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Take Charge of Your Financial Destiny

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Articles In This Issue:

- The Importance of Real Estate Agent Professional Indemnity Insurance

THE IMPORTANCE OF REAL ESTATE AGENT PROFESSIONAL INDEMNITY INSURANCE

Being in the business of selling your knowledge and expertise is no mean feat. As a real estate professional, your clients rely on you for advice on real estate matters and issues beyond that of an average person.

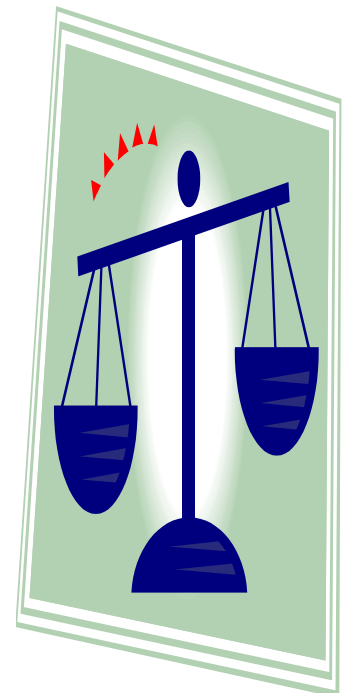
Buying a home is perhaps the largest financial venture your client will ever make. As a result, your client would naturally have certain expectations of you. Being an agent of your client who is either selling, buying or renting a home, instills upon you specific duties to him including Fiduciary Duty, Disclosure, Confidentiality, Care and Accountability.

With the growing numbers of malpractice lawsuits being publicized in recent years, the need for protection from negligent professional services is emerging and more apparent than ever.

Consumers are becoming increasingly aware about their rights and these days they would not hesitate to take legal action when they are being disadvantaged. When they deal with agents who are their "Salesperson",

and these agents are covered under professional indemnity, their interest is also protected from any possible negligent acts. After all, we are humans and we do make mistakes!

The amplifying risks of litigation from malpractice lawsuits can damage not only you, but your profession to an unimaginable extent. With no protection, the personal financial strain associated with such court proceedings would purely be "out-of-your-own-pocket". Despite the fact that most of us never expect or hope to be embroiled in such a potentially devastating situation, malpractice lawsuits do happen.



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Without Professional Indemnity Insurance, you are exposed to and run the risk of being sued for all sorts of 'wrongdoings' such as breach of trust, breach of duty, neglect, error or omission and misstatement.

Undoubtedly, cases involving negligence are complex in nature and can be draining on resources and time. For that reason, it is even more crucial that you minimize the risk of liability by ensuring that you take up a Professional Indemnity Insurance.

Under the new Estate Agents Act, all Estate Agents and Salespersons must have valid Professional Indemnity Insurance. It is a violation of the Act if one is caught operating real estate business without valid insurance.

It is therefore unthinkable to carry out your profession without insurance.

Simply having an insurance policy to comply with regulation is not sufficient. Unknown to most consumers of insurance policies, the scope of cover will very much depend on the definitions. A wrongdoing can be committed negligently or purely as an omission. For a successful claim against the agent in a situation of a policy with negligent wordings for example, the

insured must be proven to have breached his duty as a property salesperson, resulting in damages to the claimant.

Regulation elevates the status of the Salesperson and Estate Agencies to a level equivalent to professionals. Any opinions rendered will be deemed as the expert view.

This is a new era for the property industry and therefore care must be exercised in all things you do including choosing the correct insurance policy.

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