

**Navigators Insurance Company
Real Estate Professionals
Errors and Omissions Insurance Application**

NOTICE: This is an application for a "Claims-made" policy. Coverage for prior acts and claims made after termination of this policy may be restricted. Please read the policy carefully.

1. Name of Applicant _____
(Company name if applicable)
Contact _____
Principal Street Address _____
City _____ ST _____ Zip _____
Mailing Address _____ ST _____ Zip _____
Telephone # (_____) _____ Fax # (_____) _____
E-Mail Address: _____

2. a. Date firm was established: _____ b. Year current owner assumed management: _____
c. Number of years owner licensed as an agent _____ as a broker _____ as an appraiser _____

3. Applicant ownership: Corporation/LLC Independent Contractor Sole Proprietor Partnership/LLP

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

4. a. Indicate the total number of active full time professionals: * _____
**Full time professionals are defined as earning more than \$20,000.00 in annual income.*

b. Indicate the number of active part time professionals: * _____
**Part time professionals are defined as earning \$20,000.00 or less in annual income.*

c. Indicate the total number of support staff: _____ and inactive professionals: _____

5. Does the applicant have a formalized training program for all professionals and staff? Yes No

6. Indicate the number of professional employees who participated in an accredited, continuing professional education program during the past 12 months. _____

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

8. Is the applicant owned, associated, or controlled by any business, investment group or syndication? Yes No
If Yes, Please provide the name of the entity(s) and the nature of the relationship:

9. a. Has any member of your firm engaged in property construction or development (including renovations)? Yes No
If Yes, check all that apply and complete 9b:

1. Directly (member of your firm doing work themselves)
 2. Through a licensed contractor
 3. Through a separate business entity owned by any member of your firm or their spouses
- (If you checked option 3, please complete supplemental application)*

b. Provide gross commission income derived from the sale of these properties in the past 12 months, and include this total in "Agent/Broker Owned Property Sales" under question 10 on the next page:

Residential \$ _____ Commercial \$ _____
Check here if none in the past 12 months

10. Provide your gross revenues for the last 12 months and projected next 12 months. If newly established, please provide an estimate of revenues for the current annual period (Gross revenues are defined as all fees and commissions before expenses, including fees, commissions and bonuses payable to employees and independent contractors):

	<u>Gross Revenues for</u> Last 12 months	<u># of Transaction sides</u> (closed real estate sales for last 12 months)	<u>Projected Revenues</u> for next 12 months	<u>Projected # of</u> Transaction Sides
RESIDENTIAL				
Sales & Leasing	\$ _____	_____	\$ _____	_____
Agent/ Broker Owned Property Sales	\$ _____	_____	\$ _____	_____
Farm Land	\$ _____	_____	\$ _____	_____
Raw Land	\$ _____	_____	\$ _____	_____
Appraisals*	\$ _____	_____	\$ _____	_____
COMMERCIAL				
Sales & Leasing	\$ _____	_____	\$ _____	_____
Agent/Broker Owned Property Sales	\$ _____	_____	\$ _____	_____
Farm Land	\$ _____	_____	\$ _____	_____
Raw Land	\$ _____	_____	\$ _____	_____
Appraisals*	\$ _____	_____	\$ _____	_____
OTHER SERVICES				
Property Management*	\$ _____	_____	\$ _____	_____
Sale of Business Opportunities*	\$ _____	_____	\$ _____	_____
Mortgage Brokering*	\$ _____	_____	\$ _____	_____
Auctioneering (Real Property)*	\$ _____	_____	\$ _____	_____
Short term Escrow (Funds distributed within 1 year)	\$ _____	_____	\$ _____	_____
Real Estate Consulting (provide details below)	\$ _____	_____	\$ _____	_____
Other (Provide details below)	\$ _____	_____	\$ _____	_____

*If Applicant has revenue derived from any services denoted by an asterisk, please complete the supplemental application

Details of "Real Estate Consulting" and "Other" from above:

11. Does the applicant have documented procedures which include instructions on how to handle complaints and compliance with Federal, State and Local statutes? Yes No
12. 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.
13. In the past year, what was the average value of properties:
a. sold \$ _____ or b. appraised (if applicable) \$ _____
14. What percentage of residential transactions included a: a. Signed property disclosure form? _____ %
b. Home warranty program? _____ % c. Home inspection or written waiver? _____ %
15. What percentage of transactions involve acting as a: dual agent _____ % intermediary _____ % or transactional broker _____ %

16. Has any member of your firm been involved in asset or property preservation services including any incidental repair work on bank owned properties within the last 3 year period? Yes No
17. Has any member of your firm been involved in property rehabilitation services on bank owned properties within the last 3 year period? Yes No
If Yes to question 16 or 17, were all such repairs contracted by you done by a licensed contractor? Yes No
18. For any bank owned properties where you represent the buyer, do you advise the buyer in writing to have the property inspected by a licensed and insured home inspector prior to purchase? Yes No
19. Has any member of your firm engaged in acquiring the properties or deeds of financially distressed homeowners, including sale – leaseback agreements within the last 3 year period? Yes No N/A
20. Has the applicant engaged in any eviction services on pre-foreclosed or bank owned properties within the last 3 years? Yes No
If Yes, was the preparation, filing and service of the eviction complaint and obtaining the eviction judgment handled by an attorney? Yes No
21. Is any client responsible for more than 25% of the applicant's annual income? Yes No
If Yes, provide the name, relationship and total revenue from the client.
22. Does the firm perform or intend to perform professional services for REITS or property syndications? Yes No
If Yes, what is the percentage of the gross commission income derived from these services? _____%
23. During the past 5 years:
- a. Has the applicant been involved in any merger, acquisition, or consolidation? Yes No
If Yes, provide details on a separate sheet and include any name changes for the firm.
- b. Has any principal, partner, director, officer, or professional of the applicant performed professional services for any other business which the applicant has any ownership or managerial interest? Yes No
If Yes, provide details on a separate sheet.
24. 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.
25. After inquiry, is the applicant, or anyone to whom this insurance will apply, aware of any:
- a. Professional Liability claim made against them in the past 5 years? Yes No
- b. Act or omissions in the performance of professional service for others which might reasonably be expected to be the basis of a claim or suit against them? Yes No
- c. Complaint, disciplinary action or investigation by any regulatory authority? Yes No
- d. Changes in any claims previously reported on past applications? Yes No

IMPORTANT NOTE: The applicant's disclosure of claim information does not indicate nor imply, in any way, that any act or omission is covered by this policy. In addition, circumstances or incidents that might reasonably be expected to be the basis of a claim MUST be reported to the applicant's current insurer before the claim reporting period expires.

NEW BUSINESS APPLICANTS ONLY MUST COMPLETE QUESTIONS 26-28

26. **Notice to Missouri Residents: This question does not apply:** During the past 5 years has any insurance carrier declined, canceled or refused renewal of similar insurance on behalf of this applicant or anyone to whom this insurance will apply (Other than due to loss of market)? Yes No If Yes, provide details on a separate sheet and include the date, carrier and reason.
27. List Previous Professional Liability Coverage policies this individual, firm or predecessors of firm have held within the last 5 years. If no insurance was in effect for a given year, state "none" where applicable below:

Company	Policy Period	Limit of Liability	Deductible	Premium	Retro Date
_____	_____ to _____	_____	_____	\$ _____	_____
_____	_____ to _____	_____	_____	\$ _____	_____
_____	_____ to _____	_____	_____	\$ _____	_____
_____	_____ to _____	_____	_____	\$ _____	_____
_____	_____ to _____	_____	_____	\$ _____	_____

28. Has the applicant ever purchased an extended reporting period endorsement? Yes No

If Yes, please provide details to include the date, carrier and reason:

29. Coverage Selection:

a. Limits of Liability: Per Claim _____ Policy Aggregate _____
 Claims Expense Inside the Limit or Claims Expense Outside the Limit

b. Deductible: _____ First Dollar Defense? (for a charge) Yes No
Aggregate Deductible? (for a charge) Yes No

c. Desired Policy Effective Date: _____/_____/_____

d. Current Policy Retroactive Date: _____/_____/_____ (Attach current Declarations page)

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 or willfully presents a false or fraudulent claim for payment of a loss or benefit or who knowingly or 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. APPLICANT'S ACCEPTANCE OF COMPANY'S QUOTATION IS REQUIRED PRIOR TO BINDING COVERAGE AND POLICY ISSUANCE. THE APPLICANT AND FIRM ACCEPTS NOTICE THAT ANY POLICY ISSUED WILL APPLY ON A "CLAIMS-MADE" BASIS. THE APPLICANT AND FIRM 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. THE APPLICATION MUST BE SIGNED BY AN ACTIVE OWNER, PARTNER, PRINCIPAL, OFFICER, OR MEMBER OF THE APPLICANT.

The undersigned is authorized by, and acting on behalf of, the Applicant and represents that all statements and particulars herein are true, complete and accurate and that there has been no suppression or misstatements of fact and agrees that this application shall be the basis of, and becomes part of, the Applicant's professional liability coverage.

Please print your name _____ Title _____

Signature _____ Date _____

For Florida Only:

Insurance Agent/Producer Name _____ Insurance License # _____

For Iowa Only: Insurance Agent Name Required

Agent Name: _____

For New Hampshire Only: Insurance Agent Name and Signature Required

Insurance Agent Name: _____ Signature: _____

