



# APPLICATION

## Real Estate Errors & Omissions Insurance

**NOTICE:** THIS INSURANCE IS WRITTEN ON A CLAIMS MADE AND REPORTED BASIS AND ONLY APPLIES TO CLAIMS FIRST MADE AGAINST THE CERTIFICATE HOLDER AND REPORTED IN WRITING TO THE COMPANY DURING THE CERTIFICATE PERIOD. NO COVERAGE EXISTS FOR CLAIMS FIRST MADE AGAINST THE CERTIFICATE HOLDER AFTER THE END OF THE CERTIFICATE PERIOD UNLESS, AND TO THE EXTENT, A BASIC OR EXTENDED REPORTING PERIOD APPLIES. NOTICE: DEFENSE EXPENSES ARE INCLUDED WITHIN AND REDUCE THE APPLICABLE LIMIT OF LIABILITY STATED IN THE CERTIFICATE. PLEASE READ THE ENTIRE POLICY CAREFULLY.

Please answer all questions, and verify that all information is true and complete to the best of your knowledge. The application is a warranty to the policy.

### PART 1: APPLICANT INFORMATION

1. Name of Applicant: \_\_\_\_\_  
(Company name if applicable)

Name of Primary Licensed/Certified Professional: \_\_\_\_\_

Principal Street Address: \_\_\_\_\_

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

Mailing Address (if different from above): \_\_\_\_\_

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

E-Mail Address: \_\_\_\_\_

Telephone: \_\_\_\_\_ Fax: \_\_\_\_\_

Applicant Ownership:  Sole Proprietor  LLC  Partnership  Corporation

2. Date firm was established: \_\_\_\_\_

3. Year current owner assumed management: \_\_\_\_\_

4. Number of years owner licensed as an appraiser \_\_\_\_\_ agent \_\_\_\_\_ as a broker \_\_\_\_\_.

### Part 2: STAFF

\* Professionals are defined as: Owners, Partners, Officers, Appraisers, Real Estate Brokers/Agents/Salespersons, Property Managers, OR Consultants, including independent contractors.

5. Number of **Full Time** Professionals (earning more than \$20,000): \_\_\_\_\_

6. Number of **Part Time** Professionals (earning less than \$20,000): \_\_\_\_\_

7. Number of **Support Staff**: \_\_\_\_\_

### PART 3: UNDERWRITING INFORMATION

8. Do at least 15% of all professionals hold a professional designation? (i.e. GRI, CRS, CRE, ABR, MAI, SRA)  Yes  No

9. Does Applicant control, own, or engage in any other business?  Yes  No

If YES, please explain: \_\_\_\_\_

10. Is Applicant controlled, owned, or managed by any other person, partnership, or corporation?

Yes  No

If YES, please explain: \_\_\_\_\_

11. Complete the following for all types of properties appraised and/or sold, and indicate gross income derived from each:

	Last 12 Months		Projected Next 12 Months	
	\$ Gross Revenue	# of Appraisals/ Transactions	\$ Gross Revenue	# of Appraisals/ Transactions
<b>RESIDENTIAL Appraisal Assignments</b>				
Single-family residential or lots for single-family residential (1 to 4 units)				
Multi-family (5 to 9 units) or lots for multi-family (5 to 9 units)				
<b>COMMERCIAL Appraisal Assignments</b>				
Apartment or residential condo complexes (10 or more units)				
Commercial properties (shopping centers, industrial properties, office buildings, churches, schools, farm land, agricultural properties)				
<b>Real Estate Sales / Brokering</b>				
Farm land / Raw land				
Residential Sales				
Residential Leasing*				
Owned Residential Property Sales				
Commercial Sales*				
Commercial Leasing*				
Owned Commercial Property Sales				

<b>Other Services</b>				
Property Management				
Sale of Business Opportunities				
Mortgage Brokering				
Real Estate Consulting (provide details below)				
Other (provide details below)				

**Details of “Real Estate Consulting” and “Other” from above:**

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**12.** Do you appraise any real estate or properties which you have a financial interest in?

Yes  No

**13.** Do you perform appraisals on properties valued over \$3,000,000?  Yes  No

If Yes, please indicate highest value property appraised in last 12 months: \_\_\_\_\_

**14.** During the past 5 years has the applicant been involved in any merger, acquisition, or consolidation?

Yes  No

**15.** Does the applicant transact business in multiple states or outside of the United States?

Yes  No

If Yes, provide details on a separate sheet, including the percent (%) of total gross revenues from each state or country.

**16.** Would you like coverage for both appraising and sales/leasing under this policy?

Yes  No

===== **BEGIN REAL ESTATE AGENT SECTION** =====

== **These questions must be answered ONLY IF Applicant requests coverage for sales/leasing** ==

**If NO to 16: Proceed to PART 4 below.**

**If YES to 16:** Are you licensed as a real estate agent/broker?  Yes  No

A. Does the applicant have documented procedures which include instructions on how to handle complaints and compliance with Federal, State and Local statutes?  Yes  No

B. Does the applicant use approved board of REALTORS® or state association of REALTORS® standard contract forms for the listing and sale of all Real Estate?  Yes  No

If No, please explain: \_\_\_\_\_

C. In the past year, what was the average value of properties sold/purchased by applicant?

\_\_\_\_\_

D. What percentage of residential transactions included a:

a. Signed property disclosure form? \_\_\_\_\_%

b. Home inspection or written waiver? \_\_\_\_\_%

c. Home warranty program? \_\_\_\_\_%

E. Do you have any ownership interest in any property being managed, purchased, or held for sale?

Yes  No

If Yes, please explain: \_\_\_\_\_

===== END REAL ESTATE AGENT SECTION =====

#### PART 4: COVERAGE INFORMATION

17. Do you currently carry Professional Liability (Errors and Omissions) insurance?  Yes  No

If YES, your Retroactive Date is: \_\_\_\_\_

[Please attach a copy of the Declarations page of your expiring Policy.]

18. **Limits Of Liability Per Claim / Aggregate** (Applicant may check more than one)

- |                          |                           |  |
|--------------------------|---------------------------|--|
| <input type="checkbox"/> | \$250,000 / \$250,000     | <b>Higher Limit</b>                                |
| <input type="checkbox"/> | \$500,000 / \$500,000     | <input type="checkbox"/> \$1,000,000 / \$2,000,000 |
| <input type="checkbox"/> | \$1,000,000 / \$1,000,000 |  |

19. **Deductible** (Applicant may check more than one)

- |                          |         |            |
|--------------------------|---------|------------|
| <input type="checkbox"/> | \$1,000 | Each claim |
| <input type="checkbox"/> | \$2,500 | Each claim |
| <input type="checkbox"/> | \$5,000 | Each claim |

#### 20. Optional Coverage:

20a. Do you want Real Estate Appraisal Management Company Extension? (Adds 10% of Premium)

Yes  No

#### 20b.

Yes  No Please send me information on coverage for Bodily Injury Property Damage Coverage (BIPD)- coverage for an injury or damage to property that I may be responsible for at a property site. A low-cost Business Owner's Policy (BOP) is also available. Or if you have a business location, OREP offers a full Commercial Package Policy. Premiums range from \$175 - \$500 for this coverage.

#### PART 5: HISTORY

21. Has any application or policy for similar professional liability insurance on behalf of the Applicant, partners, officers or employees or on behalf of predecessors in business ever been declined, cancelled, or renewal refused? MISSOURI APPLICANTS NEED NOT REPLY.

Yes  No

If Yes, please provide details in Explanation Section below.

22. Is the Applicant or any of the individuals listed in Part 2, aware of any circumstance, incident or complaint which may lead to the filing of a claim or disciplinary action against the Applicant or against any individuals listed in Part 2 within the last five years?

Yes  No

If Yes, please provide details in Explanation Section below.

23. Have any claims ever been made against the Applicant, or against any individuals listed in Part 2 within the last five years?

Yes  No

If Yes, please attach a completed Claims Supplement for each claim along with a current loss run

**24.** Has the Applicant or any of the individuals listed in Part 2 been the subject of a disciplinary action by any real estate or appraiser association, state licensing board, or other regulatory body, as a result of professional activities within the last five years?

Yes  No

If Yes, please attach a completed Claims Supplement for each claim along with a current loss run

<b>EXPLANATION SECTION</b>

## **FRAUD WARNINGS**

**FRAUD 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 subjects such person to criminal and civil penalties.

**ARKANSAS, LOUISIANA AND WEST VIRGINIA FRAUD WARNING:** Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

**COLORADO FRAUD WARNING:** It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance benefits, and/or civil damages. In Colorado, any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado Division of Insurance within the Department of Regulatory Agencies.

**D.C. FRAUD WARNING:** It is a crime to provide false or misleading information to an insurer for the purpose of defrauding the insurer or any other person. Penalties include imprisonment and/or fines. In addition, an insurer may deny insurance benefits if false information materially related to a claim was provided by the applicant.

**FLORIDA FRAUD WARNING:** Any person who knowingly and with intent to injure, defraud or deceive any insurer, files a statement of claim or an application containing any false, incomplete, or misleading information is guilty of a felony of the third degree.

**KANSAS FRAUD WARNING:** Any person who, knowingly and with intent to defraud, presents, causes to be presented or prepares with knowledge or belief that it will be presented to or by an insurer, purported insurer, broker or any agent thereof, any written statement as part of, or in support of, an application for the issuance of, or the rating of an insurance policy for personal or commercial insurance, or a claim for payment or other benefit pursuant to an insurance policy for commercial or personal insurance which such person knows to contain materially false information concerning any fact material thereto; or conceals, for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

**KENTUCKY FRAUD WARNING:** Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance 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.

**MAINE FRAUD WARNING:** It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties may include imprisonment, fines or denial of insurance benefits.

**MARYLAND FRAUD WARNING:** Any person who knowingly and willfully presents a false or fraudulent claim for payment of a loss or benefit or who knowingly and willfully presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

**MINNESOTA FRAUD WARNING:** A person who submits an application or files a claim with intent to defraud or helps commit a fraud against an insurer is guilty of a crime.

**NEW JERSEY FRAUD WARNING:** Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties.

**NEW MEXICO FRAUD WARNING:** Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to civil fines and criminal penalties.

**NEW YORK FRAUD 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 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.

OHIO FRAUD WARNING: Any person who, with the intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud.

OKLAHOMA APPLICANTS: Warning: Any person who knowingly, and with intent to injure, defraud or deceive any insurer, makes any claim for the proceeds of an insurance policy containing any false, incomplete or misleading information is guilty of a felony.

OREGON FRAUD WARNING: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance containing any materially false information or conceals, for the purpose of misleading, information concerning any fact material to the content of the contract commits a fraudulent insurance act, which may be violating state law and may be subject to prosecution for insurance fraud.

PENNSYLVANIA FRAUD 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 subjects such person to criminal and civil penalties.

TENNESSEE FRAUD WARNING: It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines and denial of insurance benefits.

VIRGINIA AND WASHINGTON FRAUD WARNING: It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines and denial of insurance benefits.

VERMONT FRAUD WARNING: Any person who knowingly presents a false statement in an application for insurance may be guilty of a criminal offense and subject to penalties under state law.

**COMPLETION OF THIS FORM DOES NOT BIND COVERAGE. THE APPLICANT ACCEPTS NOTICE THAT ANY POLICY ISSUED WILL APPLY ON A "CLAIMS-MADE" BASIS. THE APPLICANT ACCEPTS NOTICE THAT THEY ARE REQUIRED TO PROVIDE WRITTEN NOTIFICATION TO THE COMPANY OF ANY CHANGES TO THIS APPLICATION THAT MAY HAPPEN BETWEEN THE SIGNATURE DATE BELOW AND ANY PROPOSED EFFECTIVE DATE.**

I understand that the final premium will be rounded to the nearest whole dollar. I declare that all statements and particulars herein are true, complete and accurate and that there has been no suppression or misstatements of fact and agree that this application shall be the basis of, and becomes a part of, my Professional Liability coverage.

Signature \_\_\_\_\_ Date \_\_\_\_/\_\_\_\_/\_\_\_\_