

Real Estate Errors and Omissions Insurance

BCREA Community of Practice
January 31, 2024

Insurance Review



What we do

E&O has been protecting licensees since 1988:

- mandatory for all licensees
- not-for-profit
- self-insured



What we do

E&O protects licensees against liability for:

- errors, omissions or negligent acts that happen in the performance of their professional duties

Terms of coverage

- Fees are \$315/year, reduced in 2023
- Coverage continues after licence terminated
- Up to \$1 million per claim until...

Good news!

As of April 1, 2024:

- coverage will increase to \$2 million per claim
- the sublimit for property damage will rise to \$250,000
- **with no increase in fees**

Social engineering sub-limit

As of April 1, 2024:

- social engineering claims will have a \$500,000 limit
- 25% deductible unless independent secondary verification is done

Terms of coverage

- Indemnity Plan sets out coverage
- April 1, 2024 Indemnity Plan is provided in the March Risk Report
- Review risks and other insurance needs annually

What we don't cover



Fraudulent and
intentional acts



Bodily injury

What we don't cover



Buying or selling
your own home



Commission
disputes



Complaints to the
BCFSA or Board

How to report a claim

- Report potential claims promptly
- Report claims in writing, with a statement and documentation
- Send report to:
reception@reeoic.com

What is a claim?

“A demand for money, an action, a claim or institution of proceedings against you”

Steps in a claim

- Licensee's obligations
- Managing Broker's role
- How are claims resolved?
- How long does it take?

Deductibles

What you need to know (but were afraid to ask)
about deductibles by Cheryl Spratt, Risk Report
March 2023

More on E&O

- www.reeoic.com
- Password: eno
- FAQs

Questions?

Thank you.

