

Dear Candidate:

Congratulations on passing the State specific portion of the exam. Following this letter is an application you must file with the South Dakota Real Estate Commission for a nonresident license. Please complete all items on the application, include all documentation requested and submit to the Commission office with the application fee of \$225. Also, request a Certificate of Licensure from your jurisdiction's Real Estate Department to be included with your application. Pursuant to the Administrative Rules of the real estate commission, you have 60 days from the date of the exam report to file a license application. The exam score for any application received after the 60 days is void. Please allow 2 to 3 weeks to process your application.

All applicants for licensure must submit to a state and federal criminal background check. Please contact the Commission office for DCI and FBI fingerprint cards that must be completed and returned to the Real Estate Commission with your completed application and a check for \$43.25 made payable to DCI. The DCI fingerprint card must be signed and dated on the back or it will be returned. Failure to complete the correct fingerprint cards will delay the processing of your application. For best results, fingerprints should be completed at a law enforcement agency or fingerprint office.

Every active licensee is required to carry errors and omissions insurance. Proof of errors and omissions insurance must be on file with this office before your license can be activated. This can be obtained through the real estate commission group insurance (application included) or an insurance carrier of your choice. If you already have insurance, a Certificate of Coverage (form included) or an ACORD Certificate of Liability Insurance must accompany your application. If submitting an ACORD Certificate of Liability Insurance, the South Dakota Real Estate Commission, 221 West Capitol Ave, Suite 101, Pierre, SD 57501 must be listed as the Certificate Holder.

State statute requires that sales tax be paid on all commissions. If you are a responsible broker, please contact the South Dakota Department of Revenue and Regulation Business Tax Division at 605.773.5141.

Sincerely,

Norma Schilling
Licensing Program Administrator
Real Estate Commission

SOUTH DAKOTA
REAL ESTATE COMMISSION
Non Resident Application (Check One)
Salesperson _____ Broker/Broker Associate _____

To: South Dakota Real Estate Commission
221 West Capitol Ste 101
Pierre, South Dakota 57501

For Commission Use Only

License No. _____
Receipt No. _____
CS _____
Exam Date _____
DCI/FBI _____
Approval Date/By _____
Granted _____

- ◆ Application must be filed on original form.
- ◆ Application must be carefully and legibly printed or typed. Every question must be answered or the application will be returned for completion.
- ◆ Non-refundable application fee of \$225.00 must accompany application.
- ◆ Original score report must be included if South Dakota state portion of exam was taken.
- ◆ Certificates of licensure issued within 30 days of the application must be included.
- ◆ Certificate of coverage for errors and omissions insurance or application and correct fee must be included.
- ◆ Request for license from a responsible broker must accompany application.
- ◆ Completed fingerprint cards and check for \$43.25 made payable to DCI must accompany application.
- ◆ Please allow 2 to 3 weeks to process your application.

In compliance with SDCL 36-21A, I hereby make application for a real estate license. The answers provided in this application are submitted UNDER OATH. Any applicant who willfully and contrary to such oath shall state or subscribe any material fact which he does not believe to be true is guilty of perjury. In addition, registration may be refused, suspended, or revoked if the applicant has filed an application which is incomplete in any material respect or contains any statement which was, in light of the circumstances under which it was made, false or misleading with respect to any material fact.

Date _____

1. Mr. or Ms. _____ Social Security Number _____
(Circle) (Please print full name)

2. Residence address _____
(PO Box or Street) (City) (State) (Zip) (County) (Daytime Telephone)

3. Date of Birth _____ U.S. Citizen? Yes _____ No _____ State of Residency _____

4. E-mail address _____

5. Give below the places where you have been engaged in any kind of business or vocation, accounting for the entire period of the last five years.

Employer _____ Address _____

Nature of business _____

Position held _____ from _____ to _____

Employer _____ Address _____

Nature of business _____

Position held _____ from _____ to _____

Employer _____ Address _____

Nature of business _____

Position held _____ from _____ to _____

6. List all professional/occupational licenses, not regulated by the Real Estate Commission (appraiser, architect, attorney, insurance, CPA, pharmacists, etc.) that you presently hold or previously have held in South Dakota or any other jurisdiction. If none, state "none." _____

License _____ Jurisdiction _____ From _____ to _____

License _____ Jurisdiction _____ From _____ to _____

7. Have any of the above licenses ever been suspended or revoked? _____ If `yes, _ submit details in a separate report.

8. List all jurisdictions in which you are now or have been licensed as a real estate salesperson, broker, auctioneer, property manager, residential rental agent, home inspector or timeshare agent. **A certification of licensure is required from the Real Estate Commission in ANY jurisdiction in which you are now or have been licensed and must be submitted with your application.**

Type _____ Jurisdiction _____ Dates: From _____ to _____

Type _____ Jurisdiction _____ Dates: From _____ to _____

Type _____ Jurisdiction _____ Dates: From _____ to _____

9. If now licensed or previously licensed, has that license ever been disciplined? _____ If "yes", submit details in a separate report.

10. If presently licensed as a salesperson in South Dakota, give your license number. _____

11. Have you ever been engaged in litigation, either as plaintiff or defendant, involving the sale or purchase of real estate or the payment of a commission during the past five years, or are you now engaged in such litigation? _____

If answered `yes, _ give full details including date and name of court. _____

12. Are there any unpaid court judgments or liens against you at this time? _____ If answered `yes, _ give date, name of court and amount. _____

13. Have you filed a Petition in Voluntary Bankruptcy in the last seven years, or has an Involuntary Petition in Bankruptcy been filed against you? _____ If answered `yes, _ has the bankruptcy been discharged? _____

14. Have you ever been convicted of, pled guilty or nolo contendere to forgery, embezzlement, obtaining money under false pretenses, conversion, issuing bad checks, extortion, criminal conspiracy to defraud, or other like offenses? _____ If answered `yes, _ explain on a separate sheet giving date, place, and full particulars and attach as part of this application.

15. Have you ever been convicted of or pled guilty to a felony? _____ If answered "yes," explain on a separate sheet giving date, place, and full particulars and attach as part of this application.

16. Have you ever been convicted of or pled guilty to a misdemeanor involving moral turpitude? _____ If answered `yes, _ explain on a separate sheet giving date, place and full particulars and attach as part of this application.

17. Is there now pending against you any charge or charges as outlined in question number "13", "14", or "15"? _____

If answered `yes, _ state place, giving date and full particulars. _____

18. Do you owe \$1,000 or more in accumulated child support arrearages in South Dakota? _____ If "yes," have you made satisfactory arrangements with the Department of Social Services for payment of those arrearages? _____

19. Has your application for a real estate license ever been rejected or your license revoked or suspended in South Dakota or any other jurisdiction? _____ If `yes," state where, giving exact date and full details on separate sheet.

20. Is your spouse an active duty member of the armed forces? Yes _____ No _____ If "yes," is your spouse subject to military transfer to South Dakota, and did you leave employment to accompany your spouse to South Dakota? Yes _____ No _____

21. Have you read and do you understand the South Dakota Real Estate License Law and the Administrative Rules of the Real Estate Commission? _____

22. Do you understand that:

A change of address of your place of business without notification to the Real Estate Commission may result in cancellation of your license?(a) _____

You are not entitled to receive compensation as a real estate salesperson or broker associate from anyone except the broker who employs you? (b) _____

You cannot sell real estate for a fee or commission without first obtaining a real estate salesperson's or broker associate's license from the Real Estate Commission? (c) _____

The division of a commission with an unlicensed person is cause for disciplinary action? (d) _____

Your license certificate must be kept in the custody of your employing broker; that immediately upon termination of employment you must return your pocket card to your broker who must return your license certificate and pocket card to the commission? (e) _____

Any false statement in your application for a license is cause for suspension or revocation of your license?(f) _____

A violation of any of the provisions of the South Dakota Real Estate License Law or Administrative Rules of the Commission is cause for disciplinary action? (g) _____

EDUCATION

Secondary (highest grade completed) 9 10 11 12 GED

Post-secondary (College – Technical school) School and location _____

_____ Certificate/Degree _____

Other education _____

The foregoing statements are made for the purpose of procuring a South Dakota real estate license. I hereby consent that these statements may be used as evidence by the Real Estate Commission of the State of South Dakota, or in any court in South Dakota where a violation of the said real estate law is claimed.

I also expressly acknowledge that the South Dakota Real Estate Commission has the right to further investigate the responses contained in this application. I hereby authorize and grant the Commission the right to conduct a state and federal criminal background check by means of fingerprint checks by the Division of Criminal Investigation and the Federal Bureau of Investigation and to enlist a consumer reporting agency to furnish the Commission with a consumer report reflective of the nature and extent of any current or unpaid judgments, if any, as all of same are intended to provide the Commission with accurate information regarding my trustworthiness and competency to act as a real estate licensee in the State of South Dakota.

I declare and affirm under the penalties of perjury that this application has been examined by me, and to the best of my knowledge and belief, is in all things true and correct.

(Signature of Applicant)

CERTIFICATE OF COVERAGE

SOUTH DAKOTA REAL ESTATE COMMISSION

REAL ESTATE AGENT'S ERRORS & OMISSIONS INSURANCE

For those South Dakota licensees insured by a private carrier pursuant to SDCL 36-21A-119 to 36-21A-123, and ARSD Chapter 20:69:15

I certify that the insurance company listed below is an admitted carrier in South Dakota. I further certify that:

Licensee Name: _____

License Number: _____ Type: Broker _____ Sales _____ Auctioneer _____
Property Manager _____ Licensed Firm _____

Real Estate Company: _____

Address: _____

is insured against claims resulting from professional acts for real estate brokerage as contemplated in SDCL 36-21A-6 and 36-21A-12 and conditions of coverage as those required by the South Dakota Real Estate Commission specifications contained in ARSD Chapter 20:69:15.

If coverage for the licensee insured in this policy is to be lapsed or nonrenewed, the providing company must notify the South Dakota Real Estate Commission, 221 West Capitol Ste 101, Pierre, SD 57501-2017 of its intent to lapse or nonrenew the coverage a minimum of 30 days before the expiration date of the term. If the insurance is cancelled for non-payment of premium, the company must notify the Commission at time of cancellation.

Insurance Company Name: _____

Company
Address: _____

Policy Number: _____ Effective Dates: from _____ to _____

Policy Limits: Each claim _____; Aggregate _____ Deductible _____

By: _____ Date: _____
(Authorized Representative of insurance company)

Address: _____

South Dakota Real Estate Commission's Group Errors and Omissions Program
Underwritten by Continental Casualty Company and Administered by Rice Insurance Services Company, LLC

All active South Dakota real estate licensees (responsible brokers, broker associates, salespersons, auctioneers, property managers, and residential rental agents) must carry and maintain errors and omissions (E&O) insurance to cover all licensed activities. Licensees may purchase coverage through the South Dakota Real Estate Commission's (SDREC's) group program. Licensees may also obtain E&O insurance outside of the group program, provided coverage complies with the state's minimum requirements and the licensee provides a certificate of coverage to the SDREC in compliance with South Dakota law. If coverage is not timely obtained or renewed, the SDREC may issue fines and penalties.

Enrollment: Rice Insurance Services Company, LLC (RISC) is excited to have been selected to provide the SDREC's official group program. RISC has an agreement with Continental Casualty Company, a CNA insurance company, to offer Continental Casualty Company's policy to South Dakota licensees. RISC's unmatched real estate E&O experience in mandated states and excellent claims service combined with CNA's strong financial performance and ratings (rated "A" by A.M. Best) will ensure a quality program for South Dakota licensees.

The group program provides the required limits of liability of \$100,000 per claim, up to \$500,000 in the aggregate, per licensee with a \$1,000 damage deductible and a \$500 claim expense deductible. **You must enroll in the group program through the SDREC, either online at www.sdrec.sd.gov (follow the appropriate link) or by mail by sending the SDREC a completed enrollment form (on back) with your premium made payable to the SDREC. The one-year premium is \$187 per licensee. The premium is fully earned upon inception and no refunds are permitted after that date.** Licensees are urged to carefully read the entire policy, including the "Exclusions" section. Additional information, including a **Brochure**, **Sample Policy**, and information about **Risk Reduction** and **Optional Coverages** is available on our website, www.risceo.com, or by calling us at (800) 637-7319, ext. 1. Responsible brokers may obtain information about our **Enhanced Firm Excess Program** by visiting our website.

Licensees joining the group program after January may pay a prorated premium and may contact us for the proper amount. Important information regarding late payment is discussed in the "Timely Renewal" section below. Coverage must be obtained before a license is activated. Contact your broker to verify that your company participates in the group program before submitting your premium to the SDREC. Inactive licensees are not required to purchase E&O insurance. However, we urge licensees with expiring policies who are not renewing coverage or enrolling in the group program to contact their current E&O carrier about any available extended reporting periods ("tail coverage"). Extended reporting period endorsements are discussed on the back of this page.

Features: The 2013 group policy automatically includes the following features for no additional premium:

- **Enhanced Definition of Professional Services:** In addition to services performed pursuant to the licensee's real estate license, the policy also applies to property management services; auctioning real estate; broker price opinions; and notary public, real estate consultant, and real estate counselor services performed in connection with licensed services.
- **Primary Residence:** Coverage for the sale or listing for sale of the licensee's primary residence, provided the sale or listing is performed under the licensee's real estate license and supervised by the licensee's responsible broker.
- **Fair Housing/Discrimination:** Sublimits of liability of \$25,000 per claim, up to \$25,000 in the aggregate, for damages for covered fair housing/discrimination claims.
- **Environmental:** Sublimits of liability of \$10,000 per claim, up to \$20,000 in the aggregate, for damages for covered environmental claims.
- **Escrow/Earnest Money Deposit:** Sublimits of liability of \$5,000 per claim, up to \$10,000 in the aggregate, for damages for covered escrow/earnest money deposit claims.
- **Lock Box:** Sublimits of liability of \$5,000 per claim, up to \$10,000 in the aggregate, for damages for covered lock box claims.
- **Subpoena:** Coverage for attorneys' fees up to \$2,500 in connection with a covered subpoena related to professional services, up to \$2,500 in the aggregate.
- **Regulatory Complaints:** Coverage for claim expenses up to \$2,500 for a covered regulatory complaint, with a \$5,000 aggregate.
- **Spouses and Domestic Partners:** Coverage for the licensee's spouse or domestic partner in certain situations.
- **Incident Reporting:** Insureds may report potential claims, which is beneficial because if the potential claim later arises to an actual claim, the carrier will review coverage for the claim under the policy in effect when the potential claim was reported, even if the licensee does not have an active policy when the claim arises.
- **Security Breach Supplementary Payments:** If a real estate firm is required to notify clients of a security breach when confidential commercial information or non-public personal information may have been disclosed or used in an unauthorized manner, the policy provides reimbursement up to \$5,000 for costs incurred by the licensee's real estate firm in providing such notice.

Optional Coverages: Licensees may purchase the following optional coverages when enrolling in the group program through the SDREC.

- **Appraisal Endorsement:** Adds services performed as a licensed real estate appraiser to the policy's definition of professional services. Only available to individuals who have both active real estate and active appraisal licenses.
- **Conformity Endorsement:** Conforms the policy to comply with the requirements of other states that mandate real estate E&O insurance where the licensee has an active real estate license.
- **Increased Limits Endorsements:** Increase the policy's limits of liability to \$250,000 per claim, up to \$750,000 in the aggregate, or to \$500,000 per claim, up to \$1,000,000 in the aggregate.

Claims Made Policy: This is a claims made policy. Claims must be reported timely in accordance with the policy's requirements. Failure to do so may jeopardize coverage. The policy does not provide coverage for claims first made before the beginning or after the end of the individual policy period. Nor does it provide coverage if, prior to the policy's inception date, the insured had a basis to believe any act, error, or omission might reasonably be expected to be the basis of a claim. If you have notice of a claim or potential claim, report it immediately to your current carrier or risk not having coverage for the claim.

Timely Renewal: **Always pay your premium on time to protect against uncovered claims, a gap in coverage, penalties, and fines.** Failure to timely renew may result in penalties, fines, and loss of **prior acts coverage**, a valuable feature of the group program. Your "retroactive date" determines whether you have coverage for professional services performed prior to the date you purchase coverage under the policy. The retroactive date is the date you first obtained, and since which have continuously maintained, E&O insurance, with no gaps. If you failed to purchase coverage timely, call RISC immediately to see if you qualify to backdate your coverage to the group policy's inception date, which may avoid a break in coverage and loss of your retroactive date but will not remedy noncompliance with mandatory insurance laws.

**South Dakota Real Estate Errors and Omissions Program: 2013
LICENSEE ENROLLMENT FORM**

Date Received	
Amount Received	
Receipt Number	

The South Dakota Real Estate Commission (SDREC) processes all group policy enrollments. You may enroll online through the SDREC's website, www.sdrec.sd.gov (then follow the appropriate link). You may also enroll by mail by completing this form (including the bottom portion) and sending it with your payment directly to the SDREC at 221 W Capitol Ave., Ste. 101, Pierre, SD 57501.

PLEASE PRINT OR TYPE. Incomplete information may cause a delay in the issuance of your coverage. We will send each insured licensee a Certificate of Coverage upon receipt of payment information from the SDREC. It is your responsibility to provide verification to other commissions and entities. **Note all premiums are fully earned on the policy's inception date and no refunds are permitted after that time.** If you have any questions or would like additional information, please visit our website, www.risceo.com, or call us at (800) 637-7319 (ext 1).

Name: _____	License No.: _____	License Type: _____
Firm Name: _____	Email: _____	
Address Line 1: _____	Phone: () - _____	
Address Line 2: _____	Fax: () - _____	
City, State, Zip Code: _____	Social Security Number (optional): _____	

	Unit Price	Amount Due
Premium (Coverage Expires 1/1/2014): January \$187, February \$171, March \$156, April \$140, May \$125, June \$109, July \$94, August \$78, September \$62, October \$47, November \$31, December \$16	See prorated list to the left	
Optional Endorsements		
Conformity: Circle all states below where you are licensed and need proof of E&O coverage. You must be a resident of South Dakota to qualify for this endorsement. CO IA ID KY LA MS NM ND NE RI TN* WY <i>*TN conformity not available to some licensees due to TN regulations. Please contact RISC for details about obtaining coverage for your TN license.</i>	\$15 (Regardless of number of states at time of issuance)	
Appraisal Endorsement: You must have both an active real estate license and an active appraisal license to qualify for this endorsement.	\$200	
Increased Limits \$250,000 Per Claim / \$750,000 Aggregate See below for instructions on selecting Premium (a) or Premium (b) _____ OR _____ Increased Limits \$500,000 Per Claim / \$1,000,000 Aggregate See below for instructions on selecting Premium (a) or Premium (b) _____	(a) \$76 or (b) \$113 <hr/> (a) \$145 or (b) \$193	
Premium (a) 75% or more* of your real estate activity income is earned from Residential Sales** and you have had no claims *** in the past 5 years; or Premium (b) Less than 75%* of your real estate activity income is earned from Residential Sales** or you have had one or more claims *** in the past 5 years *To determine the percentage of your real estate activity income derived from Residential Sales, divide your income derived from Residential Sales by the amount of your total real estate activity income. **Residential Sales means sales of properties zoned for and occupied exclusively as residences for four families or less. Residential Sales also includes: (1) sales of vacant land, provided the land is zoned for residential use and is not a development project of four or more residences and (2) sales of farm property that will be a buyer's principal residence and where a buyer will derive no more than 25% of total income from farming. Commercial sales and renting, leasing, managing, or appraising residential or commercial property are not Residential Sales. ***If you are a responsible broker, a claim made against you, your firm for your acts, or your firm for the firm's acts is considered a claim against you for purposes of calculating the endorsement premium. If you are not a responsible broker, a claim made against you or your firm for your acts is considered a claim against you for purposes of calculating the endorsement premium.		
Total (basic policy premium + any optional endorsement premium)		\$ _____

Optional Extended Reporting Period (ERP) Endorsements: The policy does not provide coverage for claims that arise after the policy's expiration date, unless an ERP applies. ERP endorsements are available to licensees who purchase insurance through the group program and do not renew coverage for any reason. An ERP extends the policy's reporting date, so it applies to claims that first arise during the ERP. ERP endorsements may be purchased within 90 days after the licensee's policy expires. An ERP Endorsement is important because many professional liability claims are not made until years after the underlying transaction occurred. The premium for a 1-year ERP endorsement is 100% of expiring premium and any applicable endorsement premium, a 2-year ERP endorsement is 150% of expiring premium and any applicable endorsement premium, or a 3-year ERP endorsement is 200% of expiring premium and any applicable endorsement premium. Licensees who are insured through another provider and are not purchasing insurance when their current coverage expires should immediately contact their current insurance provider for additional information regarding any available extended reporting period.

*****PLEASE SIGN BELOW***.** If you have any knowledge of any act, error, omission, fact, or situation that might give rise to a claim against you, it must be reported in writing immediately to your insurance carrier before your current policy period expires.

The undersigned declares that the above statements and particulars are true and that the undersigned has not suppressed or misstated any material facts. The undersigned understands that it is a crime to knowingly provide false, incomplete, or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines, and denial of insurance benefits. The undersigned agrees that this application shall be the basis of the contract with the Company and that coverage, if written, will be provided on a claims-made basis. The undersigned understands and agrees that the completion of this application does not bind the Company to issue a policy. Coverage will be effective the later of January 1, 2012 or the date of enrollment. Please indicate below if another coverage date is requested.

The undersigned understands that all premiums are fully earned at policy inception and no refunds are permitted after that date. The deductible is due in accordance with the policy. The undersigned agrees to reimburse the Company for any and all costs and expenses the Company may incur by employing a collection agency to collect any overdue deductible.

SIGNATURE: _____ DATE: _____

SOUTH DAKOTA REAL ESTATE COMMISSION

Request for License Activation

PART A: To be completed by licensee activating

I hereby request that my real estate license be issued to the undersigned registered company and qualifying broker

Agent's Name (Please Print) _____ Signature of Agent _____

Home Address _____
Street Address _____ City _____ State _____ Zip Code _____

Mailing Address _____

E-mail Address _____ Home Phone No. _____

License No. _____ License Activation Date _____

PART B: To be Completed by Qualifying Broker

I accept the responsibility for the actions of the above licensee and give consent for licensee to do business with the company listed below:

Qualifying Broker's Name (Please Print) _____ Signature of Qualifying Broker _____

Company Name _____ Company License No. (If Firm has a separate license) _____

Company Street Address _____ City _____ State _____ Zip Code _____

Company Mailing Address _____

Company E-mail Address _____ Company Telephone Number _____

Date _____

RETURN TO: South Dakota Real Estate Commission – 221 W Capitol Ave Ste 101 – Pierre, SD 57501
PHONE: 605.773.3600