



GREAT AMERICAN CUSTOM INSURANCE SERVICES

REAL ESTATE RELATED SERVICES RISK MANAGEMENT SUPPLEMENT

1. Applicant*: _____

(* Please list all entities for which coverage is desired)

2. Does the Applicant have a formal training program for personnel? Yes No

3. (a) Does the Applicant have written Quality Assurance/Risk Management procedures to avoid or mitigate their exposure to errors & omissions claims arising out of their performance of professional services? Yes No

If "yes", do the procedures ensure:

(b) Complaints are escalated to Applicant's senior management and they are resolved in a timely manner? Yes No

(c) The conflicts of interest of the Applicant and the Applicant's principals, partners, directors, officers, professional employees or independent contractors are fully disclosed and understood by all parties to "dual agency" transactions? Yes No

(d) The conflicts of interest of the Applicant and the Applicant's principals, partners, directors, officers, professional employees or independent contractors are fully disclosed and understood by all parties to transactions involving properties owned by the Applicant and the Applicant's principals, partners, directors, officers, professional employees or independent contractors? Yes No

(e) The Applicant and the Applicant's principals, partners, directors, officers, professional employees or independent contractors comply with title VIII of the Civil Rights Act, the Fair Housing Amendment Act and other similar statutes? Yes No

(f) All pollution exposures are disclosed in connection with the sale, leasing or property management of properties by or on behalf of the Applicant? Yes No

6. Does the Applicant require standardized file construction for all transaction files? Yes No

7. Does the Applicant always require the use of closing document checklists? Yes No

8. Does the Applicant always require the use of all applicable state required disclosure forms? Yes No

9. Does the Applicant employ legal counsel with expertise in real estate law to review contracts, disclosure forms and handle compliance matters? Yes No

10. Does the Applicant require that their agents, property managers or leasing agents perform physical inspections on properties sold, managed or leased by or on behalf of the Applicant?

Yes No

11. Does the Applicant have network security management procedures, systems or software to prevent the spread of computer viruses through and the unauthorized access to computer networks or servers that the Applicant owns, controls or operates? Yes No

12. During the most recent fiscal year ended, what percentage of the applicant's revenues were derived from transactions where the Applicant or the Applicant's principals, partners, directors, officers, professional employees or independent contractors acted as a dual agent? _____%

13. During the most recent fiscal year ended, what percentage of the applicant's sales included a professional property or home inspection? _____%

14. During the most recent fiscal year ended, what percentage of the applicant's residential property sales included a home warranty? _____%

15. If coverage is desired for property management activities, please answer questions 15. (a) through (g):

(a) Are credit reports obtained on all prospective tenants? Yes No

(b) Are budgets prepared for each property managed? Yes No

(c) Is the Applicant responsible for negotiating, effecting or maintaining insurance coverage on properties managed? Yes No

(d) Have all properties been insured for comprehensive general liability with limits of liability of _____ at least \$1,000,000 and without interruption since the Applicant assumed responsibility for managing them? Yes No

(e) Have all properties been insured for property insurance to the value of the property and without interruption since the Applicant assumed responsibility for managing them? Yes No

(f) Does the Applicant have written procedures to ensure that all properties managed by the Applicant are safe, secure and maintained according to clients' and tenants' specifications and standards? Yes No

(g) What is the dollar amount of the Applicant's authority for capital improvements, repairs, ...? \$ _____

16. If coverage desired for mortgage brokering or banking activities, please answer questions 16. (a) through (e):

(a) Does the Applicant have written procedures to ensure that the Applicant and the Applicant's principals, partners, directors, officers, professional employees or independent contractors comply with the Truth-in-Lending Act, the Fair Credit Reporting Act, the Equal Credit Opportunity Act or any similar statutes? Yes No

(b) Is the Applicant aware of any circumstance, incidents, situations over the past 5 year when the Applicant or the Applicant's principals, partners, directors, officers, professional employees or independent contractors have not complied with the Truth-in-Lending Act, the Fair Credit Reporting Act, the Equal Credit Opportunity Act or any similar statutes? Yes No

(If yes, please provide details by attachment)

(c) Does the Applicant have loan file audit procedures which include audits scheduled on a monthly basis, audits by senior level personnel (please name the person charged to perform audits and their title), audits on at least 10% of files and audit files that are randomly selected? Yes No
Person Charged To Perform Audits and Title:

(d) Has the Applicant or any of the Applicant's principals, partners, directors, officers, professional employees or independent contractors ever lost a lender's approval to submit client applications to that lender? Yes No
(If "yes", please provide details by attachment)

(e) Please explain the Applicant's procedures for verifying the validity of documents received from borrowers and provided to lenders:

17. If coverage desired for title agents, searchers or abstractors activities, please answer questions 17. (a) through (e):

(a) Please indicate the percentage of the Applicant's title agents, searchers or abstractors activities involving:
Title agent _____%; Title abstractor/searcher _____%; Closing/escrow agent _____%

(b) If licensing is required to perform title agents, searchers or abstractors activities in the states where the Applicant performs these activities, is the Applicant and all appropriate individuals properly licensed? Yes No

(c) Please provide identities of all title companies for which the Applicant has underwriting authority and the date the underwriting authority was first delegated to the Applicant:

Title Company:

Date of Authority:

(d) Has any title company ever canceled or non-renewed their agency contract with the Applicant? Yes No

(e) Who performs title searches for the Applicant?
Applicant: _____%; Independent Contractor: _____%
If independent contractor performs title searches, are they required to carry E&O? Yes No
Minimum limits required: \$_____

18. If coverage desired for escrow operations, please answer questions 18. (a) through (d):

(a) Total number of escrows handled by the Applicant over the past 12 months: _____

(b) Value of largest escrow handled by the Applicant over the past 12 months: \$_____

(c) Average value per escrow handled by the Applicant over the past 12 months:
\$ _____

- (d) Does the Applicant have written procedures that require:
- | | | |
|---|------------------------------|-----------------------------|
| Use of a standardized set of instructions? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Signatures of the appropriate parties on all modifications of instructions? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Internal escrow file audits prior to closings? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

It is hereby understood and agreed that the information provided above is true and correct and is material to the Insurer in deciding whether to issue its policy to the Applicant. Further, if such information is false or incomplete, it may constitute a misrepresentation that will: (a) permit the Insurer to modify the terms and conditions of the policy issued to the Applicant (including without limitation to excluding any claim arising from or relating to the false information or non-disclosure); or (b) void the policy.

Applicant Signature

Date (Mo/Day/Yr)

(Print or Type Name & Title)



Please Fax or Email
Completed Application To:

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