

## REAL ESTATE SERVICES PROFESSIONAL LIABILITY INSURANCE APPLICATION

**This is an application for a “claims-made and reported” policy. If a policy is issued, this application will attach to and become part of the policy. Please answer all questions and provide the following information:**

1. Descriptive or promotional brochures, firm resumes, marketing materials or literature.
2. Resumes of all principals, partners, officers, and professional employees.
3. Standard contract or engagement letter used with clients.
4. Standard contract used with independent contractors or subcontractors
5. Latest fiscal year ended and current interim financial statements for all entities proposed for coverage.

### A. **PROPOSED APPLICANT**

1. Applicant (as it should appear on the policy, if written):

\_\_\_\_\_

DBA Name or “Trade” Name: \_\_\_\_\_

List any additional entities that you are seeking coverage for: \_\_\_\_\_

\_\_\_\_\_

2. Name/Title/Email of individual designated to accept all notices on behalf of the Applicant: \_\_\_\_\_

\_\_\_\_\_

3. Principal Business Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

4. Business Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

5. Mailing Address if Different than Business Address: \_\_\_\_\_

6. Business Website Address(es): \_\_\_\_\_

7. (a) Is the Applicant owned, controlled, or affiliated with any other entity not shown in A.1.? Yes No

- (b) Does the Applicant own, control, or manage any other entity now shown in A.1.? Yes No

If the answer is **yes** to 7(a) or 7(b), provide details on an attachment to this Application

8. (a) Date Applicant was established? \_\_\_\_\_ Yes No

- (b) Is the Applicant a franchisee or franchisor?

If **yes** provide details on a separate sheet

- (c) Applicant is:      Individual      Corporation      Partnership      LLC      LLP      Other

9. (a) Is the Applicant a successor-in-interest to any predecessor firm or has the Applicant been involved in any merger, acquisition, consolidation, divestiture, bankruptcy, or dissolution? Yes No

If **yes** attach details

- (b) Does the Applicant have any plans within the next 12 months for any acquisition, divestiture, consolidation, merger, bankruptcy or dissolution involving any Applicant? Yes No

If **yes** attach details

10. (a) Provide the following information for each of the Applicant’s principals, partners, directors, officers, majority owners and key employees. Attach additional sheet if necessary:

Full Name	Title	License Held	Professional Designations	Years of Experience	Years with Applicant

- (b) Please provide the following information for the Applicant's employees and Independent Contractors who provide professional services on behalf of the Applicant:

	Avg Years of Experience	Avg Years with Applicant	Number
Active Licensed Agents			
Other Professionals			

- (c) Is coverage desired for the Applicant's Independent Contractors? ☐ Yes ☐ No  
 If yes, do you have a written agreement with the independent Contractors? ☐ Yes ☐ No  
 (d) Do you want to provide coverage under this coverage? ☐ Yes ☐ No

11. (a) During the past 5 years, has any of the Applicant's principals, partners, directors, officers, professional employees or Independent Contractors been engaged to provide professional services for or in connection with any entity or any real property in which he, she or the Applicant had an ownership or financial interest? ☐ Yes ☐ No  
 If **yes**, complete Owned Property Supplement  
 (b) Does the Applicant's principals, partners, directors, officers, professional employees or Independent Contractors have any plans to provide professional services for or in connection with any entity or any real property in which he, she or the Applicant has an ownership or financial interest? ☐ Yes ☐ No  
 If **yes**, complete Owned Property Supplement

**B. COVERAGE REQUESTED**

1. Effective Date Requested: \_\_\_\_\_  
 2. Limits Desired: ☐ \$1,000,000 ☐ \$2,000,000 ☐ \$3,000,000 ☐ Other: \_\_\_\_\_  
 3. Self-Insured Retention/Deductibles each claim: ☐ \$5,000 ☐ \$10,000 ☐ \$15,000 ☐ \$25,000 ☐ Other: \_\_\_\_\_

**C. BUSINESS ACTIVITY**

1. (a) Please indicate which of the following activities the Applicant has performed in the past five (5) years or intends to perform in the next 12 months and the annual revenues for each: (Check all that apply)

**Services**

Residential:	Previous 12 Months	Next 12 Months
Sales		
Leasing		
Land and Lots		
Vacation Rentals		
Appraising		
Property Management		
Auctioneering		
Sale of Property		
Mortgage Broker		
<b>Commercial:</b>		
Asset Management		
Auctioneering		
Appraisals		
Construction Management		
Other Construction Services		
Escrow		
Facility Management		

Foreclosures		
Mortgage Banking		
Mortgage Brokering		
Leasing		
Commercial Property Mgmt.		
Real Estate Development		
Real Estate Consulting		
Sale of Commercial Property		
Sale of Industrial or Income Producing Property		
Title Services		
Broker Price Opinions		
Other: (Describe)		
<b>TOTALS:</b>		

(b) Do you use the formation, management or organization of group investments or syndications (including limited partnerships, general partnerships, or REIT's)? ☐ Yes ☐ No

(c) Please provide the projected revenues for the next 12 months and the actual gross revenues for the most recent fiscal year end from the rendering of the services above:

Fiscal Year End: \_\_\_\_\_

Next 12 months (Projected)	
_____	

(d) Please provide the following for your top 3 clients:

Client Name	Services	Transaction Value	Value/Fees

#### D. **TRAINING AND RISK MANAGEMENT**

- Does the Applicant have a formal training program for personnel? ☐ Yes ☐ No
- For the most recent 12 months, indicate the percentage of sales transactions in which the firm or any member of the firm including any Independent Contractor, acted as a dual agent representing both the buyer and seller: \_\_\_\_\_%
- Is this dual capacity disclosed in writing on all such transactions? ☐ Yes ☐ No
- Does the Applicant have a written procedure to escalate complaints to the Applicant's senior management? ☐ Yes ☐ No
- Are written contracts used with clients? ☐ Always ☐ Sometimes ☐ Never
  - Are all such contracts either developed by a recognized professional association or are they always reviewed and approved by the Applicant's legal counsel before they are entered into by the Applicant? ☐ Yes ☐ No  
 (If such written contracts are developed by a professional association, provide the full legal name of that association: \_\_\_\_\_)  
 If written contracts are sometimes used, indicate the percentage in the past 12 months' gross receipts derived from providing services pursuant to written contracts: \_\_\_\_\_%

**E. PRIOR INSURANCE**

1. List all professional liability/errors & omissions insurance carried for each of the past three (3) years. If none, state the reason for present insurance inquiry: \_\_\_\_\_

	Insurance Company	Limit of Liability	Deductible	Premium	Policy Period	Retroactive Date
Current						
Prior Year 1						
Prior Year 2						

2. Has the Applicant ever had any professional liability insurance cancelled or non-renewed within the last last three (3) years? ☐ Yes ☐ No  
If **yes** attach explanation.
3. Does the Applicant currently have the following insurance coverage in place:
- Cyber ☐ Yes ☐ No
- Commercial Crime ☐ Yes ☐ No
- EPLI ☐ Yes ☐ No

**F. CLAIMS EXPERIENCE**

1. Have any claims or suits (including without limitation: any shareholder action or derivative suit; or any civil, criminal or regulatory action or any complaint, investigation or proceeding related thereto) been made during the past five (5) years against: (a) the Applicant; (b ) its predecessors in business; (c) any subsidiary or affiliate of the Applicant; (d) any other entity proposed for coverage; or (e) any past or present partners, directors, officers, or employees of the Applicant, its predecessors in business, any subsidiary or affiliate of the Applicant, or any other entity proposed for coverage? ☐ Yes ☐ No
2. Is the Applicant (after proper inquiry of each director, officer or partner of the Applicant) aware of any circumstances, incidents, situations, or accidents (including without limitation: shareholder action or derivative suit; or any civil, criminal, or regulatory action, or any complaint, investigation or proceeding related thereto) that may result in a claim being made against: (a) the Applicant; (b ) its predecessors in business; (c) any subsidiary or affiliate of the Applicant; (d) any other entity proposed for coverage; or (e) any past or present partner, directors, officers, or employees of the Applicant, its predecessors in business, any subsidiary or affiliate of the Applicant, or any other entity proposed for coverage? ☐ Yes ☐ No
3. Is the Applicant (after proper inquiry of each director, officer or partner of the Applicant, or any proposed insured) been involved during the past five (5) years in any disputes with respect to fees or other compensation which may be due for services/products provided by the Applicant? ☐ Yes ☐ No
4. Is the Applicant (or any director, officer, partner or employee of the Applicant, or any other proposed insured) aware of any actual or alleged deficiencies, errors or omissions in work performed by the Applicant or by others for whom the Applicant is legally responsible which would likely result in a claim under the proposed insurance? ☐ Yes ☐ No
5. Is the Applicant aware of any instances within the last ten years in which any of the Applicant's principals, officers, employees, Independent Contractors or any other prospective insured ever been the subject of a reprimand, disciplinary or criminal action by any association, state licensing board or any federal, state or local authorities? ☐ Yes ☐ No  
If **yes**, attach details

It is agreed that any claim or lawsuit against the Applicant, any director, officer, partner or employee of the Applicant, or any other proposed insured, arising from any facts, circumstances, acts, errors or omissions disclosed or required to be disclosed in response to questions F.1, F.2., F.3., F.4 and F.5 above, is hereby excluded from coverage under the proposed insurance policy.

**NOTICE TO APPLICANT - PLEASE READ CAREFULLY**

**Warranty:**

Is it hereby Understood and Agreed, after proper inquiry of each director, officer, partner or employee of the Applicant, or any other proposed insured, that this application and its representations and warranties shall be deemed to be submitted by or on behalf of and be binding upon the Applicant and each and every proposed insured under the policy. It is further agreed that any misrepresentation, non-disclosure, concealment, or breach of warranty in this application shall be binding upon the Applicant and each and every proposed insured under the policy whether or not the proposed insured knew of, committed, or was responsible for such misrepresentation, non-disclosure, concealment, or breach of warranty.

We hereby authorize the release of claim information from any prior insurer to the insurer.

We understand and accept that the policy applied for provides coverage on a claims made and reported basis for only those claims that are first made against the Applicant and reported in writing to the Insurer during the policy, that the limits of liability of the policy will include both Damages and Defense Expenses, and that the Insurer will rely upon the truth of the information and statements in this application in deciding whether to issue a policy to the Applicant.

The Applicant agrees that if the information supplied on or attached to this application changes between the time this application is executed and the time that the proposed insurance policy is bound or coverage commenced, the Applicant will immediately notify the Insurer in writing of such changes; and the Insurer fully reserves with respect to the underwriting acceptance or denial of such changes.

Signing this form does not bind the Applicant or the Insurer to complete this insurance, but this application shall be the basis of the insurance should a policy be bound and issued and shall become part of the policy. The application must be signed to be considered for quotation.

The application must be signed by and dated by an owner, partner, or senior officer of the Applicant.

**Applicant Info:**

Applicant Organization: \_\_\_\_\_

Name Printed: \_\_\_\_\_

Title: \_\_\_\_\_

Applicant Signature: \_\_\_\_\_

Date: \_\_\_\_\_

**Broker Info**

Broker Name: \_\_\_\_\_

Address: \_\_\_\_\_

Company Name: \_\_\_\_\_

Email: \_\_\_\_\_

Phone Number: \_\_\_\_\_

**ADDITIONAL INFORMATION:**

## OWNED PROPERTY SUPPLEMENT

NAME OF APPLICANT: \_\_\_\_\_ DATE: \_\_\_\_\_

Please provide the following additional information for each property in which any Insured has/had an ownership interest, if the Insured within the past 12 months has performed or plans within the next 12 months to perform Professional Services in connection with the property:

Location of Property (a)	Description of Property's Use (b)	Market Value or Rental Income (c)	Professional Services Performed (d)	Commissions Or Fees (e)	% Owned by Insured (f)	Other Owners (g)

- (a) Please provide city and state where property is located;
- (b) Please describe the property's end use, i.e. office building, apartment building, retail, industrial...
- (c) If the insured sold or plans to sell the property, please provide the sale price or market value of the property. If the insured manages or leases the property, please provide the annual rental income that the property produces;
- (d) Please describe the services performed or to be performed for the property, i.e. acting as agent in the sale of property, property manager for the property, leasing agent for the property, ...
- (e) Commissions earned or expected to be earned from the sale of property or fees earned or expected to be earned from the management or leasing of the property;
- (f) Percentage of all prospective insured's collective direct and/or indirect ownership interest in the property
- (g) Identities of others who have an ownership interest in the property.

### CLAIM SUPPLEMENTAL APPLICATION

Please read this entire Supplemental Application carefully before signing. Whenever used in this Supplemental Application, the term "Applicant" means the Named Insured(s). Please complete ONE Supplemental Application for EACH claim or incident.

Name of Applicant: \_\_\_\_\_

1. Name(s) of Claimant(s) or potential Claimant(s): \_\_\_\_\_

2. Name of Defendant(s) or potential Defendant(s): \_\_\_\_\_

3. Indicate: Incident (potential claim) Claim Lawsuit

(a) Date of alleged wrongful act, error or omission: \_\_\_\_\_

(b) Date Applicant became aware of the alleged wrongful act, error or omission: \_\_\_\_\_

(c) How did the Applicant become aware of the alleged wrongful act, error or omission: \_\_\_\_\_

4. Has the matter been reported to the current carrier: Yes No

Carrier Name : \_\_\_\_\_

Date Reported: \_\_\_\_\_

5. This matter is Open Closed

(a) If Closed, indicate the Total:

(1) Expense paid: \$ \_\_\_\_\_

(2) Damages paid: \$ \_\_\_\_\_

(b) If Closed indicate if: Court Judgment Out of Court Settlement Withdrawn

(c) If Open, indicate the Claimant Settlement Demand, if any: \$ \_\_\_\_\_

(d) If Open, indicate the Settlement amount offered by the Applicant: \$ \_\_\_\_\_

(e) If Open, indicate the amount of legal expenses paid to date: \$ \_\_\_\_\_

(f) If Open, indicate the Insurer's reserve for:

(1) Expenses: \$ \_\_\_\_\_

(2) Damages: \$ \_\_\_\_\_



6. Provide a detailed description of the claim or incident, including the allegations against the Applicant:

7. Please explain the corrective actions taken to prevent a similar claim or incident from reoccurring:

8. Attach a loss history report covering the last five (5) years if available

By signing this Supplemental Application, the Applicant understands and agrees that the information submitted herein and all attachments becomes a part of, is deemed attached to, and is subject to the same representations and conditions of, its application for professional liability insurance.

This Supplement Application must be signed and dated by a Principal, Partner, Managing Member or Senior Officer of the Applicant. Electronically reproduced signatures will be treated as original.

Applicant Organization: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Signature: \_\_\_\_\_

Date \_\_\_\_\_