



Real Estate Professionals Errors and Omissions Liability Application

- 1) _____
- a. Legal Name of Firm _____ b. Desired Effective Date _____
- c. dba Name(s)/Trade-Name(s) _____ d. Month/Year Business Established Under Current Owner _____
- e. Contact Name _____ Area Code and Phone # _____ f. Website _____
- g. Principal Owner Email Address _____ h. List of All States in Which Applicant Conducts Business _____
- i. Primary Applicant Address: (Street, City, State, Zip Code, County) _____ j. Mailing Address: (if different from primary address) _____
- k. Is Principal Owner a Member of the National Association of Realtors®? Yes No If yes, Member ID _____

- 2) Applicant is Sole Proprietorship Partnership/LLP Corporation/LLC Independent Contractor
 Other, please describe _____
- 3) Is applicant independently owned and operated? Yes No If no, please describe _____
- 4) Has this firm undergone a change in ownership, name or operations including acquisition or mergers? Yes No
Note: Coverage is not provided for predecessor firms or prior principals unless approved by the insurance company.
 If yes, please explain (use separate sheet if necessary). _____

5) Complete the following for each principal, partner, director or officer. Use separate sheet if necessary.

| Name | Title/Position | Percentage Ownership | Current License Status | Month and Year First Licensed as a Real Estate | Professional Designations | License Ever Revoked or Suspended |
|------|----------------|----------------------|--|--|---------------------------|---|
| | | | <input type="checkbox"/> Active <input type="checkbox"/> Inactive | Agent: Broker: Other: | | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| | | | <input type="checkbox"/> Active <input type="checkbox"/> Inactive | Agent: Broker: Other: | | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| | | | <input type="checkbox"/> Active <input type="checkbox"/> Inactive | Agent: Broker: Other: | | <input type="checkbox"/> Yes <input type="checkbox"/> No |

6) Complete the following for firm's staff (include individual only once).

| | Number of Full Time | Number of Part Time | Number of Inactive |
|---|---------------------|---------------------|--------------------|
| Real Estate Agents/Brokers/Independent Contractos | | | |
| Property Managers | | | |
| Appraisers | | | |
| Referral Agents (referring only to applicant) | | | |
| Clerical/Administrative | | | |
| Other (please describe) | | | |
| Total | | | |

GENERAL QUESTIONS

- 7) Does the firm:
 Have any one client, which represents more than 25% of the firm's income and/or listings? Yes No
 a. If yes, please explain: _____
- Or any individual or entity proposed for coverage have an exclusive listing agreement with any builders/developer? Yes No
 If yes, number of units sold in the past 12 months _____
 Income for the past 12 months _____

8) Please list the property values of your five largest transactions in the last three years:

\$ _____ \$ _____ \$ _____ \$ _____ \$ _____

INCOME SECTION

9) Real Estate Activities: Show all income, fees and commissions **BEFORE** split with brokers or salespeople or deduction of expenses.

| DO NOT REPORT PROPERTY VALUES. | PAST FISCAL YEAR ENDING: | | NEXT 12 MONTHS: Estimates | |
|---|---------------------------------|--------|----------------------------------|--------|
| | _____/_____/_____ | | _____/_____/_____ | |
| | #Transactions | Income | #Transactions | Income |
| Residential Real Estate Sales (1-4 units) | | \$ | | \$ |
| Farm, Agriculture and/or Forestry | | \$ | | \$ |
| Land and Lot Sales | | \$ | | \$ |
| Commercial, Industrial, Income Property Sales | | \$ | | \$ |
| Business Opportunities Brokerage | | \$ | | \$ |
| Real Estate Leasing Fees | | \$ | | \$ |
| Real Estate Consulting/Counseling | | \$ | | \$ |
| Residential Real Estate Appraisal | | \$ | | \$ |
| Commercial Real Estate Appraisal | | \$ | | \$ |
| **Residential Property Management Fees (1-4 units) | | \$ | | \$ |
| **Commercial or Habitational (5+ units) Property Management Fees | | \$ | | \$ |
| Auctioneering (Real Property Only) | | \$ | | \$ |
| **Management of associations (i.e., condominium, cooperative, homeowners) | | \$ | | \$ |
| Mortgage Brokerage/Financial Arrangements | | \$ | | \$ |
| Referrals | | \$ | | \$ |
| Broker Price Opinions (BPOs) | | \$ | | \$ |
| Other (Please describe in detail) | | \$ | | \$ |
| TOTAL GROSS INCOME | | \$ | | \$ |

****NOTE:** We will require a copy of a contract if reporting income

Total Gross Income for past 3 years: \$ _____ \$ _____ \$ _____
1st year prior 2nd year prior 3rd year prior

10) Is the firm or anyone in the firm involved with and/or providing any of the following services or activities:

| Service | Yes (√) | No (√) | Description of Service | Revenue to the firm | Legal name of the firm/individual engaged in these services |
|--|---------|--------|------------------------|---------------------|---|
| Environmentally Impacted Sites | | | | | |
| Mineral / Oil /Gas Rights | | | | | |
| Property Preservation | | | | | |
| New development | | | | | |
| Management of REO property | | | | | |
| 1031 Exchange | | | | | |
| Real Estate Development/Construction | | | | | |
| Construction Management | | | | | |
| Sale of timeshares | | | | | |
| Appraisal Management | | | | | |
| Title/Abstract/Escrow | | | | | |
| Services for hotels, motels, mobile home/RV parks | | | | | |
| Mortgage Banking (other than origination) | | | | | |
| Formation or Management of Group Investments, Syndications, Trusts and/or Partnerships | | | | | |
| Business Valuations | | | | | |

11) a. Does the firm or anyone in the firm construct develop or own properties they sell appraise or lease? N/A
(Please check applicable service)

Please provide description of services and provide commission or fee income from these activities: _____

b. Does the firm or any principal engage in any other professional or real estate related enterprises or practice? (other than services listed in questions 9-10) Yes No

If yes, please explain (use a separate sheet if necessary): _____

RESIDENTIAL BROKERAGE

(If new firm please use anticipated income for next 12 months when answering questions below)

12) Please indicate the average sale price of residential properties sold by this firm in the past 12 months: \$_____

13) What percentage of residential properties sold in the past twelve months:

Included a home protection or warranty program? _____% Included a signed property disclosure form? _____%

14) a. Do all of the applicant's brokers and salespersons disclose to their clients, in writing, the legal nature of their relationship? (i.e. whether the salesperson is representing the buyer/seller or both?) Yes No

b. During the last 12 months, on what percentage of transactions did the firm represent both the buyer and the seller? _____%

c. During the last 12 months, on what percentage of transactions did any one agent represent both the buyer and the seller? _____%

15) What percentage of residential properties sold in the past twelve months were:

a. Foreclosure Transactions? _____%

b. Short Sales Transaction? _____%

SPECIALTY SECTION

If involved in any of the following, please provide:

- List of key personnel and qualifications
- Brochures describing services provided and promotional material (if available), or the firm's website address

REAL ESTATE APPRAISAL

| 16) | Types of Appraisals | Total Gross Income | Types of Appraisals | Total Gross Income |
|-----|-----------------------------------|--------------------|-----------------------------------|--------------------|
| | a. Single Family Residences | \$ | g. Land Development/Subdivisions | \$ |
| | b. Multi-Family Residences | \$ | h. Construction Phase Inspections | \$ |
| | c. Lots/Vacant Land | \$ | i. Right-of-Way | \$ |
| | d. Commercial/Industrial Property | \$ | j. Personal Property | \$ |
| | e. Farms/Ranches/Forestry | \$ | k. Flood Zone Certifications | \$ |
| | f. Estate or Tax Purposes | \$ | l. All Other | \$ |

REAL ESTATE CONSULTING/COUNSELING

17) Please describe the nature of consulting/counseling services provided: _____

SUPPLEMENTAL APPLICATION LINKS

Supplemental applications for mortgage brokers, construction development and EPLI are found on our website:

<https://www.victorinsurance.com/industries/real-estate/Pages/REO-Applications.aspx>

RISK MANAGEMENT QUESTIONS

18) Does the firm:

- a. Have in-house office policy/procedures manual in place? Yes No
- b. Have a mandatory document retention policy for all transaction files? Yes No
- c. Use transaction management software or a transaction coordinator for all transactions? Yes No
- d. Use local board, state association or other association approved contracts/forms? Yes No
(If no, attach copies of your forms)
- e. Use an in-house counsel, counsel on retainer and/or risk manager? Yes No
- f. Document each file with your verbal/written communication, recommendations and your client's instructions? Yes No
- g. Have written procedures in place to notify management of problem transactions? Yes No

- 19) In the past 12 months, did at least 75% of professional staff, including independent contractors, take:
- a. An approved NAR, State, or local level formal continuing education course designed to reduce real estate professional liability? Yes No
 - b. An in-house seminar conducted by an attorney or risk management consultant? Yes No
 - c. A franchisor risk management seminar? Yes No

COVERAGE OPTIONS REQUESTED

- 20) a. Limits of Liability (each claim / annual aggregate) _____
 b. Deductible per claim _____
 c. First Dollar Defense coverage option (additional premium): Yes No

PREVIOUS COVERAGE

- 21) Do you have a professional liability insurance policy in force? Yes No
- 22) If answering yes, please forward a copy of your current declarations page and prior acts endorsement. If current coverage is in place, please complete the following for your firm with respect to Real Estate Professionals Errors and Omissions Liability Insurance for the past 6 years.

| Policy Period Effective Date | Insurance Company (Not Agent) | Limit of Liability | Deductible | Annual Premium |
|---------------------------------|-------------------------------|--------------------|------------|----------------|
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |

Retroactive Date: ____/____/____

- 23) During the past 6 years, has any Insurance Company declined, canceled or refused to renew the applicant, any predecessor firm or anyone indicated in Question 6? Yes No
- If yes, please explain: _____
- (MISSOURI APPLICANTS ARE NOT REQUIRED TO RESPOND)**

CLAIMS SECTION

Answer the Questions below only after inquiry of each member of your firm. If yes, please provide carrier loss runs or attach details of claim, etc. (We will require six years of loss runs unless firm has been in operation less time.)

- 24) Have any claims (including violations of fair housing laws) been made against your firm, any predecessor firm or anyone indicated in Question 5 or 6? Yes No
- 25) Are you aware of any act, error, omission or other circumstances, which might reasonably be expected to be the basis of claim or suit against you or anyone indicated in Question 5 or 6? Yes No
- 26) Have all matters in Questions 24 and 25 above been reported to the applicant's former or current insurers? Yes No

Note: Incidents or potential claims which might reasonably be expected to result in a claim being made should be reported to your present insurance company.

NOTE: The insurance coverage for which you are applying is written on a Claims-made Policy; therefore, only claims which are first made against you during the policy period are covered, subject to policy provisions. "Claim" means a demand received by you for money or services arising out of a negligent act or omission in the rendering or failure to render professional real estate services. If you have any questions about the coverage, please discuss them with your insurance agent

WARNING - COLORADO, DISTRICT OF COLUMBIA, FLORIDA, HAWAII, KENTUCKY, LOUISIANA, MAINE, NEW JERSEY, NEW YORK, NEW MEXICO, OHIO, OKLAHOMA, PENNSYLVANIA AND VIRGINIA RESIDENTS ONLY

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 (for New York residents only: 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.) (For Colorado Residents only: 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.) (For Hawaii residents only: For your protection, Hawaii law requires you to be informed that presenting a fraudulent claim for payment of a loss or benefit is a crime punishable by fines or imprisonment, or both.)

I / we hereby declare that the above statements and particulars are true and that I / we have not suppressed or misstated any material facts and I / we agree that this application shall be the basis of the contract with the company and that coverage, if written, will be provided on a claims-made basis. It is understood and agreed that completion of this application does not bind the company to issue or the applicant to purchase the insurance.

| | |
|------------|-----------------|
| Name: | Title/Position: |
| Signature: | Date: |

APPLICATION MUST BE CURRENTLY SIGNED AND DATED BY A PRINCIPAL OF THE FIRM TO BE CONSIDERED FOR A QUOTATION.

| INSURANCE AGENT MUST COMPLETE THE FOLLOWING: | | | | |
|--|--------------------------|--------------------------|----------------|-----------------|
| Licensed Agent/Broker Name: | | | | |
| Agency Name: | | | | |
| Address: | | | | |
| Phone: | | | Fax: | |
| E-mail Address: | | | | |
| Licensed Casualty Agent for: | Yes | No | License Number | Expiration Date |
| CNA Appointment? | <input type="checkbox"/> | <input type="checkbox"/> | | / / |
| Other Company | <input type="checkbox"/> | <input type="checkbox"/> | | / / |
| Licensed Insurance Broker | <input type="checkbox"/> | <input type="checkbox"/> | | / / |
| Surplus Lines License? | <input type="checkbox"/> | <input type="checkbox"/> | | / / |



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