

REAL ESTATE AGENTS APPLICATION FOR CLAIMS MADE AND REPORTED ERRORS AND OMISSIONS INSURANCE

1- NAME OF APPLICANT: (Include all firm names, trading names or DBA's under which the applicant operates)

DBA _____

Address (of principal office) _____

City _____ County _____ State _____ Zip _____

Telephone _____ Fax _____ E-Mail _____

PRINCIPAL BROKER _____

Does the applicant have multiple locations? Yes No If yes, please explain on a separate sheet.

Has the name of the applicant ever changed or has there ever been any acquisition, consolidation, dissolution, merger or change in business organization? Yes No If yes, please explain on a separate sheet.

2- Month/Year applicant established under current ownership? _____/_____

Applicant is a: Sole Proprietor Partnership Corporation Independent Contractor Other

3- Complete the following for each owner, partner, director and officer.

Name and Title	Date First Licensed as	License Status	Professional Designations
_____	Broker ____ Agent ____	<input type="checkbox"/> Active <input type="checkbox"/> Inactive	_____
_____	Broker ____ Agent ____	<input type="checkbox"/> Active <input type="checkbox"/> Inactive	_____
_____	Broker ____ Agent ____	<input type="checkbox"/> Active <input type="checkbox"/> Inactive	_____

4- Is the applicant controlled by or owned by or associated with, or does the applicant control or own or affiliate with any other firm?
 Yes No If yes, please explain _____

5- Is the applicant or anyone who may qualify as an insured involved in any business activities other than real estate sales?
 Yes No If yes, please explain _____

6-	STAFF (indicate numbers)	Fulltime	Part-time	Inactive	Total
	Licensed Brokers – employed and independent	_____	_____	_____	_____
	Licensed Agents – employed and independent	_____	_____	_____	_____
	Property Management employees	_____	_____	_____	_____
	Appraisal employees'	_____	_____	_____	_____
	Clerical employees'	_____	_____	_____	_____

7- Have at least two-thirds or the applicants agents had their license longer than two years? Yes No

8- GROSS INCOME (includes all fees and commissions before expenses and split with agents)

Service	Gross Income Last 12 Months	Number of Transactions	Gross Income Next 12 Months	Number of Transactions
Residential Real Estate Sales				
Commercial Real Estate Sales				
Residential Property Management Fees				
Commercial Property Management Fees				
Leasing fees (not managed)				
Appraisal fees				
Mortgage Brokerage Fees				
Business Opportunity Brokerage Fees				
Auctioneering Fees				
TOTAL:				

Please indicate the average sales price of the applicants prior year closed residential transactions.
\$ _____

During the past year, what percentage of the applicants residential property sales included a home protection or warranty? _____%

9- Does the applicant form, manage or organize group investments/syndications (i.e. limited partnerships, general partnerships, real estate investment trusts or corporations, for the purpose of investing in real property? Yes No

If yes, please explain on a separate sheet and include all annual income from these activities.

NOTE: *The policy specifically excludes these activities.*

10- Does the applicant act as a construction manager or as a real estate developer? Yes No
NOTE: *The policy specifically excludes these activities.*

11- Did any client represent more than 25% of the applicants annual gross income last year? Yes No
If yes, please explain, including clients name and business, on a separate sheet.

- 12- Is the applicant involved in property management? Yes No If yes, complete the following:
- a. Is a budget prepared for each property managed? Yes No
 - b. Is a credit report obtained on each prospective tenant? Yes No
 - c. Do you use standard management and lease agreements? Yes No
 - d. Number of units managed? _____ 1-4 Family Residential _____ Apartments
 _____ Condominiums _____ Shopping Centers _____ Warehouses _____ Office Buildings
 - e. Does the applicant (or anyone who may qualify as an insured) have a combined financial interest that exceeds 10% in any property managed? Yes No

- 13-
- a. Does the applicant have an in-house procedure manual? Yes No
 - b. Does the applicant have in-house training sessions and or encourage agents to take outside training courses? Yes No
 - c. Does the applicant have a specific training program for new sales associates? Yes No
 - d. Has the principal broker attended a risk reduction seminar in the past year? Yes No
 - e. Are standard board approved real estate contracts used? Yes No
 - f. Are standard board approved real estate disclosure forms used? Yes No
 - g. Does the applicant require their agents to perform inspections of properties? Yes No

14- **INSURANCE HISTORY-PROVIDE CURRENT DECLARATIONS PAGE IF RETROACTIVE COVERAGE IS REQUESTED.**

Current Errors and Omissions Insurance Company _____

Limits of Liability _____ Deductible _____

Expiration Date _____ Retroactive Date _____ Premium _____

ANSWER QUESTIONS #15 THROUGH #18, ONLY AFTER INQUIRY OF EACH MEMBER OF THE FIRM.

- 15- Has the applicant or anyone who may qualify as an insured ever been subject to disciplinary action by a real estate association board or other regulatory body, which resulted in a license suspension or revocation? Yes No

- 16- Has any application or policy for errors and omissions insurance on behalf of the applicant; any partner, owner or officer of the applicant, or on behalf of the applicants predecessors in business ever been declined, cancelled or refused renewal for cause? Yes No If yes, please provide details.

- 17- During the past three years has the applicant or anyone who may qualify as an insured been sued or received a demand seeking damages resulting from the performance or failure to perform professional services? Yes No

If yes, the SUPPLEMENTAL CLAIM FORM must be completed for each claim.

If yes, we require a certified insurance company loss run for the past three years.

NOTE: The policy will not provide coverage on any claim which any person proposed for this insurance is aware of prior to the effective date of the policy.

- 18- Does the applicant or anyone who may qualify as an insured have any knowledge or information of any fact, circumstance or incident that may reasonably be expected to result in a claim relative to the performance or failure to perform professional services? Yes No

If yes, the SUPPLEMENTAL CLAIM FORM must be completed for each circumstance.

NOTE: The policy will not provide coverage for any circumstances which any person proposed for this insurance is aware of.



SUPPLEMENTAL CLAIM INFORMATION

- 1- Name of Claimant/Plaintiff _____
- 2- Date your alleged error occurred _____
- 3- Date you reported your claim to the Insurance Company _____
- 4- Name of the Insurance Company you reported the claim _____
- 5- Name the specific individuals of the applicant named in this claim _____

6- Name of other additional defendants named in this claim _____

7- What is the present status of the claim Closed Open

8- **If Closed Claim:**

- a. What was the total amount of defense expense paid? _____
- b. What was the total amount of loss expense paid? _____
- c. What was the amount of your deductible? _____
- d. What was the total amount of your deductible you paid? _____

9- **If Open Claim:**

- a. What is the amount of defense expense paid to date? _____
- b. What is the amount of loss expense paid to date? _____
- c. What is the amount of your deductible? _____
- d. What is the amount of your deductible paid to date? _____
- e. What amount is the Claimant/Plaintiff requesting in Complaint/Suit? _____
- f. What is your Insurance Company defense expense reserve? _____
- g. What is your Insurance Company loss expense reserve? _____

10- Describe the case and events _____

11- What action has been taken by the applicant to prevent this type of claim from occurring in the future? _____

This Supplemental Claim form becomes a part of the Insurance Application and is subject to the same representations and conditions of the application.

Signature of Owner, Partner, Director of Applicant

Date