

APPLICATION FOR REAL ESTATE SERVICES PROFESSIONAL LIABILITY INSURANCE

NOTICE: THIS IS AN APPLICATION FOR A POLICY THAT IS WRITTEN ON A CLAIMS MADE BASIS AND COVERS ONLY CLAIMS FIRST MADE AGAINST THE INSURED DURING THE POLICY PERIOD OR THE EXTENDED REPORTING PERIOD, IF EXERCISED. CLAIMS MUST BE REPORTED TO THE INSURER IN ACCORDANCE WITH THE REPORTING PROVISIONS OF THE POLICY. THE LIMITS OF LIABILITY SHALL BE REDUCED, AND MAY BE COMPLETELY EXHAUSTED BY AMOUNTS INCURRED AS DEFENSE COSTS. PLEASE READ THE POLICY CAREFULLY AND DISCUSS THE COVERAGE PROVIDED WITH YOUR INSURANCE AGENT OR BROKER.

ATTACH ADDITIONAL SHEETS AS NECESSARY. ANSWER ALL QUESTIONS. IF NOT APPLICABLE, INDICATE N/A

GENERAL INFORMATION

Name of Applicant: _____
 Principal business premise address: Street: _____ County: _____
 City: _____ State: _____ Zip: _____
 Website address: _____ Email address: _____

BUSINESS OPERATIONS

- Has the Applicant or any Predecessor firm or subsidiary at any time in the past or present been engaged in any business venture outside of the scope of a Real Estate Organization including, but not limited to:

Construction	Yes	No
Property Development	Yes	No
Mortgage Banking	Yes	No
Business Brokering	Yes	No

If you answered "YES" to any of the above, please provide details or attach a separate sheet if necessary.

Within the last 5 years, has more than 10% of your real estate firm's income been derived from property development or construction activities? Yes No

- Total number for each category (Please count each person only once, identifying their primary area of responsibility)

Category	Full Time	Part Time
Real Estate Contractors		
Agents/Brokers/Independent		
Property Managers		
Mortgage Brokers		
Realtor Assistants		
Clerical		
Other (describe):		
TOTAL		

REAL ESTATE SERVICES

Check here if the Applicant does not perform real estate agent/broker services and move to the next section

- Does the Applicant require a seller disclosure form to be completed by the seller on all properties? Yes No
- Does the Applicant recommend the buyer acquire a home inspection report on all properties? Yes No
- If such home inspection report is declined by the buyer, does the Applicant Firm obtain a written sign off that the home inspection was recommended but declined by the buyer? Yes No

4. Does the Applicant use written contracts with all clients that comply with all statutory and regulatory requirements? Yes No
5. Does the Applicant have an in-house policies and procedures manual? Yes No
 - a. Are all staff trained and familiar with the Applicant's in-house policies and procedures manual? Yes No
6. Does the Applicant have procedures in place to prevent fair housing and discrimination claims? Yes No
7. Percentage of transactions where a home warranty was sold within the last 12 months? _____ %
8. Within the last 12 months, provide the percentage of transactions where the Applicant served in a Dual Agent capacity, if new in business, please provide an estimate. _____ %
 - a. When serving in a dual agent capacity, do you disclose, in writing, the nature of the transaction? Yes No
9. Provide the highest property value of any single transaction for the last 12 months \$ _____
10. Provide the average property value of all transactions for the last 12 months \$ _____

PROPERTY MANAGEMENT SERVICES

Check here if the Applicant does not perform property management services and move to the next section

11. Does the Applicant use written property management agreements with all property owners? Yes No
12. Does the Applicant use written rental agreements with all tenants and lessees? Yes No
13. Does the Applicant have procedures in place to prevent fair housing and discrimination claims? Yes No
14. Does the Applicant have an in-house policies and procedures manual? Yes No
15. Is the Applicant Firm responsible for the placement of insurance on any properties managed? Yes No
 - If yes, does the Applicant utilize the services of a licensed insurance agent/broker? Yes No
16. Does the Applicant manage any owned or non-owned properties that are used as vacation rentals? Yes No
 - If yes, are all properties and rentals compliant with all statutes and regulations governing vacation rentals? This includes state and municipal governments as well as homeowners and property owner associations. Yes No

SERVICES RENDERED TO NON-OWNED PROPERTIES

Indicate the Gross Commission Income for the past twelve (12) months (all fees and commissions before expenses, including any fees, commissions, or bonuses payable to employees and independent contractors). Indicate gross revenue derived from the sale of property, NOT the value of properties sold.

Description	Gross Income Last 12 months	Number of Transactions (for last year)	Projected Income Next 12 months	Estimated Number of Transactions or Clients (for Current Year)
Residential Sales*	\$		\$	
Commercial Sales (incl. residential properties for over four units)	\$		\$	
Property Management Fees (your fees for providing property management services to non-owned properties)				
Residential*	\$		\$	
Commercial	\$		\$	
Mortgage Brokers	\$		\$	
Escrow Services	\$		\$	
Title Abstractor	\$		\$	
Title Agent	\$		\$	
Business Broker	\$		\$	
TOTAL	\$		\$	

**Residential Real Estate means any property containing a single-family dwelling or multiple-family dwellings of up to four units. Any properties with more than four units are considered commercial*

SERVICES RENDERED TO OWNED PROPERTIES

Indicate the total gross revenues or total rental income as described in each section below.

Description	Gross Income Last 12 months	Number of Transactions (for last year)	Projected Income Next 12 months	Estimated Number of Transactions or Clients (for Current Year)
Residential Sales*	\$		\$	
Commercial Sales (incl. residential properties for over four units)	\$		\$	
Rental Income for Owned Properties where the Applicant performs Property Management Services (the total gross rents/rent rolls collected for all properties where any insured or prospective insured maintains any ownership. Do not provide the figure allocated for property management services for accounting purposes)				
Residential*	\$		\$	
Commercial	\$		\$	
TOTAL	\$		\$	

**Residential Real Estate means any property containing a single-family dwelling or multiple-family dwellings of up to four units. Any properties with more than four units are considered commercial*

OWNED PROPERTIES

18. Has the Applicant or any related entity developed or constructed any property that you self-manage? Yes No
19. Is the Applicant or any related entity actively involved in real estate development or planning any real estate development projects within the next 12 months? Yes No
20. Are any properties where a member of the Applicant holds ownership organized in a Real Estate Investment Trust (REIT) Yes No
21. Please provide full details on procedures in place for escalation of tenant complaints or dangerous conditions that affect or may affect any properties owned by any member of the Applicant or any related party are escalated to any principal, partner, officer, director, managing member or risk manager.

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22. Is the Applicant aware of any dangerous condition that affect or may affect any property owned by you or any related party? Yes No
 If yes, please provide full details:
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CLAIMS HISTORY

23. During the last five years, have there been any claims or proceedings arising out of professional services against the Applicant, or any of its principals, partners, owners, officers, directors, employees, managers, managing members, its predecessors, subsidiaries, affiliates, and/or against any other person or organization proposed for this insurance? Yes No

If Yes, attach complete details including description of allegations, status of claim, amounts demanded or paid, date of claim, and action taken to prevent the same type of claim in the future.

24. Is the Applicant or any principal, partner, owner, officer, director, employee, manager or managing member of the Applicant or any person(s) or organization(s) proposed for this insurance aware of any fact, circumstance situation, incident or allegation of negligence or wrongdoing, which might afford grounds for any claim such as would fall under the proposed insurance? Yes No

If Yes, provide details:

25. Has any insurer cancelled, rescinded, nonrenewed or declined any similar insurance for the Applicant, its predecessors, subsidiaries, affiliates and/or for any other person or organization proposed for this insurance in the last five years? Yes No

If Yes, attach a copy of such insurer's notice.

26. Has the Applicant and/or any of its principals, partners, owners, officers, directors, managers and/or managing members or employees, its predecessors, subsidiaries, affiliates, and/or any other person or organization proposed for this insurance been involved in or have knowledge of any pending or completed investigative or administrative proceedings or governmental regulatory proceedings, actions or notices? Yes No

If Yes, provide details on a separate sheet.

FRAUD WARNINGS

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 and subjects that person to criminal and civil penalties (In Oregon, the aforementioned actions may constitute a fraudulent insurance act which may be a crime and may subject the person to penalties). (In New York, the civil penalty is not to exceed five thousand dollars (\$5,000) and the stated value of the claim for each such violation.) **(Not applicable in AL, AR, CA, CO, DC, FL, KS, KY, LA, ME, MD, NJ, NM, NY, OK, OR, PA, PR, RI, TN, VA, WA, WV)**

Applicable in Alabama, Arkansas, District of Columbia, Louisiana, Maryland, New Mexico, Rhode Island, and West Virginia: Any person who knowingly (or willfully in MD) presents a false or fraudulent claim for payment of a loss or benefit or who knowingly (or willfully in MD) presents false information in an application for insurance is guilty of a crime and may be subject to fines or confinement in prison.

Applicable in California: For your protection California law requires the following to appear on this form: Any person who knowingly presents false or fraudulent information to obtain or amend insurance coverage or to make a claim for the payment of a loss is guilty of a crime and may be subject to fines and confinement in state prison.

Applicable in Colorado: 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 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.

Applicable in Florida and Oklahoma: 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. (In FL, a person is guilty of a felony of the third degree.)

Applicable in Kansas: 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, electronic, electronic impulse, facsimile, magnetic, oral, or telephonic communication or 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.

Applicable in Kentucky: 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.

Applicable in Maine, Tennessee, Virginia and Washington: 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.

Applicable in Puerto Rico: Any person who knowingly and with the intention of defrauding presents false information in an insurance application, or presents, helps, or causes the presentation of a fraudulent claim for the payment of a loss or any other benefit, or presents more than one claim for the same damage or loss, shall incur a felony and, upon conviction, shall be sanctioned for each violation by a fine of not less than five thousand dollars (\$5,000) and not more than ten thousand dollars (\$10,000), or a fixed term of imprisonment for three (3) years, or both penalties. Should aggravating circumstances be present, the penalty thus established may be increased to a maximum of five (5) years, if extenuating circumstances are present, it may be reduced to a minimum of two (2) years.

REPRESENTATIONS

Verus Specialty Insurance, a Berkley Company, is authorized to make any inquiry in connection with this application. Signing this application does not bind Verus Specialty Insurance or the Company to provide or the Applicant to purchase the insurance. This application, information submitted with this application, and all previous applications and material changes thereto of which Verus Specialty Insurance or the Company receives notice is on file with Verus Specialty Insurance and is considered physically attached to and part of the policy if issued. Verus Specialty Insurance and the Company will have relied upon this application and all such attachments in issuing the policy. If the information in this application or any attachment materially changes between the date this application is signed and the effective date of the policy, the Applicant will promptly notify Verus Specialty Insurance, who may modify or withdraw any outstanding quotation or agreement to bind coverage.

WARRANTY

I/We warrant to Verus Specialty Insurance and the Company, that I/We understand and accept the notice stated above and that the information contained herein is true and that it shall be the basis of the policy and deemed incorporated therein, should Verus Specialty Insurance and the Company evidence its acceptance of this application by issuance of a policy. I/We authorize the release of claim information from any prior insurer to Verus Specialty Insurance or the Company.

It is understood and agreed that prior to the inception date of the policy no applicant knew, nor could have reasonably foreseen, any negligent act, error or omission or breach of professional duty, or personal injury or other circumstances that reasonably might result in a Claim covered by this policy.

SIGNATURE

Name of Applicant:		
Signature of person authorized to execute on behalf of the applicant:	Date:	
Print Name and Title of person authorized to execute on behalf of the applicant:		
Name and address of Broker:		

A copy of this application should be retained for your records.

California residents: Please see our **CCPA Notice of Collection of Personal Information** available at <https://www.berkley.com/privacy#californiaConsumerPrivacyPolicy>