

**TITLE AGENTS / ABSTRACTORS / ESCROW AGENTS PROFESSIONAL LIABILITY APPLICATION**

Please answer ALL questions. Indicate "N/A" where appropriate. Failure to do so will result in an inability to process your application.

**GENERAL INFORMATION**

1. Company Name (Applicant): \_\_\_\_\_  
Street: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_  
Telephone: \_\_\_\_\_ Fax: \_\_\_\_\_  
E-mail Address: \_\_\_\_\_  
Web Address: \_\_\_\_\_
2. Please list the states in which the Applicant provides services:  
\_\_\_\_\_  
\_\_\_\_\_

**DESCRIPTION OF BUSINESS**

3. Please indicate the total revenue for the following fiscal years for both the Applicant and any subsidiaries performing professional services sought to be covered under this policy:  
Current Year: \$ \_\_\_\_\_  
Last Year: \$ \_\_\_\_\_  
Next Year (projected): \$ \_\_\_\_\_
4. How many years has the Applicant been in business? \_\_\_\_\_
5. Please indicate the Applicant's total number of employees: \_\_\_\_\_
6. How many of these employees provide professional services directly to clients? \_\_\_\_\_
7. List any industry associations/memberships with which the Applicant is affiliated.  
\_\_\_\_\_

**BUSINESS RELATIONSHIPS**

8. Estimate the percentage of business derived/referred from the following types of clients:

- \_\_\_\_\_ % Title Companies
- \_\_\_\_\_ % Private Owners
- \_\_\_\_\_ % Builders and Developers
- \_\_\_\_\_ % Banks, Savings and Loans
- \_\_\_\_\_ % Mortgage Brokers/Bankers
- \_\_\_\_\_ % Real Estate Agents
- \_\_\_\_\_ % Attorneys
- \_\_\_\_\_ % Other; Please describe:

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9. List the Title Insurance Underwriters the Applicant represents and percentage of total premium written:

Company	%
_____	_____
_____	_____
_____	_____
_____	_____

10. Do any of the entities identified in question 8, above, or any other entity or individual have an ownership interest or any involvement in the management of the Applicant or vice versa?  Yes  No

If Yes, set forth:

- a. the entities involved and their relative ownership interests.
- b. whether this is a Controlled Business Arrangement.
- c. what percentage of revenue is derived from "a" and "b" above?

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11. If a Controlled Business Arrangement is identified in question 10b, above, is full written disclosure provided and signed by the appropriate parties at all closings?  Yes  No  N/A

If Yes, please attach a sample copy of this disclosure.

12. With respect to any transactions derived from Builders/Developers, please provide a detailed explanation of the nature and scope of transactions in which the applicant is involved:  N/A

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13. Do you require all of the referral sources identified in question 8, above, to be licensed?  Yes  No

If No, why not?

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**NATURE OF OPERATIONS**

14. Please identify the percentage of revenue generated by each service:

- a. \_\_\_\_\_% Title Agent  
 \_\_\_\_\_% Title Abstracter/Searcher  
 \_\_\_\_\_% Closing/Escrow Agent  
 \_\_\_\_\_% TOTAL Must Equal 100%
- b. Please provide the number of offices/locations performing services: \_\_\_\_\_
- c. Percentage of total revenue generated by refinancing activities for:  
 \_\_\_\_\_% last year.  
 \_\_\_\_\_% the current year.

As to subpart a., please disclose the percentage of revenue from each service, regardless or whether any of these services are subcontracted. For example, if you generate \$1 in revenue from the provision of abstracting services but 90 cents of that is passed through to an independent searcher, the application response to subpart b. should be \$1. Inquiries about subcontractors will be made in a separate portion of the application.

15. Complete the following with a list of officers, directors, partners, and professional employees, indicating job description and the number of years of experience in the industry; If less than 3 years, please attach resumes. Please list **ALL** descriptions that apply. For example, if an individual is a Title Agent, who happens also to be an Abstractor, please indicate **BOTH**.

**CHECK ALL THAT APPLY**

Name	Title Agent	Abstractor	Lawyer	Closing/ Escrow Agent	Other	Number Of Years Experience

16. Estimate the percentage of the Applicant's total gross revenue generated in the following categories of real estate:

- \_\_\_\_\_ % Residential
- \_\_\_\_\_ % Commercial/Industrial
- \_\_\_\_\_ % Other; Please describe:
- \_\_\_\_\_ % Oil & Gas
- \_\_\_\_\_ % Metal & Mineral

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17. a. What is the average value of the properties in your transactions? \$ \_\_\_\_\_

b. Please provide the i. value and ii. the type and nature of service(s) provided for the five (5) largest transactions processed in the past year. However, if ALL of these transactions meet or exceed \$1,000,000, please provide the value and services provided for the ten (10) largest transactions:

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18. Do any searches include certifications for FEMA, wetlands or high-tide lines?  Yes  No

19. Does the Applicant perform Uniform Commercial Code Searches?  Yes  No

If Yes, on what types of properties? Please describe the search process:

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20. Please explain any procedures for handling transactions requiring special expertise such as commercial transactions?

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21. a. Does the Applicant have any policy regarding transactions that involve properties which have been reconveyed more than once within a certain period of time?  Yes  No

If Yes, please set forth the policy (If the policy is written, please attach it).

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b. Is this policy complied with always?  Yes  No

22. Do you have any policies/procedures implemented that are designed to protect against fraud committed by parties involved in the Applicant's transactions?  Yes  No

If Yes, please provide an explanation. (If you need more space, please continue on a separate sheet of paper. Please attach any documentation relating to any such policies/procedures.)

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23. Does the Applicant ever obtain "Insured Closing Letters" from its Title Underwriters?  Yes  No

If Yes, under what circumstances? If No, why not?

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24. Does the Applicant have a contract in place with clients?

- All of the time                       Most of the time                       Some of the time                       Never

25. Do the Applicant's contracts contain indemnification/hold-harmless clauses running in its favor?

- All of the time                       Most of the time                       Some of the time                       Never

**TITLE SEARCHING / ABSTRACTING**

If the Applicant **does not** provide Title Searching / Abstracting services, please indicate "N/A" and proceed to the next section.

N/A

26. If the Applicant provides Title Searching / Abstracting services:

- a. Approximately how many searches are performed per year? \_\_\_\_\_  
b. Who performs the Applicant's title searches? (Total must equal 100%.)

\_\_\_\_\_ % Applicant                      \_\_\_\_\_ % Independent Contractor

If any percentage is by an independent contractor, does the Applicant require the independent contractor to maintain E&O insurance?

Yes  No

If Yes:

i. What minimum limit? \$ \_\_\_\_\_

ii. Please state the number of independent contractors utilized: \_\_\_\_\_

iii. Please identify each independent contractor, years of experience of each searcher, and attach a resume of each individual performing searches on the applicant's behalf:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

27. a. Is data retrieved by or on behalf of the Applicant?  Yes  No

If Yes, is the data retrieved:

i. From the courthouse records?  Yes  No

ii. From an independent set of abstract books and tract indexes?  Yes  No

iii. From another source?  Yes  No

If Yes, please provide an explanation:

\_\_\_\_\_  
\_\_\_\_\_

b. Is computerized data utilized to retrieve information by or on behalf of the Applicant?  Yes  No

If Yes, describe fully:

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**ESCROW / CLOSING / SETTLEMENT SERVICES**

If the Applicant **does not** provide Escrow / Closings / Settlement Services, please indicate "N/A" and proceed to the next section.  N/A

28. If the Applicant provides Escrow / Closings / Settlement Services, indicate the following for the past fiscal year:

- a. Gross fees received for escrows/closings/settlements: \$ \_\_\_\_\_
- b. Number of escrows/closings/settlements conducted per year: \_\_\_\_\_
- c. The average value of properties which are the subject matter of escrow: \_\_\_\_\_
- d. Do you charge on a flat fee or percentage basis? \_\_\_\_\_
- e. Do you use independent contractors to perform any percentage of your escrow / closing services?  Yes  No  
If Yes, do you require your independent contractors to carry E&O coverage?  Yes  No

29. Does the Applicant:

- a. Require written contract/instructions for each escrow or closing?  Yes  No
- b. Use a standardized set of instructions to closers?  Yes  No
- c. Document and obtain signatures from all parties when making changes or deviating in any way from original escrow contract?  Yes  No
- d. Require each person's work to be checked by another?  Yes  No
- e. Require "Good Funds" for closing?  Yes  No
- f. Require physical receipt of funds prior to closing, including written verification of wire transfers?  Yes  No
- g. Ever allow another party to remit any closing proceeds to a lender or any other creditor on its behalf?  Yes  No

If Yes, provide details:

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- h. Have records been audited by outside auditors?  Yes  No
- i. Have records been audited by title underwriter?  Yes  No
- j. Perform an updated search and verification of title immediately prior to closing to ensure a closed "gap" period?  Yes  No
- k. Perform a "post-closing" title search to ensure that all filings made by the Applicant have been officially recorded and appear on the public record?  Yes  No

If No, please state how the applicant ensures that all filings made by the applicant have been officially recorded and appear on the public record:

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- I. Does the Applicant review every closing file before it is finalized to determine that it is accurate and complete?  Yes  No

If No, please state how the applicant ensures that all documents are present and accounted for and that they have been properly recorded:

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**CLAIMS**

30. Have any of the Applicant’s owners, principals, directors, officers or employees ever been the subject of an investigation, disciplinary or criminal action as a result of their professional activities?  Yes  No

If you answered “yes” to the above question, please describe:

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31. Have any professional liability claims ever been made against the Applicant, Applicant’s owners, principals, directors, officers or employees?  Yes  No

If you answered “yes” to the above question, please complete the Supplemental Claims Form.

32. Does the Applicant, Applicant’s owners, principals, directors, officers or employees have any knowledge or information of any act, error or omission which might reasonably give rise to a claim against any potential insured or its predecessors in business?  Yes  No

If you answered “yes” to the above question, please complete the Supplemental Claims Form.

It is understood and agreed that if the answer to the previous three queries is “yes”, any such claim or potential claim is specifically excluded from this proposed coverage.

**COVERAGE**

33. Does the Applicant currently carry professional liability insurance?  Yes  No

If Yes, please complete the following information:

Carrier: \_\_\_\_\_  
Policy Limit: \_\_\_\_\_  
Retention: \_\_\_\_\_  
Premium: \_\_\_\_\_  
Retroactive Date: \_\_\_\_\_  
Expiration Date: \_\_\_\_\_

34. Please indicate the terms of coverage that the Applicant is seeking:

Policy Limit: \_\_\_\_\_  
Retention: \_\_\_\_\_  
Retroactive Date: \_\_\_\_\_

If no retroactive date is selected, proposed coverage will begin on the policy effective date.

Please attach any sample contracts, principal resumes, or additional information we may find helpful in evaluating your risk.

**Notice to Applicant: Please Read Carefully.**

**Warranty:** The Applicant warrants that the information contained herein is true as of the date of this application is executed and understands that it shall be the basis of the policy of insurance and deemed incorporated herein if the Insurers accept this application by issuance of a policy. It is understood and agreed that this warranty constitutes a continuing obligation to report to the Insurers, as soon as possible, any material change in the circumstances of the Applicant's business, including but not limited to size of the firm, area of business engaged in by the firm and information contained on each Supplemental application submitted by the applicant.

**It is understood and agreed that this supplemental application shall become a part of the application for Professional Liability Errors & Omissions Insurance.**

**THE APPLICATION MUST BE SIGNED AND DATED BY AN OWNER, OFFICER OR PARTNER.**

Applicant Signature: \_\_\_\_\_ Date (Mo-Day-Yr): \_\_\_\_\_

Name and Title (Please Print): \_\_\_\_\_