

WHAT'S GOING ON WITH YOUR PREMIUM?!!

Since 2011 your REIX Errors and Omissions Insurance premium has been \$275.00. It's time for that to change! Truth be known, most subscribers (and every licensee is a subscriber) don't know they pay a premium. Because it is collected at the time of license renewal and added onto the amount you pay RECA, it is usually overlooked or forgotten.

The premium you pay to REIX for errors and omissions coverage is determined strictly by the claims experience realized by the program. Since REIX is a reciprocal and a self-funded program, there are no commercial insurance companies that dictate the premium. Also, there is no profit motive involved when setting the premium.

Every year the provincial insurance regulator requires a study be done by a qualified actuary. The report from this study is reviewed by the REIX Advisory Board and forwarded on to the Superintendent of Insurance. The actuary considers a number of factors including the most recent claims experience, the existing market conditions and the financial health of the reciprocal. Along with the report is a "funding recommendation" which provides guidance for the Advisory Board when setting the premium.

At the recent meeting of the REIX Advisory Board the decision was made to lower the premium from the number mentioned above to a new premium of \$235.00. Further, taking some surplus funding, the Board voted to subsidize the premium by \$60 for this coming renewal period. So, your REIX premium for 2018/2019 is only \$175.00!

This reduction was made possible by two factors. One is the excellent claims processing activities of our VP of Claims and Litigation, David de la Ronde. Second, I would like to compliment you the practitioner. When you listen to and practice the risk mitigation measures, it not only saves you from lawsuits, but eventually reduces costs for the program and results in a lower premium for everyone. Keep up the good work!

Harvey Gamble, CEO, REIX