

INSURANCE AGENTS AND BROKERS PROFESSIONAL LIABILITY APPLICATION

NOTICE: The insurance coverage for which you are applying is written on a claims-made and reported policy form. Subject to policy provisions, this insurance will apply only to claims that are first made against you and reported to the Company while the policy is in force.

1. **Agency's Legal Entity Name:** _____
DBA Name (if applicable): _____
Address: _____
City: _____ **County:** _____ **State:** _____ **Zip Code:** _____
Contact Name: _____ **Contact Phone Number:** _____
E-Mail Address: _____ **Fax Number:** _____
Website Address: _____

2. Additional Business Locations: (attach a separate sheet if necessary).

<u>Name</u>	<u>Street Address</u>	<u>City</u>	<u>County</u>	<u>State</u>	<u>Zip Code</u>	<u>% of GWP</u>

3. Applicant Ownership: Individual Partnership LLC/LLP Corporation Other: _____

4. a) Year Agency established: _____ (if less than 3 years, attach resumes for all agency staff)
 b) Year current Owner assumed management: _____
 c) Number of years owner licensed as an agent _____ as a broker _____
 d) Total staff size including Officers, owners, Principals, CSR's, etc. (assign an individual to one category only):

Owners, directors, partners or principals: _____	CSRs: _____
Employee Producers: _____	Others: _____
Non-employee (1099) producers: _____	Total: _____

5. List the states where the Applicant and all Producers are licensed: _____

6. a) Is the Applicant controlled, owned, affiliated or associated with any other business entity? Yes No
If yes, please provide detail on a separate sheet

b) Does any entity(s) have a 10% or greater interest in the applicant or in any subsidiary or affiliate of the applicant? Yes No

7. During the past five years has the Applicant:

a) Been controlled, owned, affiliated or associated with any firm, corporation or company?	<input type="checkbox"/> Yes <input type="checkbox"/> No
b) Changed names:	<input type="checkbox"/> Yes <input type="checkbox"/> No
c) Merged, Acquired or Consolidated with another firm:	<input type="checkbox"/> Yes <input type="checkbox"/> No
d) Purchased another agency's book of business (partial or total):	<input type="checkbox"/> Yes <input type="checkbox"/> No
e) Reorganized or entered into an arrangement with creditors under state or federal law:	<input type="checkbox"/> Yes <input type="checkbox"/> No
f) Entered into an association with a Cluster:	<input type="checkbox"/> Yes <input type="checkbox"/> No

(If you answer yes to any part of Question 7, attach an applicable supplement or a detailed explanation)

8. Please provide last 12 months of business (if new firm estimate next 12 months):

a.	P&C Gross Premiums Written	\$:
b.	Gross Retail (on behalf of insured's) P&C Commission Income	\$
c.	Net Wholesale / MGA (on behalf of another agent or broker) Commission Income	\$ Net:
d.	Gross Life, Accident, Health and Annuities Commissions	\$
e.	Total income derived from OTHER INSURANCE RELATED ACTIVITIES. Please describe other insurance activities	\$

9. Breakdown of Applicant's business: (Total commercial, personal, and Life/Accident/Health should equal the total in question 8 above)

<u>COMMERCIAL LINES</u>	<u>PREMIUM VOLUME</u>	<u>COMMISSION INCOME</u>
Automobile – Standard		
Automobile – Nonstandard		
SMP / BOP		
CGL		
Umbrella/Excess		
Workers Compensation		
Long Haul Trucking		
Inland Marine		
Ocean/Wet Marine		
Bonds		
Aviation		
Medical Malpractice		
Professional Liability (E&O & D&O)		
Energy/Pollution/Environmental		
Liquor Liability		
Farm owners & Livestock Mortality		
Crop/Hail (Crop Supplement Required)		
Other (Specify)		
<u>PERSONAL LINES</u>	<u>PREMIUM VOLUME</u>	<u>COMMISSION INCOME</u>
Automobile – Standard		
Automobile – nonstandard		
Homeowners		
Flood		
Umbrella		
Pleasure boats		
Other (Specify)		
TOTAL COMMERCIAL AND PERSONAL LINES		
<u>LIFE, ACCIDENT & HEALTH</u>	<u>COMMISSION INCOME</u>	
Life		
Accident & Health		
Fixed Annuities		
Variable Annuities		
TOTAL LIFE, ACCIDENT, HEALTH & ANNUITIES		

10. What percentage of your written premium is:

Retail (Business sold directly to Insureds) _____%

Wholesale (Business placed for other agents)* _____%

MGA (Business for which you have underwriting authority)* _____%

(* indicates that a Supplemental Application must be completed. MUST TOTAL 100%)

11. Show your five largest carriers/companies and the percent of business placed with each:

CARRIER COMPANY	% OF BUSINESS	AGENCY/CONTRACT	ADMITTED OR NON-ADMITTED	# OF YEAR(S) REPRESENTED	A.M. BEST RATING
1.		<input type="checkbox"/> Yes <input type="checkbox"/> No			
2.		<input type="checkbox"/> Yes <input type="checkbox"/> No			
3.		<input type="checkbox"/> Yes <input type="checkbox"/> No			
4.		<input type="checkbox"/> Yes <input type="checkbox"/> No			
5.		<input type="checkbox"/> Yes <input type="checkbox"/> No			

12. Estimate the amount of business the agency places with carriers that are rated less than B+ or are not rated: _____%
 If greater than 25% what procedures do you have in place to advise the potential insured:

13. List carriers with whom the Applicant (or predecessors) contract have been terminated within the last five years:

COMPANY NAME:	BRIEF DESCRIPTION:
_____	_____
_____	_____
_____	_____

14. Estimate the amount of business placed on a direct-bill basis: _____%

15. What percent of the Applicant's personnel has professional designations? _____%

16. What percent of Applicant's office staff has attended a sponsored insurance continuing education course or seminar in the last 12 months: _____%

17. If you are the sole agent at the applicant firm, please give name and contact information for the licensed agent who will handle your business in the event of your incapacitation or absence:

18. Does the applicant or any agency, owner, director, officer, partner, principal, employee or contractor perform any of the following activities? (If yes, attach resume, promotional material and sample contract. Coverage may be excluded under the policy).

	YES	NO	INCOME		YES	NO	INCOME
Reinsurance Intermediary	<input type="checkbox"/>	<input type="checkbox"/>		Real Estate Appraiser	<input type="checkbox"/>	<input type="checkbox"/>	
Third Party Administrator	<input type="checkbox"/>	<input type="checkbox"/>		Real Estate Sales	<input type="checkbox"/>	<input type="checkbox"/>	
Claim Adjustment Services	<input type="checkbox"/>	<input type="checkbox"/>		Actuarial Services	<input type="checkbox"/>	<input type="checkbox"/>	
Risk management/Loss control	<input type="checkbox"/>	<input type="checkbox"/>		Tax Advisor	<input type="checkbox"/>	<input type="checkbox"/>	
Investment, Securities Advisor	<input type="checkbox"/>	<input type="checkbox"/>		Premium finance for Non-Agency Clients	<input type="checkbox"/>	<input type="checkbox"/>	
Prepaid Legal Services	<input type="checkbox"/>	<input type="checkbox"/>		Other	<input type="checkbox"/>	<input type="checkbox"/>	

19. Office Procedures:

- a. Does Applicant have written documentation detailing office procedures? Yes No
- b. How long are applicant records maintained? _____ years
- c. Is there a procedure for checking insurance carriers financial rating?
If yes, what frequency? _____ Yes No
- d. Is there a procedure for surplus lines tax filings? Yes No
- e. Does Applicant utilize an (check all that are applicable):
 Automated Computer System Automated Accounting System
 Automated Agency Management System Online Carrier System
- f. Is there a procedure for documenting all phone conversations? Yes No
- g. Is an expiration list maintained? Yes No
- h. Is all correspondence marked with a received or sent date? Yes No
- i. Does the Applicant use a diary, suspense or follow-up system? Yes No
- j. Does the Applicant accept requests to bind coverage via Voice Mail? Yes No
- k. Are all applications, policies and endorsements checked for accuracy? Yes No
- l. Are files marked to ensure certificate holders are notified of cancellation or material changes? Yes No
- m. Is a written request required from any Insured who desires to change or cancel coverage? Yes No
- n. Does the applicant offer purchasers of automobile policies (i.e. personal auto and commercial vehicles) the option of increasing Uninsured Motorists limits?
If yes, are the procedures in place to document this communication? Yes No

20. List similar insurance carried during the past 5 years: Check if no coverage in place

Policy Period	Carrier	Limits	Deductible	Premium	Retroactive Date

- 21. Has applicant ever purchased an extended reporting period endorsement? Yes No
- 22. During the past 5 years, has the Applicant, any other predecessor in business, past or present owner, director, officer, partner, principal, employee or contractor:
 - a. Been the subject of a complaint filed and/or disciplinary action by any insurance regulatory authority?
If yes, attach an explanation Yes No
 - b. Had any policy or application for similar insurance declined, cancelled, rescinded or refused renewal?
If yes, attach an explanation Yes No
 - c. Had any claim(s) made or suit(s) brought against them?
If yes, complete claim supplement for each claim and attach prior carrier loss run Yes No
 - d. Become aware of any fact, circumstance or situation which may result in a claim being made?
If yes, please complete a claim supplement. Yes No
- 23. If you answered 'yes' to any part of question 22, have they been reported to your Errors & Omissions carrier? 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.

Policy Coverage Desired

24. a. Limits of Liability: Per Claim _____ Policy Aggregate _____
- b. Deductible: _____ (Loss and Claims Expenses)
- c. Desired Policy Effective Date: _____/_____/_____
- d. Retroactive Date of Current Policy: _____/_____/_____

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, New Mexico 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 or 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. **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 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. **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 thereto commits a fraudulent insurance act, which may be a crime. **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. **Maine, 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 may include imprisonment, fines and a denial of insurance benefits.

NOTICE TO APPLICANT – PLEASE READ CAREFULLY BEFORE SIGNING

THE APPLICANT AND AGENCY ACCEPTS NOTICE THAT ANY POLICY ISSUED WILL APPLY ON A “CLAIMS-MADE” BASIS. 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 coverage.

THE APPLICANT AND FIRM ACCEPTS NOTICE THAT THEY ARE REQUIRED TO PROVIDE WRITTEN NOTIFICATION TO THE COMPANY OR 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.

Print Name

Title

Signature

Date