverage

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Per Transaction is a CRES Exclusive payment program for clients in the Real Estate Industry (see eligibility requirements).

Clients bind their policy with a set Per Transaction (or PT) rate, where there is minimal binding costs (usually a security deposit, or two PT rates; and a membership fee, typically \$250). Each month, the client is required to report all closings and pay their PT rate based upon the number of closings. Should your client represent both the seller and buyer in the same transaction, they are required to pay both sides of the Per Transaction rate.

All monthly payments are due by the 5th of every month. Payments can be made via mail, fax, and even online!

Frequently Asked Questions:

My clients declaration page says a different amount than their monthly ledgers, why?

Risk management is a CRES benefit and not a carrier benefit. That Per Transaction amount is not shown on the declaration page. The amount shown on the ledger is the correct amount.

Do clients receive monthly bills?

No. CRES does not send out bills, as that we are not aware of the number of closings each client will have in the month prior.

Will I and/or my client receive monthly payment reminders?

Yes. The CRES Accountind department sends out email reminders to all clients that have provided email addresses. These reminders are sint around the 1st and 10th of each month

What if my client did not have any closings?

If no closings accrued in the prior month, your client will be required to pay the minimum payment of 1 transaction. The required minimum is the clients primary business rate.

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Optional Benefits / Coverages

Sellers Protection Plan Coverage:

- A "Mini E&O" Policy for your clients to give to theirs!
- Limits of \$25,000
- Coverage provided to the Seller only
- \$2,500 Deductible
- Coverage only applies to the Sellers principal residence

CRES Home Warranty Program:

- Deductible Reimbursement (up to \$2,500)
- Seller Protection Plan
- Industry Leading Plumbing Coverage
- No Distance Limit for Drain Stoppages
- The CRES Service Fee Advantage
- Fax/ Email/ Internet Discount
- Optional Structural Coverage/ Waiver
- Maximum Upgrade Option

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SELLER'S PROTECTION PLAN

Certificate

Selling your home in today's marketplace requires a lot of hard work and knowledge. Since you have chosen to list and sell your home with the services of a professional real estate agent dedicated to providing the highest level of customer satisfaction, you will be automatically insured in the **Seller's Protection Plan**. This plan, paid for by your agent, covers you for 180 days from the day your escrow closes for inadvertent errors and omissions you make related to the sale of your home. You will be eligible for coverage for up to \$25,000 including defense costs, which you become legally obligated to pay as the result of a covered claim.*

To purchase extended coverage or to report a claim, call CRES Insurance Services at 1-800-880-2747.

_____	_____
Seller's Name(s)	Property Address
_____	_____
Real Estate Professional/Company	Closing Date



P.O. Box 500810 SAN DIEGO CA 92150
CA INSURANCE LIC. #OD85894

Coverage provided by Clarendon National Insurance Company, an A- rated carrier.
*\$2,500 deductible applies. Coverage subject to the terms, conditions, and exclusions of the policy.

SELLER'S PROTECTION PLAN ENROLLMENT FORM

YES, I would like to purchase a 180 day extension for only \$100. (\$200 in California)
My check made payable to CRES Insurance Services is enclosed.

Mail to:



P.O. Box 500810
SAN DIEGO CA 92150

Seller's Name _____
 Agent's Name _____
 Seller's New Address _____
 Address of Property Sold _____
 Close of Escrow Date ____/____/____ Real Estate Company _____

To activate your 180 day extension, fill out this form and mail it along with your check and closing statement within 15 days of the close of escrow.
A \$2,500 deductible applies. Coverage subject to the terms, conditions and exclusions of the policy.



INSURANCE SERVICES

(800) 880-2747

(858) 618-1648

Facsimile: (858) 618-1655

SELLER'S PROTECTION PLAN (SPP) Summary Sheet

What's Covered?

This policy will pay on behalf of you, the seller, all amounts, including defense costs, up to \$25,000 over the \$2,500 deductible, which you, the seller, become legally obligated to pay as a result of a covered circumstance. The covered circumstance must occur and claim must be made and reported within the coverage period. A covered circumstance means a lawsuit, arbitration or mediation proceeding, or alternate dispute resolution proceeding to which you submit, with our consent, instituted against you by the buyer, resulting from actual or alleged undisclosed defects in residential property *which is your principal residence*. For your coverage to be valid your broker's policy with us must be in effect at the time of the completed contract (your closing) and when claim is made against seller.

What's Not Covered?

All insurance products have exclusions, or situations they don't cover. The major exclusions in this coverage include:

- Intentional, dishonest or fraudulent act(s) committed by you or on your behalf
- Covered circumstances of which you had knowledge prior to closing
- Claims by you against your real estate broker and/or agent
- Claims involving escrow monies
- Claims for damages to the residential property sustained subsequent to closing escrow
- Claims against you not involving your principal residence.

How Does It Work?

Because your real estate broker cares about your peace of mind, you will be automatically enrolled in the SPP program. Coverage begins on the date of the completed contract (closing) and continues for 180 days. Your real estate broker has arranged this coverage. This initial coverage is free to you. You have the option to extend your coverage for an additional 180 days, for a total of 360 days. If you wish to extend your coverage, you must complete the attached installment form and mail it along with your check and closing statement within fifteen (15) days of the close of escrow. You may also contact CRES at 1-800-880-2747. No additional extensions are available. The premium to extend your coverage for an additional 180 days is \$100 (\$200 in California) paid by you. The premium paid for the SPP is fully earned and non-refundable.

What Do I Do in the Event of a Claim?

Since you are working with a highly professional real estate broker, we are confident you won't have any problems. However, if a problem develops between you and the buyer, please call us as soon as possible at 1-877-CRES-INS. Don't wait until it becomes a lawsuit. Early intervention is often the key to a favorable outcome.

THIS DOCUMENT IS AN OVERVIEW AND SUMMARY OF COVERAGE. FOR A COPY OF THE ACTUAL ENDORSEMENT AND ALL TERMS AND CONDITIONS WHICH APPLY, CONTACT CRES AT 1-800-880-2747.

Mail your check to:

CRES Insurance Services
P.O. Box 500810
San Diego, CA 92150



Mortgage Brokers Errors and Omissions

The CRES Mortgage Brokers/ Bankers Errors and Omissions Program, with over a decade of uninterrupted service to the mortgage industry, and which currently protects billions in originations, is now available through insurance agents and brokers! Come see why we are the market for mortgage professionals

Program Features:

State of the art coverage - custom tailored for the mortgage professional
Real estate attorneys on call from the StressLess hotline
Mortgage Toolkit - online suite of forms and letters to help reduce after sale problems
Periodic Risk Management Seminars
Continuing Education package (eligibility varies)
Innovative Per Transaction reporting form program. Eligible clients complete an online reporting form and pay per closing.
States offered: Arizona, California, Colorado, Connecticut, Florida, Georgia, Illinois, Indiana, Maryland, Massachusetts, Michigan, Missouri, Nevada, New Jersey, North Carolina, Ohio, Oregon, Pennsylvania, South Carolina, Texas, Utah, Virginia and Washington.

Eligible Classes:

Mortgage Brokers
Mortgage Bankers
Loan Consultants

Submission Requirements:

CRES Application
CRES Mortgage Supplement

Minimum Premiums start at \$600

Limits to \$3,000,000

Deductibles as low as \$2,500

Coverage is through A- Rated, admitted carriers: Topa and Delos Insurance

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CREC Risk Management Program

As a customer of CREC, your office is entitled to join the CREC Risk Management Plan ("The Plan"). The fee(s) charged for this service may vary based on your office characteristics. Your fee may be a fixed charge, or a charge per transaction—consult your enrollment certificate for details.

THE SERVICES PROVIDED THROUGH THIS PLAN ARE NOT INSURANCE PRODUCTS AND ARE NOT A PART OF ANY POLICY OF INSURANCE. PLEASE CONTACT US IF YOU HAVE ANY QUESTIONS.

The services are provided as bundles. Refer to your enrollment document to determine which services you may access.

The Plan has arranged real estate litigation attorneys to provide for legal services free of charge, up to the maximum benefit stated in the Plan Member's enrollment document. As a member of the plan, Members and Member Affiliates (with consent of the Member) may access the following services:

BENEFITS

1. Phone Consultations

Members can consult with the Law Firm(s) toll-free on any matter related to a real estate transaction where the Member serves in professional capacity. General matters, such as the use of boilerplate forms or disclosures qualify under the plan. Affiliate Members working for the member may utilize this service, but only with the knowledge and consent of the Member.

Phone Consultations are limited to one half hour of attorney time per matter. A Member may call on up to 20 matters per location per year. The Plan may designate counsel of its choice to provide this service to the Plan Member.

2. Contract and Document Review

Members can fax or mail documents to Risk Management for review and comment on any matter related to a real estate transaction where the Member serves in professional capacity. General matters, such as review of boilerplate forms or disclosures qualify under the plan. Affiliate Members working for the member may utilize this service, but only with the knowledge and consent of the Member.

Document review is limited to one half hour of attorney time per matter. A Member may call on up to 20 matters per location. The Plan may designate counsel of its choice to provide this service.

3. Website

Members have access to the "Members Only" section of the CREC website. This section contains legal case alerts, sample letters, updated contract supplements, specific disclosures, and other risk management tools.

4. Attorney Letters

Attorneys will write letters on a Plan Member's behalf in connection with any real estate matter not otherwise excluded by this document. The Plan shall designate counsel of its choice to provide this service. The plan affords up to 20 letters per location per year.

5. Deductible Reduction Program (CA Only)

The Deductible Reduction Program ("DRP") is a method of reducing the deductible to the Member arising from a lawsuit that seeks damages to which the Member's Errors and Omissions Insurance would apply. The Law Firm(s) will perform written discovery that must be completed in most litigation to establish the facts that will identify the claim as one of liability or one that is defensible.

The DRP consists of specific actions taken by Law Firm early on in the litigation. They are:

1. Receive and review the complaint filed and served upon a Member;
2. Receive and review all transaction documents from the Member;
3. Prepare an answer to the complaint and a cross-complaint if necessary;
4. Prepare Form Interrogatories and serve with the responsive pleadings;
5. Prepare Special (Contention) Interrogatories and serve on Plaintiff;
6. Prepare Request for Admissions and serve on Plaintiff;
7. Prepare Request for Production of Documents and serve on Plaintiff;
8. Review and summarize the responses to all written discovery;
9. Prepare status report with all facts that tend to establish liability and/or a defensible claim. [Based upon these facts, what is the dollar value of liability or what is the dollar value of the defense costs to get to trial, etc. and if defensible, what is the dollar value of settlement based upon defense costs to date.

Law Firms have agreed the actual time spent on the discovery should be noted and the charge line should read "No Charge." The DRP discovery is only propounded upon the Plaintiff, not co-defendants. If Mediation is ordered by the Court or agreed to by the parties to the litigation, the responses to Special Interrogatories and Production Request must be received before agreeing to participate in Mediation. The value of the DRP is in excess of \$3,000 per claim. However, the cost of the negotiated services is \$1,000. This valuable benefit is only available to members of the Real Estate Agent's Alliance Purchasing Group.

6. Seminars (CA and TX Only)

From time to time, we will hold risk management seminars in or near your area. These seminars will cover topics of interest to real estate professionals. We intend to hold at least one seminar every year in major metropolitan areas, and once every three years for outlying areas. For outlying areas, seminars will be provided in tape or other recorded media format.

7. Case Alert

As new case and statutory law goes into effect, we will notify Members through the use of email updates or through the Members Only section of the website.

8. Sample Documents

The Law Firm will draft documents, such as releases, or supplements to the purchase contract on behalf of Members and Member Affiliates.

EXCLUSIONS

There are no plan benefits under any section of this Plan Document available for any claim, in whole or in part:

- A. Arising out of any:
 - 1. Dishonest, fraudulent, criminal or malicious act or omission;
 - 2. Deliberate misrepresentation;
 - 3. Actual or alleged violations of state or federal anti-trust, price-fixing, restraint of trade or deceptive trade practice laws, rules or regulations;
- B. Based on or arising out of any disputes involving any Plan Member's fees or charges. Charges include premium, escrow, tax, or commission. Any claim of conversion, misappropriation, commingling or defalcation of funds or other property is not covered. Escrow does not mean the holding of Earnest Money Deposits.
- C. To any Plan Member as an employee, owner, partner, stockholder, director or officer of any sole proprietorship, partnership or corporation or other business enterprise not identified in the enrollment certificate.
- D. Of bodily injury, sickness, disease or death of any person or physical injury to or destruction of or loss of use of tangible property.
- E. Arising out of discrimination based on age, sex, race, religion, marital status, national origin or sexual preference.
- F. Arising out of any obligations for which the Plan Member or any carrier acting as his or her insurer may be liable under any Workers' compensation, unemployment compensation law, disability or pension benefits law, or any similar laws, or any claim arising from the Employee Retirement Income Security Act of 1974 and any amendments thereof.
- G. Any claim involving property syndication, real estate investment trusts, limited or general partnerships, whether or not claim is brought by or on behalf of an investor, shareholder or partner in any such entity. This exclusion applies to all corporate entities or ventures.
- H. Arising out of the sale or purchase of insurance, or the failure to effect or maintain proper levels or types of insurance. Liability assumed by the Plan Member under any contract or agreement, including any warranty, is also excluded.
- I. Arising out of activities of the Plan Member as a construction advisor, builder or property developer or insurance agent or broker.
- J. Involving real property in which one or more Plan Members holds at least 25% interest.
- K. Personal Injury based on publications or utterances related to advertising, broadcasting or telecasting activities by or on behalf of the Named Plan Member.
- L. Based on or arising out of Professional Services in any way related to pollution.
- M. Arising from the valuation of a business in conjunction with any property that is sold.
- N. Resulting for actual or alleged infringement or violation of patent, copyright, trade dress, trademark and other intellectual property right.
- P. From liability for damages to any person arising out of any refusal to employ, termination of employment, or other employment-related practices, policies, acts or omissions.
- Q. Court costs, fees, and premiums on bonds to release attachment or undertakings, or any sum owed by or on behalf of the Plan Member because of legal liability to any claimant.



Protecting real estate professionals ... one call at a time.

877-CRES-INS
RM@cresinsurance.com

CRES Wholesale Bill Of Rights

We Will:

- ★ **Respond to your email within 24 hours of receipt**
- ★ **Respond to your voicemail's the same day**
*Unless voicemail is received 3:00p.m. Pacific standard time
- ★ **Respond to all applications within the same business day**
- ★ **Advise of additional information for quoting within 2 business days**
- ★ **Release all quotations in a timely manner once all completed application information is received** *Typically within 3 business days
- ★ **Provide a bound policy via email within 3 days of receipt of a completed binder paperwork** *Excludes the last week of each month
- ★ **Advise you of possible policy cancellation 10 days prior to the cancellation**
- ★ **Advise you of your clients upcoming renewal at least 60 days prior to the policy renewal date**
- ★ **Respect the relationship between you and your clients**

