



APPLICATION FOR REAL ESTATE PROFESSIONALS ERRORS AND OMISSIONS POLICY

NOTICE: This is an application for a claims-made and reported policy. This policy covers only claims first made and reported during the policy period or extended reporting period, if applicable and otherwise covered by this insurance. Throughout this application and supplements, the term Applicant means the individual or entity applying for this insurance.

1. Legal Name of Applicant 2. Desired Effective Date 3. dba name(s) or Trade-name(s) 4. Month/Year Business Established 5. Contact Name 6. E-mail Address 7. Web Site 8. Area Code & Phone Number 9. Area Code & Fax Number 10. List All States in Which Applicant Conducts Business

11. Primary Applicant Address:(Street, City, State, Zip Code, County) 12. Mailing Address: (if different from primary address)

13. Applicant is: Sole Proprietorship Partnership Corporation LLP/ LLC Other:

14. Is Applicant independently owned and operated? Yes No If No, please describe:

15. In the past year, any change in Applicant's ownership? Yes No If Yes, please describe:

16. Does Applicant or any individual or entity proposed for coverage have an exclusive listing agreement with any builder/developer? Yes No If yes, please provide revenue %

17. \*Check this box for None or provide the percentage of income if Applicant provides any of the following services: Construction/Development Mortgage Banking Sale of Timeshares Right-of-way appraisals Construction Management Mortgage Brokering/ Financial Arrangements Group Investments/ Syndications/ RIETs Condo/ HOA Association Management

\*Note: Refer to the policy regarding these activities. Income from these activities will not be included in the rating of this policy.

18. Gross Revenues / Gross Commission Income (GCI): (Fees & commissions retained after paying a cooperating broker and BEFORE paying Applicant's sales staff)

Table with 5 columns: Real Estate Services, Most Recent 12 Months, Number of Transactions, Owned Property Revenues, Prior 12 Months. Rows include Residential Sales, Farm and/or Ranch Sales, Land and/or Lot Sales, Commercial, Industrial, Income Property Sales, Real Estate Leasing Fees, Residential Property Management, Non-residential Property Management, Real Estate Consulting or Counseling, Residential (1-4 units) Real Property Appraisal, Non-residential Real Property Appraisal, Auctioneering, Business Brokering Sales, Other, please describe, and Total Gross Revenues.

**19. Indicate percentage of residential transactions in the past twelve months that included:**

- a. Home warranty \_\_\_\_\_%
- b. Signed property disclosure form \_\_\_\_\_%
- c. Professional home inspection \_\_\_\_\_%
- d. Use of standard forms from local and/or state real estate associations \_\_\_\_\_%
- e. Fee for service income rather than commission \_\_\_\_\_%

**20. Does Applicant allow dual agency sales?**  Yes  No If yes, indicate percentage of transactions in the past 12 months:

- a. Dual agency sales \_\_\_\_\_%
- b. One agent handling both transactions sides (facilitator) \_\_\_\_\_%
- c. Dual agency disclosure form used \_\_\_\_\_%

**21. Principals, Partners, Directors and Officers information and please list individuals only once:**

Name	Title	Current Status of License	Year First Licensed as Real Estate	Professional Designations	Years with Applicant	License Ever Revoked or Suspended
		<input type="checkbox"/> Active <input type="checkbox"/> Inactive	Agent: Broker:			<input type="checkbox"/> Yes <input type="checkbox"/> No
		<input type="checkbox"/> Active <input type="checkbox"/> Inactive	Agent: Broker:			<input type="checkbox"/> Yes <input type="checkbox"/> No

**22. Please provide the number of individuals in each of the following categories:**

	Full-Time	Part-Time	Inactive	Total	Prof. Designations
Principals, Partners, Directors and Officers					
Licensed Real Estate Brokers (employed and I.C.)					
Licensed Real Estate Agents (employed and I.C.)					
Property Management Staff					
Real Property Appraisers					
Real Property Auctioneers					
Clerical Staff or Other Staff, please describe:					

**23. List Applicant's Errors and Omissions insurance information for the past six (6) years.**

If no prior insurance check this box:  None

Policy Period	Name of Insurer	Limits of Liability	*Defense Costs	Deductible	First Dollar Defense	Annual Premium
			<input type="checkbox"/> DOL <input type="checkbox"/> DWL		<input type="checkbox"/> Yes <input type="checkbox"/> No	
			<input type="checkbox"/> DOL <input type="checkbox"/> DWL		<input type="checkbox"/> Yes <input type="checkbox"/> No	
			<input type="checkbox"/> DOL <input type="checkbox"/> DWL		<input type="checkbox"/> Yes <input type="checkbox"/> No	
			<input type="checkbox"/> DOL <input type="checkbox"/> DWL		<input type="checkbox"/> Yes <input type="checkbox"/> No	
			<input type="checkbox"/> DOL <input type="checkbox"/> DWL		<input type="checkbox"/> Yes <input type="checkbox"/> No	
			<input type="checkbox"/> DOL <input type="checkbox"/> DWL		<input type="checkbox"/> Yes <input type="checkbox"/> No	

\*Defense Costs - how defense costs apply in Limits of Liability: Defense Outside Limits (DOL) or Defense Within Limits (DWL)

**24. Please forward a copy of Applicant's current declarations page for confirmation of expiring retroactive date: \_\_\_/\_\_\_/\_\_\_**

**25. During the past 6 years, has any similar Errors or Omissions coverage been canceled, declined or nonrenewed?**

(Not applicable to Missouri applicants)  Yes  No If yes, please explain: \_\_\_\_\_

**26. Limits of Liability requested: (Each Claim / Aggregate)**

- \$250,000/ \$250,000       \$250,000/ \$500,000       \$500,000/ \$500,000       \$500,000/ \$1,000,000
- \$1,000,000/ \$1,000,000       \$1,000,000/ \$2,000,000       \$1,000,000/ \$3,000,000       \$2,000,000/ \$2,000,000

**27. Deductible per claim requested:**

- \$1,000     \$2,500     \$5,000     \$10,000     \$15,000     \$20,000     \$25,000

**28. First Dollar Defense coverage requested (for additional premium):**

- Yes     No

**29. Administrative Controls**

- a. Does Applicant maintain and communicate to all staff a written internal policy or procedures manual?  Yes  No
- b. In the past two years, has at least 75% of Applicant's licensed staff completed a formal course on legal liability or risk reduction?  Yes  No
- c. Does Applicant use an in-house counsel, counsel on retainer and /or risk manager?  Yes  No
- d. Does Applicant or any individual or entity proposed for coverage have an equity interest in any construction/ development company?  Yes  No If yes, please describe:  
\_\_\_\_\_
- e. Does any client represent twenty-five percent (25%) or more of Applicant's total gross revenues?  Yes  No  
If yes, please describe: \_\_\_\_\_
- f. Does Applicant share common office space or any part of Applicant's premises with another business?  Yes  No  
If yes, please describe: \_\_\_\_\_
- g. Does Applicant allow suits for the collection of commission or fees?  Yes  No  
If yes, how many suits in the past five (5) years? \_\_\_\_\_

**30. Claims and Disciplinary Proceedings Information**

- a. Has Applicant or any individual or entity proposed for coverage had their license revoked or suspended in the past six (6) years?  Yes  No If yes, please provide details: \_\_\_\_\_
- b. During the past six (6) years, has any claim that would fall within the scope of the proposed insurance been made against the Applicant or any individual or entity proposed for coverage?  Yes  No  
  
If yes, please provide details below or complete a Claim Supplement for each claim. Please provide an up-to-date prior carrier loss run for past claims.  
\_\_\_\_\_  
\_\_\_\_\_

**NOTE: WITHOUT PREJUDICE TO ANY OTHER RIGHTS AND REMEDIES OF THE UNDERWRITER, IT IS AGREED THAT ANY CLAIM REQUIRED TO BE DISCLOSED IN RESPONSE TO QUESTION 30b. IS EXCLUDED FROM THE PROPOSED INSURANCE.**

- c. Is Applicant or any individual or entity proposed for coverage aware of any fact, circumstance, situation, act, error, or omission which they have reason to believe may or could reasonably be foreseen to give rise to a claim that may fall within the scope of the proposed insurance?  Yes  No  
If yes, please describe: \_\_\_\_\_

**NOTE: WITHOUT PREJUDICE TO ANY OTHER RIGHTS AND REMEDIES OF THE UNDERWRITER, IT IS AGREED THAT ANY CLAIM ARISING FROM ANY FACT, CIRCUMSTANCE, SITUATION, ACT, ERROR OR OMISSION REQUIRED TO BE DISCLOSED IN RESPONSE TO QUESTION 30c. IS EXCLUDED FROM THE PROPOSED INSURANCE.**

**ADDITIONAL INFORMATION**

In the section below you may provide any additional information and if it relates to a question in this application please reference the question number.

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

**FRAUD WARNINGS**

**GENERAL:** Any person who knowingly and with intent to defraud any insurance company or another 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 and subjects the person to criminal and civil penalties.

**NOTICE TO ARKANSAS, MINNESOTA, AND OHIO APPLICANTS:** Any person who, with intent to defraud or knowing that he/she 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, which is a crime.

**NOTICE TO COLORADO APPLICANTS:** 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, and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policy holder or claimant for the purpose of defrauding or attempting to defraud the policy holder 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.

**NOTICE TO DISTRICT OF COLUMBIA APPLICANTS:** 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.

**NOTICE TO FLORIDA APPLICANTS:** Any person who, knowingly and with intent to injure, defraud, or deceive any employer or employee, insurance company, or self-insured program, files a statement of claim or an application containing any false or misleading information is guilty of a felony of the third degree.

**NOTICE TO KENTUCKY APPLICANTS:** Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance containing any false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime.

**NOTICE TO LOUISIANA AND NEW MEXICO APPLICANTS:** 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.

**NOTICE TO MAINE, TENNESSEE, VIRGINIA AND WASHINGTON APPLICANTS:** 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 a denial of insurance benefits.

**NOTICE TO MARYLAND APPLICANTS:** Any person who, with intent to defraud or knowing that he/she is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement may be guilty of insurance fraud.

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

**NOTICE TO NEW YORK APPLICANTS:** 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.

**NOTICE TO OKLAHOMA APPLICANTS:** 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.

**NOTICE TO OREGON AND TEXAS APPLICANTS:** Any person who makes an intentional misstatement that is material to the risk may be found guilty of insurance fraud by a court of law.

**NOTICE TO PENNSYLVANIA APPLICANTS:** 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

**SIGNATURE AND AUTHORIZATION**

The undersigned, as authorized agent of all individuals and entities proposed for this insurance, declares that, to the best of his/her knowledge and belief, after reasonable inquiry, the statements in this Application and any attachments or information submitted with this Application (together referred to as the "Application") are true and complete.

The information in this Application is material to the risk accepted by the Underwriter. If a policy is issued it will be in reliance by the Underwriter upon the Application, and the Application will be the basis of the contract.

The information contained in and submitted with this Application is on file with the Underwriter, and along with the Application will be considered physically attached to, part of, and incorporated into the policy, if issued.

The Underwriter is authorized to make any inquiry in connection with this Application. The Underwriter's acceptance of this Application or the making of any subsequent inquiry does not bind the Applicant or the Underwriter to complete the insurance or issue a policy.

If the information in this Application materially changes prior to the effective date of the policy, the Applicant will immediately notify the Underwriter, and the Underwriter may modify or withdraw any quotation or agreement to bind insurance.

<b>Signature</b> ( <i>Proprietor, Partner, Member or Officer</i> )	<b>Title</b>	<b>Date</b>
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**Insurance Agent or Broker must complete the following:**

<b>Broker or Agent Name</b>	<b>Soliciting Producer Name</b>
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<b>Broker or Agent License Number</b>	<b>City</b>	<b>State</b>	<b>Date Submitted</b>
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**RETURN COMPLETED APPLICATION PLUS ANY SUPPLEMENTS AND ATTACHMENTS TO PINNACLE INSURANCE CONSULTANTS**

14700 N. Frank Lloyd Wright Blvd., #157  
PMB 269  
Scottsdale, AZ 85260  
Phone: 888-800-9770 / 480-585-9770

Fax: 480-538-5027