# SPECIALTY E&O PLAN

## APPLICATION FOR
## SPECIALTY ERRORS AND OMISSIONS
## LIABILITY INSURANCE PLAN

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**WHAT YOU SHOULD KNOW ABOUT THIS APPLICATION:**

___ CLAIMS MADE POLICY
This application is for a CLAIMS MADE POLICY. CLAIMS MADE coverage applies only to those claims that are first made during the policy period and result from wrongful acts committed AFTER the RETROACTIVE DATE stated in the policy, if issued.

___ DEFINITIONS
The words **We**, **Us** and **Our** whenever used in this application refer to the Insurance Company offering the claims made policy.

The words **You** and **Your** in this application refer individually and collectively to:

1. The corporation(s), partnership(s) and/or sole proprietorship(s) for which coverage is desired;

2. Each person who is an officer, director, owner, partner or employee of the firms listed in Item 1 above.

___ DEDUCTIBLE
The coverage **You** are applying for includes a deductible applying to each wrongful act and applies to any combination of damages and claim expenses.

___ CLAIM EXPENSES WITHIN LIMIT
The Policy form for which **You** are applying contains a provision that reduces the total limit of insurance stated in the policy by the amount of claim expenses paid by **Us**.

___ APPLICATION FORMS PART OF POLICY
**Your** submission of this application does not obligate **You** to buy insurance nor are **We** obligated to sell insurance or to offer insurance upon any specific terms requested. If coverage is effected, this application containing **Your** statements and answers will attach to and form a part of the policy. If coverage is offered or bound, any false or incorrect statements or answers which may have affected **Our** decision to offer or bind coverage could result in the offer being retracted or coverage being voided.



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## APPLICATION FOR SPECIALTY ERRORS AND OMISSIONS LIABILITY INSURANCE POLICY

**INSTRUCTIONS:**
The purpose of this application is not only to provide **Us** with underwriting and rating information, but more importantly, to help make certain **You** and **We** have a meeting of minds about what the policy, if issued, will cover and what it will not. Thank **You** for taking the time to provide **Us** with accurate information.

1. Answer all questions. If any question does not apply, explain why not.

2. If space is insufficient, continue answers on **Your** letterhead.

3. The application must be signed and dated by a principal, partner, officer or director of the firm.

4. Attach:
   A. A recent brochure or similar materials describing activities or services;
   B. **Your** most recent financial statement or annual report.
   C. Copies of standard contracts **You** enter into with clients; and
   D. Any other forms or materials which will provide the underwriter with information about the services **You** perform.

**PROPOSED INSURED (APPLICANT):**

1. _____
   Name of **Your** firm:

   _____
   Street Address

   _____
   City, State, Zip Code  Telephone No.

2. A. Provide the date **Your** firm was established. _____

   B. Geographic area in which **You** provide service(s)
   • Local • Regional (Multi State) • National • International

3. Are you owned by, or affiliated with other companies, or do you have any subsidiaries? • Yes • No

   A. If yes, advise who they are.

   B. For which of these do you wish to extend coverage.

4. A. Within the past five years, have **You** changed **Your** name, acquired any business, or have **You** merged or consolidated with any entity? • Yes • No

   If yes, provide the following information (if more space is needed, advise by attachment)

| Name of Entity | Date of Transaction | Type of Transaction (acquisition, merger or consolidation) |
|---|---|---|
| _____ | _____ | _____ |
| _____ | _____ | _____ |



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B. In any of the transactions listed in 4. A. above, did **You** assume the liabilities (i.e. responsibility for prior acts) of the acquired, merged or consolidated entity? • Yes • No
If yes, provide details of the liability(ies) assumed.

5. A. Provide the number of **Your**:

principals, partners or officers _____
technical personnel _____
clerical personnel _____

B. List the qualifications of key personnel or attach experience resumes of each.

C. List professional societies and trade associations relating to the services to be insured in which **You** or any of **Your** officers are a member.

D. Do **You** have any certified or licensed professionals on staff? (i.e. architect, engineer, medical practitioner, attorney, CPA, actuary, or insurance agent or broker, etc.)
• Yes • No If yes, what services are they providing.

**OPERATIONS:**

6. A. Describe the services you provide that **You** wish to insure. (Attach company brochures, advertising materials, etc. that describe these services.)

B. Do **You** use independent contractors or subcontractors for the services described in A. above?
• Yes • No If yes, describe the services they provide and the estimated percentage of time used.

7. Briefly describe **Your** five largest jobs or projects during the past five years.

| | Client | Revenue | Service(s) Performed |
|---|---|---|---|
| 1. | | | |
| 2. | | | |
| 3. | | | |
| 4. | | | |
| 5. | | | |



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8. A. What do **You** see as **Your** potential exposure to E&O claims?

B. What safeguards or procedures do **You** employ to avoid these claims or reduce these exposures?

9. A. Do **You** use a written contract or agreement describing the services **You** will provide? • Yes • No

If yes, attach representative contracts, work orders, license agreements or letters of agreements **You** use with **Your** clients. If no, explain how you reach agreement with **Your** clients regarding the services to be insured.

B. Percentage of time agreements in 9. A. above are used _____%

C. Do your contracts contain the following:

| | |
|---|---|
| Hold Harmless or Indemnity Agreement inuring to **Your** benefit | • Yes • No |
| Hold Harmless or Indemnity Agreement inuring to **Your** client's benefit | • Yes • No |
| Guarantees or Warranties | • Yes • No |
| Disclaimer inuring to **Your** benefit | • Yes • No |

D. Has a law firm experienced in **Your** field reviewed **Your**:

| | |
|---|---|
| Contracts | • Yes • No |
| Procedures | • Yes • No |

10. Provide the following information regarding **Your** income:

| **Domestic Operations** | **Past 12 Months** | **Current 12 Months** | **Estimate for Coming Year** |
|---|---|---|---|
| Gross billings, sales, fees commissions (circle the applicable basis) | $ _____ | $ _____ | $ _____ |
| **Foreign Operations** | | | |
| Gross billings, sales, fees commissions (circle the applicable basis) | $ _____ | $ _____ | $ _____ |



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**CLAIM EXPERIENCE:**

11. A. Have any claims, suits or proceedings been made during the past five years against any of **You** or any of **Your** predecessors in business, subsidiaries or affiliates or against any of their past or present partners, owners, officers, sales persons or employees? • Yes • No If yes, complete a supplemental claim information form for each.

    **The policy for which You are applying, if issued, will not insure any claims, suits or proceedings made against any of You before the inception date of the policy or any subsequent claims, suits or proceedings arising therefrom.**

    B. Are any of **You** aware of any actual or alleged fact, circumstance, situation, error or omission which may reasonably be expected to result in a claim being made against **You** or any of the persons or entities described in 11. A. above? • Yes • No If yes, explain below or in an attachment.

    **The policy for which You are applying, if issued, will not insure any claims that can reasonably be expected to arise from any actual or alleged fact, circumstance, situation, error or omission known to any of You before the inception date of the policy.**

12. Have any of **You** or any of **Your** predecessors in business, subsidiaries or affiliates or any of their past or present partners, owners, officers, sales persons or employees been investigated and/or cited by any regulatory agency for violations arising out of **Your** or their activities? • Yes • No
    If yes, explain below or attach a statement giving details.

**PRIOR OR CURRENT COVERAGE:**

13. A. Provide the following information for similar insurance, if any, carried during the last five years

| Company | Limit | Deductible | Premium | Policy Term |
|---|---|---|---|---|
| _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ |

    B. Advise current retroactive date (if claims made) _____

14. Provide the following information for **General Liability** coverage currently in force:

| Company | Limit | Deductible | Policy Term |
|---|---|---|---|
| _____ | $ _____ | $ _____ | $ _____ |

    Does the policy above include coverage for Products/Completed Operations Hazards? • Yes • No

15. Limit of Liability desired: _____ Deductible: _____



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**REPRESENTATIONS:**

**By signing this application, You agree that:**

A. The statements and answers given in this application and any attachments to it are accurate and complete;
B. The statements and answers **You** furnish to **Us** are representations **You** make to **Us** on behalf of all persons and entities proposed for coverage;
C. Those representations are a material inducement to **Us** to provide a proposal for insurance;
D. Any policy **We** issue will be issued in reliance upon those representations;
E. **You** will report to **Us** immediately, in writing, any material change in **Your** operations, condition or answers provided in this application that occur or are discovered between the date of this application and the effective date of any policy, if issued; and
F. **We** reserve the right, upon receipt of any such notice, to modify or withdraw any proposal for insurance **We** have offered.

**WARNING**

ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR OTHER PERSON FILES AN APPLICATION FOR INSURANCE OR STATEMENT OF CLAIM CONTAINING ANY MATERIALLY FALSE INFORMATION, OR CONCEALS FOR THE PURPOSE OF MISLEADING, INFORMATION CONCERNING ANY FACT MATERIAL THERETO, COMMITS A FRAUDULENT INSURANCE ACT, WHICH IS A CRIME AND IN NEW YORK SHALL ALSO BE SUBJECT TO A CIVIL PENALTY NOT TO EXCEED FIVE THOUSAND DOLLARS AND THE STATED VALUE OF THE CLAIM FOR EACH SUCH VIOLATION.

_____ Date

_____ **Your** Signature

_____ **Your** Title

**To Be Completed by Producer(s) Only:**

RETAIL PRODUCER

PRODUCER NAME:
CITY, STATE:
TELEPHONE NUMBER:

WHOLESALE PRODUCER

PRODUCER NAME:
CITY, STATE:
TELEPHONE NUMBER:

Note: Agent/broker is responsible for collection and filing of any surplus lines taxes and fees that may apply.



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# SPECIALTY E & O PLAN

## SPECIALTY ERRORS AND OMISSIONS LIABILITY INSURANCE POLICY APPLICATION
## MORTGAGE BROKERS/MORTGAGE BANKERS SUPPLEMENT

1. Name of **Your** firm: _____

2. Please indicate the percentages of **Your** total operations:
   _____% Loan Underwriting
   _____% Loan Servicing
   _____% Loan Origination
   Must Total 100%

3. Do **You** have a warehouse line of credit in place? ____ Yes ____ No:
   If Yes, Amount of Credit Line _____.

4. Types of loans **You** originate/underwrite/service (check all that apply):

   - ☐ Conventional
   - ☐ Government Sponsored
   - ☐ Jumbo
   - ☐ Balloon
   - ☐ Non-Conventional
   - ☐ Construction
   - ☐ Fixed
   - ☐ Variable
   - ☐ Reverse Mortgage
   - ☐ Other (please list) _____
     _____
     _____

5. a. Number of loans closed in past year _____

   b. Average Loan Value $ _____

   c. Maximum Loan Value $ _____

6. Do any of **Your** employees or employees of related entities perform property appraisals? ____ Yes ____ No.

7. Have **You** encountered any problem with respect to compliance with the Truth-In-Lending Act, the Equal Credit Opportunity Act or RESPA in the past 24 months? ____ Yes ____ No. If yes, provide details:
   _____
   _____
   _____

8. Do **You** ever close loans in **Your** own name or that of a related entity? ____ Yes ____ No.

9. Are **You** a member of the Mortgage Bankers Association of America? ____ Yes ____ No.



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10. Do **You**, or an affiliate/subsidiary entity have any ownership or equity interest in any property(ies) for which services are provided? ____ Yes ____ No If yes, please describe interest(s).

**LOAN SERVICING ONLY:**

11. (a) Total number and dollar volume of loans serviced by **You** during the past 12 months.
    # _____ $ _____

    (b) Of the total servicing dollar volume stated above, provide the percentage represented by:

| | Current Year | Prior Year |
|---|---|---|
| (1) Income property loans | _____ % | _____ % |
| (2) Adjustable rate mortgage loans | _____ % | _____ % |
| (3) Loans where **You** act as subservicer | _____ % | _____ % |
| (4) Loans that are subserviced by others | _____ % | _____ % |
| (5) Servicing purchased within the last 12 months | _____ % | _____ % |
| (6) GNMA pool loans | _____ % | _____ % |
| (7) Other loans sold with recourse | _____ % | _____ % |
| (8) Loans delinquent from | | |
| (i) 30-59 days | _____ % | _____ % |
| (ii) 60-89 days | _____ % | _____ % |
| (9) Loans classified as REO and/or loans in foreclosure | _____ % | _____ % |

12. To complete **Your** application, please submit:

FOR MORTGAGE BROKERS
(a) Sample contract between **You** and an investor
(b) Resumes of all principals and key management personnel

FOR MORTGAGE BANKERS
(a) Current audited financial statement
(b) Resumes of all principals and key management personnel

**THIS MORTGAGE BROKER/MORTGAGE BANKER SUPPLEMENT IS ATTACHED TO AND FORMS A PART OF THE SPECIALTY ERRORS AND OMISSIONS LIABILITY INSURANCE POLICY APPLICATION. IT IS SUBJECT TO THE SAME PROVISIONS CONCERNING REPRESENTATIONS MADE AS IN THE BASIC APPLICATION.**

_____ _____
Date **Your** Signature/Title

**NOTE: THE SIGNATURE MUST BE THAT OF AN ACTIVE OWNER, PARTNER OR EXECUTIVE OFFICER OF YOUR FIRM.**



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