



New Mexico Regulation and Licensing Department
BOARDS AND COMMISSIONS DIVISION
New Mexico Real Estate Commission

Certificate of Equivalent Coverage
Errors and Omissions Insurance

Real estate brokers purchasing errors and omissions insurance from an insurance company other than Rice Insurance Services Company, the New Mexico Real Estate Commission's group plan contractor, must have their insurer complete and return this Certificate of Equivalent Coverage to the Commission Licensing Manager. The named insurer certifies that the errors and omissions insurance policy issued to:

Name of Insured Broker: _____
License No(s). _____
Brokerage Trade Name _____
Effective Date of Policy: _____ **Expiration Date of Policy:** _____

Hereby meets the following requirements for equivalent errors and omissions insurance policies specified in Part 16.61.5.10 of the New Mexico Real Estate Commission Rules:

- A. The insurance carrier is licensed and authorized by the New Mexico Department of Insurance to write policies of errors and omissions insurance in New Mexico and is in conformance with all New Mexico statutes.
- B. The insurance provider maintains an A.M. Best rating of "B" or better.
- C. The policy, at a minimum, complies with all relevant conditions set forth in this rule and the insurance carrier so certifies in a certificate issued to the insured real estate broker or broker applicant in a form acceptable to the commission and agrees to immediately notify the commission of any cancellation or lapse in coverage. The commission will make no independent determination of whether equivalent policies meet the requirement of this rule.
- D. 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.
- E. Coverage cannot be cancelled by the insurance provider except for nonpayment of premium or in the event a broker becomes inactive or the license is revoked, or in the event an applicant is denied a license.
- F. Coverage is for not less than \$100,000 for each licensed individual and entity per covered claim and not less than a \$500,000 aggregate limit per licensed individual or entity.
- G. A deductible amount for each occurrence of not more than \$1,000.
- H. 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.
- I. An extended reporting period of not less than 365 days.
- J. Coverage of a broker's use of lock boxes.

Name of Insurance Company

Signature of Insurance Company Representative Date