



**AIC Insurance Agency
Errors and Omissions Division**

Please submit completed application using one of the following:

Email: newbusiness@eandoinurance.net

Fax: 503-653-7869

Mail to:

Errors and Omissions Division

14000 SE Johnson Rd. Ste. 210

Portland, OR 97267

REAL ESTATE INDUSTRY SERVICES ERRORS AND OMISSIONS APPLICATION

I. General Information

- A. Name and Address of Applicant (include all legal names and DBAs and attach additional sheet, if necessary):

Name(s): _____

Business Address: _____ City: _____ State: _____ Zip: _____

Web Site Address: _____

If no website, please provide brochures and other marketing materials

- B. Firm Contact Information:

Contact Name and Title: _____

Phone: _____ Fax: _____

E-mail address: _____

- C. Additional Locations (attach additional sheet if necessary):

Address: _____ City: _____ State: _____ Zip: _____

- D. List all states in which the applicant operates: _____

II. Firm Information

- A. Date established: _____ / _____ / _____
mo day year

- B. Applicant is: Individual Partnership Corporation LLC LLP REIT Other
If other, please attach details on a separate sheet.

- C. During the past 5 years:

1. Has the name of the Applicant ever been changed? Yes No

2. Has the Applicant been involved in any merger, acquisition or consolidation? Yes No

3. Has any predecessor in business of the Applicant ever been dissolved, declared insolvent or subject to bankruptcy?
If yes to any of the above, please attach details on a separate sheet. Yes No

- D. In the coming 12 months, does the Applicant expect any material change in the operation or ownership of the firm? *If yes, please attach details on a separate sheet.* Yes No

III. Related Entities

- A. Is the applicant owned or controlled by any other entity? Yes No

- B. Is the applicant affiliated with any other entity? Yes No

- C. Does any member of the applicant firm own, manage or otherwise control any other business? Yes No

- D. 1. Does the Applicant have subsidiaries? Yes No

2. Does the Applicant desire coverage for any subsidiary? Yes No

If yes to any of the above, please attach details on a separate sheet.

IN APPLICANT'S RESPONSES TO THE FOLLOWING QUESTIONS, PROVIDE ANSWERS FOR BOTH THE APPLICANT AND ANY SUBSIDIARIES FOR WHICH COVERAGE IS BEING SOUGHT (EVEN IF THE QUESTION DOES NOT SPECIFICALLY REFERENCE SUCH SUBSIDIARIES).

IV. Information on Firm Personnel

- A. Number of Individuals (include only once)
1. Principals, Partners, Directors, Officers or Members: _____
 2. Full-Time Real Estate Professionals: _____
 3. Part-Time Real Estate Professionals: _____
 4. Other Professionals:* _____
 5. Non-Professional Employees: _____
- TOTAL STAFF: _____

* Describe Other Professionals referred to in 4:

B. Please provide information on firm principals, partners, directors, members, officers and owners. Attach additional sheets if necessary.

Name	Title	All Active Licenses, Certifications or Professional Designations	Year First Licensed as a Real Estate Agent	License Ever Revoked or Suspended?
				<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No

C. List Other Key Professionals in firm (other than those listed above) and their qualifications, or attach resumes.

Name of Key Professional	Role in Firm	Qualifications and Experience

V. Risk Management

- A. Does the Firm use standard contract forms approved by a local Board of Realtors or State Association of Realtors? *If no, explain in an attachment why non-standard forms are used and how they were derived* Yes No
- B. Does the Firm always use a written contract with clients? *If no, please explain on a separate sheet.* Yes No
- C. Do all the firm's residential real estate brokers/salespersons require their clients to complete a seller's disclosure form? Yes No
- D. What percent of the firm's transactions involve: Dual Agency? _____ % Dual Agent? _____ %
- E. Do all the firm's real estate brokers or agents:
 1. Disclose in writing the legal nature of their relationship, including dual agency or whether they represent the buyer or seller? Yes No
 2. Require these disclosure forms to be signed by all parties? Yes No
- F. Does the firm have written procedures requiring the review or follow-up of complaints? Yes No
- G. Does the Applicant have written procedures to ensure compliance with Federal, State and Local statutes? Yes No
- H. Does the Applicant have a formalized training program for all professionals and staff? Yes No
- I. Does any client represent more than 25% of the applicant's annual income? Yes No

VI. Information on Professional Services

- A.
 1. Other than to licensed Real Estate Agents, does the firm subcontract any of the services listed in Question VII. B. below? Yes No
 2. *If yes, describe the services subcontracted: Attach additional sheet if necessary*
3. What percent of revenues are attributable to subcontracted work? _____ %
4. Does the firm require evidence of professional liability insurance from subcontractors? Yes No
 If yes, what limit of liability is carried? _____ \$
If no, please attach a detailed explanation on separate sheet.
- B. Does the firm or anyone in the firm sell, appraise, or lease properties constructed, developed or owned by the firm, anyone in the firm, or a related firm? If yes, please describe. Include the commission or fee income from these activities. Yes No
 _____ \$
- C.
 1. Does the firm provide services involving 1031 exchanges? If yes, please describe: Yes No
 2. Does the firm provide services as a Qualified Intermediary for 1031 exchanges? Yes No
- D. What type of property does the firm specialize in?

E. Please provide information on the 5 largest transactions in the last 3 years:

	Type of Property	Value of Property	Type of Client (developer, investor, individual, etc)	Services Rendered	Revenues from Services Rendered
1.		\$			\$
2.		\$			\$
3.		\$			\$
4.		\$			\$
5.		\$			\$

VII. Income Information

A. Five Year Income History - Start with year prior to the past fiscal year shown below:

Fiscal Year ending:	/ /	/ /	/ /	/ /
Income:	\$	\$	\$	\$

B. Breakdown of Professional Services

Show all income, fees and commissions before split with brokers or salespeople or deduction of expenses:	Number of Transactions	Past Fiscal Year Ending / /	Projected for next 12 months:
		\$ INCOME	\$ INCOME
Residential Real Estate Sales (1-4 units)		\$	\$
Farm and/or Ranch Sales		\$	\$
Vacant Land (Residential)		\$	\$
Vacant Land (Non-residential)		\$	\$
Commercial or Income Property Sales		\$	\$
Industrial Property Sales		\$	\$
Real Estate Leasing Fees		\$	\$
Real Estate Consulting/Counseling (Please Describe)		\$	\$
Property Management Fees		\$	\$
Real Estate Appraisal – Residential		\$	\$
Real Estate Appraisal – Commercial		\$	\$
Auctioneering (Real Property Only)		\$	\$
Business Opportunities Brokerage		\$	\$
Escrow Services		\$	\$
Mortgage Brokerage		\$	\$
Real Estate Consulting/Counseling		\$	\$
Title Services		\$	\$
Facilities Management		\$	\$
Construction or Development Services		\$	\$
Renovation Services		\$	\$
Business Valuation		\$	\$
Asset Management		\$	\$
Formation, management or organization of group investments, syndications (including limited partnerships, general partnerships, real estate investment trusts or corporations).		\$	\$
Mortgage Banking		\$	\$
Other Real Estate Related Services (Please Describe)		\$	\$
Other Income from non-Real Estate Related business or Services earned by the firm (Please Describe)		\$	\$
TOTAL GROSS INCOME		\$	\$

VIII. Escrow Services (If firm does no Escrow Services, please skip this question)

- A. How many years have Escrow Services been continuously offered? _____
- B. If less than 5 years, please describe the experience of individual overseeing escrow operation: _____
- C. Number of escrows handled in a 12 month period. _____
- D. How many for customers who did not buy/sell the property through your Real Estate firm? _____
- E. How many for commercial properties? _____
- F. Are Escrow accounts segregated? _____
- G. During the past two years, have you handled disbursement of funds as construction progressed, or have you handled any periodic disbursement type escrows? Yes No

IX. Title Services (If no Title Services, please skip this question)

- A. Title Activities. Gross Income for the last 12 months:
- | | | |
|----|-----------------------------------|----|
| 1. | Title Insurance Agent Commissions | \$ |
| 2. | Title Abstracting/Search Fees | \$ |
| 3. | Closing Services | \$ |
| 4. | Other (please describe) | \$ |
| | Total | \$ |
- B. Real Property Categories:
- | | | |
|----|----------------------------------|---|
| 1. | Residential | % |
| 2. | Commercial/Industrial | % |
| 3. | Agricultural | % |
| 4. | Oil/Gas/Precious Metals/Minerals | % |
| 5. | Other | % |

X. Property Management (If firm does no Property Management, please skip this question)

- A. For the last 12 months, please provide a breakdown of properties managed:
- | Type of Property | Gross Property Management Income |
|--|----------------------------------|
| 1. Single Family Residences | \$ |
| 2. Apartment Buildings | \$ |
| 3. Condominiums/Cooperatives/Homeowners Associations | \$ |
| 4. Vacation or Resort Property | \$ |
| 5. Office Space | \$ |
| 6. Shopping Centers, malls or other retail locations | \$ |
| 7. Industrial Buildings | \$ |
| 8. Mobile Home Parks | \$ |
| 9. Hospital, medical, Nursing Home or Assisted Living Facilities | \$ |
| 10. Hotels and Motels | \$ |
| 11. Other. Please describe: _____ | \$ |
- B. What percentage of properties managed are:
- | | |
|--|---------|
| 1. Owned by the firm, a related entity or anyone employed by the firm? | _____ % |
| 2. Developed by the firm, a related entity or anyone employed by the firm? | _____ % |
| 3. Constructed by the firm, a related entity or anyone employed by the firm? | _____ % |
- C. Does the firm use a written contract on all properties managed? *Please provide a copy of the standard agreement.* Yes No
- D. Are all Properties insured for comprehensive general liability coverage with limits of at least \$1 million? Yes No
- E. Who is responsible for maintaining insurance coverage on the properties?
- the property manager firm is responsible for maintaining the coverage
- the property owner is responsible for maintaining the coverage and providing firm with a Certificate of Insurance
- F. What is the dollar amount of the Applicant's authority for capital improvements, repairs, etc.? \$ _____
- G. Do you oversee:
- | | |
|---|--|
| 1. the management of facility renovation and reconstruction plans, | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 2. the development and management of contracts or subcontracts for renovation and reconstruction? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 3. the development of loss control and risk management plans in connection with reconstruction or renovation? | <input type="checkbox"/> Yes <input type="checkbox"/> No |

XI. Real Estate Appraisal (If the firm does no Real Estate Appraisal activities, please skip this question)

A. Types of Appraisals	Total Gross Income	Other Services	Total Gross Income
1. Single Family Residences	\$	<i>Note: the following services are not automatically covered in the policy</i>	
2. Multi Family Dwellings	\$		
3. Lots/Vacant Land	\$	Right-of-Way	\$
4. Land Development/Subdivisions	\$	Personal Property	\$
5. Industrial Property	\$	Flood zone certifications	\$
6. Office Space	\$	Construction Phase Inspections	\$
7. Other Commercial Property	\$	Phase 1 Environmental Inspection	\$
8. Farms/Ranches/Forestry	\$	Other	\$

B. Do you provide appraisal services to:		If so, provide % of fees
1. Real Estate Developers	<input type="checkbox"/> Yes <input type="checkbox"/> No	%
2. Investors/Syndicators	<input type="checkbox"/> Yes <input type="checkbox"/> No	%

C. Do you provide Business Valuation services? Yes No \$

D. Appraisal Procedures

1. Are fees always independent of the appraised value?	<input type="checkbox"/> Yes <input type="checkbox"/> No
2. How many appraisal apprentices are working at the firm?	
3. What is the largest number of apprentices being supervised by any one appraiser?	

XII. Mortgage Brokerage (If no Mortgage Brokerage services, please skip this question)

A. Top 3 Lender/Investor clients: 1. _____ 2. _____ 3. _____

B. Provide a percentage breakdown of the areas in which the mortgages are made:
 Residential _____ % Commercial _____ % Industrial _____ % Construction _____ % Other _____ %

C. Services rendered:

Origination	%	Loan Funding or Warehousing Credit	%
Servicing	%	Soliciting	%
Underwriting	%	Repurchasing	%

D. For the last 12 months, please provide the following:

Average size loan	\$
Largest size loan	\$
Total dollar value of loans	\$

E. Does firm loan the firm's own funds? Yes No

F. Does the firm close or fund loans without having an advance written commitment from an investor to purchase the loans? Yes No

G. Does the firm have a warehouse line of credit. If yes, what is the amount? Yes No \$
 If yes, what is the average number of years the line of credit has been in place with the current warehouse lenders? _____

H. What percentage of loans originated are reviewed by separate quality control personnel? _____ %

I. What percentage of loans originated are for clients who applied over the internet? _____ %

J. What % of loans originated are for clients outside of the state of domicile? _____ %

If % is greater than 0%, what % of these services are provided:

- through employed personnel _____ %
- through independent contractors _____ %

K. Does firm provide mortgage loan services for homes that are sold by the real estate agents from the firm or an entity related to the firm? Yes No

L. In these transactions, does the real estate agent inform the client that they are under no obligation to use this mortgage broker's services? Yes No

XIII. Claim Information

NOTE: The Applicant's disclosure of claim information by response to the following questions does not indicate or imply in any way that any act or omission is covered by this policy.

With regard to the Applicant and subsidiaries listed in response to Question IV A., please answer the following questions:

- A. During the past 5 years, have any of their principals, partners, directors, officers or professionals ever been subject to disciplinary action by any regulatory agency or association? Yes No
If yes, please attach a detailed explanation on a separate sheet.
- B. During the past 5 years, have any of their principals, partners, directors, officers or professionals ever had their license revoked or suspended? Yes No
If yes, please attach a detailed explanation on a separate sheet.
- C. After inquiry, have any errors and omissions claims been made during the past 5 years against the Applicant, subsidiaries or any of their past or present principals, partners, directors, officers or professionals? Yes No
If yes, please attach current carrier's loss runs.
- D. After inquiry, does the Applicant, subsidiaries or any of their principals, partners, officers, directors or professionals have knowledge or information of any circumstance or incident which may result in any claim being made against the Applicant, subsidiaries or any of their past or present principals, partners, officers, directors, professionals? Yes No
If yes, please attach a supplemental claim questionnaire.
- E. Have all matters in XIII C. or D. above been reported to the Applicant's or subsidiaries' former or current insurers? Yes No

XIV. Prior Errors and Omissions Insurance

A.	Insurer	Limits of Liability	Deductible	Premium	Policy Period	Policy Retroactive Date (if any)
Current Year		\$	\$	\$	/ / to / /	/ /
Previous Year 1		\$	\$	\$	/ / to / /	/ /
Previous Year 2		\$	\$	\$	/ / to / /	/ /
Previous Year 3		\$	\$	\$	/ / to / /	/ /
Previous Year 4		\$	\$	\$	/ / to / /	/ /

- B. Is an extended reporting period currently in effect? Yes No
If yes, please attach a copy of the endorsement including the effective and expiration dates.
- C. During the past 5 years, has any similar errors or omissions coverage been canceled, declined or non-renewed? Yes No
If yes, please attach a detailed explanation on a separate sheet.

Applicant hereby represents after inquiry, that information contained herein and in any supplemental applications or forms required hereby, is true, accurate and complete, and that no material facts have been suppressed or misstated. Applicant acknowledges a continuing obligation to report to the Company as soon as practicable any material changes in all such information, after signing the application and prior to issuance of the policy, and acknowledges that the Company shall have the right to withdraw or modify any outstanding quotations and/or authorization or agreement to bind the insurance based upon such changes.

Further, Applicant understands and acknowledges that:

- 1) if a policy is issued, the Company will have relied upon, as representations, this application, any supplemental applications, and any other statements furnished to the Company in conjunction with this application, all of which are hereby incorporated by reference into this application and made a part thereof;
- 2) this application will be the basis of the contract and will be incorporated by references into and made part of such policy; and
- 3) Applicant's failure to report to its current insurance company any claim made against it during the current policy term, or act, omission or circumstances which Applicant is aware of which may give rise to a claim before the expiration of the current policy may create a lack of coverage.

Applicant hereby authorizes the release of claim information to the Company from any current or prior insurer of the Applicant.

Applicant's Authorized Representative: _____
Signature of Authorized Representative

Print Name of Authorized Representative

Title of Authorized Representative

Date: ____ / ____ / ____
mo day year