

E&O Application

TITLE AGENTS, ABTRACTOR/SEARCHERS AND ESCROW/CLOSING AGENTS APPLICATION

THIS IS AN APPLICATION FOR PROFESSIONAL LIABILITY INSURANCE COVERAGE ON A "CLAIMS MADE" BASIS. The limit of liability can be exhausted by payment of covered damages or claim expenses. If you have any questions, please consult with your agent, broker or attorney.

A. CONTACT /BUSINESS INFORMATION

1. Name of Applicant: _____
2. Contact Person & Title: _____
3. Email Address: _____
4. Street Address: _____
5. City, State, Zip: _____
6. Mailing Address (if different): _____
7. Telephone Number: _____ Facsimile Number: _____
8. Website Address: _____
9. Year Established: _____
10. Form of Business: Individual ___ Partnership ___ Corporation ___ LLC ___ Other (explain) _____
11. Please list address of all branch offices: (use a separate sheet if necessary) Check if N/A
 - a. _____
 - b. _____
 - c. _____

B. GENERAL INFORMATION

12. Do you have written procedures and operating instructions for employees to follow? Yes ___ No ___
13. Do you have a formalized training program for employees? Yes ___ No ___
14. Does any person or entity with any equity or ownership interest in the Applicant Company also own, control, manage or operate a law firm, real estate agency, real estate development or investment firm, construction firm, mortgage or financial institution, title insurance underwriting company or title insurance agency? Yes ___ No ___
If YES, please explain: _____
15. Are any principals or key employees actively involved in any business or profession other than title agent, escrow agent, abstractor, etc, or is any other type of business or profession conducted? Yes ___ No ___

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16. In the past FIVE years has the name of the Applicant been changed or has any other business been purchased, merged or consolidated with the Applicant? Yes ___ No ___ If YES, please explain:

17. Please provide the ownership structure and the respective percentage of ownership.

Name:	_____	% ownership	
a.	_____	_____	%
b.	_____	_____	%
c.	_____	_____	%
d.	_____	_____	% (MUST total 100%)

18. Please list the states where the Applicant performs professional services:

a. Have you ever performed any title services on properties located outside of the United States?

Yes ___ No ___ If Yes, please explain: _____

b. Do you provide any services or have any operations outside of the United States?

Yes ___ No ___ If Yes, please explain: _____

19. Please detail the following for all officers, directors, partners and professional employees. Check all boxes that apply for each. (Use a separate sheet if necessary.)

NAME	TITLE AGENT	ABTRACTOR/SEARCHER	LAWYER	CLOSING/ESCROW AGENT	OTHER (SPECIFY)	YEARS OF EXPERIENCE

20. Please provide the total number of employees in your Company: _____

21. Please detail your annual gross income:

a. Revenue from prior period: \$ _____

b. Revenue for LAST 12 months: \$ _____

c. Projected revenue for NEXT 12 months: \$ _____

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22. Please detail the percentage of annual income derived from the following professional services:

- | | |
|---|----------------------------|
| a. Title Agent _____% | d. Other (specify) _____ % |
| b. Abstractor/Searcher _____% | e. Other (specify) _____% |
| c. Escrow/Closing/
Settlement Agent _____% | (MUST total 100%) |

23. Please detail total estimated gross income by type of services done:

- | | |
|------------------------|---------------------------|
| a. Residential _____% | e. Mining/Minerals _____% |
| b. Commercial _____% | f. Other (specify) _____% |
| c. Agricultural _____% | g. Other (specify) _____% |
| d. Oil/Gas _____% | (MUST total 100%) |

24. Please indicate any professional services performed in the past that you do not currently perform.

25. Do you provide any services over the internet? Yes ____ No ____

If Yes, please explain: _____

26. Estimate the percentage of business derived from the following types of clients:

- | | |
|-------------------------------|---------------------------|
| a. Title Companies _____% | e. Other (specify) _____% |
| b. Real Estate Agents _____% | f. Other (specify) _____% |
| c. Builders/Developers _____% | (MUST total 100%) |
| d. Banks/Mortgage Co.s _____% | |

27. What is the average value of properties in your transactions? \$_____

28. Do your two largest clients make up more than 50% of your business? Yes ____ No ____

If Yes, what percentage of your gross annual revenues come from each of these clients and in what business or industry are these clients engaged?

29. Please list the premium volume percentages remitted for all title underwriting companies represented:

(Do Not Abbreviate) Check box if Not Applicable ____ N/A

Title Insurance Co.	% of Prem. Volume
a. _____	_____ %
b. _____	_____ %
c. _____	_____ %

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30. Has any TITLE insurance company cancelled or non-renewed their contract with the Applicant?

Yes ___ No ___ If YES, please describe the company(ies) and the reason(s) for the cancellation or non-renewal: _____

31. Please list the percentage of data and how it is compiled for **Abstracting/Searching**:

- | | |
|--|----------------------------|
| a. In house title plant _____% | e. Other (specify) _____ % |
| b. Title plant maintained by others _____% | f. Other (specify) _____ % |
| | (MUST total 100%) |
| c. Courthouse records _____% | |
| d. Title company or underwriter _____% | |

32. Please confirm the standard number of years searched on each abstract request: _____ Yrs.

- a. If less than 40 years, does Applicant receive written confirmation from the client the number of years required for each transaction? Yes ___ No ___
- b. Does Applicant perform a post-closing title search to ensure that all filings made by the Applicant have been officially recorded and appear in public record? Yes ___ No ___

33. Please complete this section if Applicant performs **Escrow/Closing/Settlement** services:

- a. Do you require written instructions for every escrow/closing? Yes ___ No ___
- b. Are all wiring instructions verified for accuracy prior to dispersing? Yes ___ No ___
- c. Do you require a cashier's check or "good funds" for each escrow/closing? Yes ___ No ___
- d. Do you require initials or signatures on any changes to an escrow/closing? Yes ___ No ___
- e. Do you ever close without title insurance or a title opinion? Yes ___ No ___
- If YES, please explain: _____
- _____
- f. Do you have audits performed by an independent accounting firm or your title underwriting company? Yes ___ No ___
- g. Use software for all escrow/closing activities? Yes ___ No ___
- h. Conduct all closings with title insurance, title commitment, title opinion or use a written disclaimer or hold harmless as to the condition of the title? Yes ___ No ___

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- i. Perform an updated search on the chain of title and any liens on the property prior to closing? Yes ___ No ___
- j. Perform a post-closing search to ensure filing was made? Yes ___ No ___
- k. Do you perform 1031 tax deferred real estate exchange? If Yes: Yes ___ No ___
 - i. What % of total escrow fees? _____%
 - ii. As Escrow/Closing Agent only? Yes ___ No ___
 - iii. As Intermediary/Accommodator? Yes ___ No ___
- l. Do you have an escrow security bond? If Yes: Yes ___ No ___
What is the Limit? \$ _____

34. 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 ___
If Yes, please provide explanation, including percentage of gross revenue emanating from these clients:

Any failure to fully verify accuracy of disbursement instructions which results in a claim arising from actual or alleged improper distribution shall be excluded from coverage.

35. Do you hire subcontractors? Yes _____ No _____ If Yes, what is the percentage of business generated by these subcontractors for each service?
- a. Witness closers/signers _____%
 - b. Escrow/closing services _____%
 - c. Title abstractor/search services _____%
 - d. Other (specify) _____%
36. Do you require these subcontractors to maintain their own E&O insurance? Yes ___ No ___
37. Do they provide annual certificates of insurance naming Applicant as certificate holder? Yes ___ No ___
38. Do you have any Marketing and Service Agreements (MSA's) in place? Yes ___ No ___
If yes, is the fair market value determination documented? Yes ___ No ___
39. Have all employees been trained on RESPA and CFPB regulatory changes? Yes ___ No ___
40. Are you currently in compliance with RESPA and CFPB regulations? Yes ___ No ___

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C. CURRENT INSURANCE INFORMATION

41. Do you currently have Errors & Omissions Insurance? Yes _____ No _____ If YES, please provide current and prior coverage information for the last 3 years:

Insurance Co.	Limits of Liability	Deductible	Premium	Policy Period

- a. What is the **RETROACTIVE / PRIOR ACTS COVERAGE DATE** of expiring policy? _____
- b. **PLEASE ATTACH a COPY** of the expiring **DECLARATIONS PAGE** showing the retroactive date.

42. Does the applicant have Fidelity coverage currently in force? Yes _____ No _____ If Yes, provide limit: \$ _____

D. LOSS/CLAIM INFORMATION

43. In the past FIVE years, has any application for this type of insurance completed by the Applicant or any other predecessor in business been cancelled or non-renewed? Yes _____ No _____ If Yes, please explain (use a separate sheet if necessary): **Not applicable in Missouri*

44. Has the Applicant or any other proposed Insured been involved in or have any knowledge of any disciplinary or investigative proceedings as a result of professional services? Yes _____ No _____ If Yes, please explain (use a separate sheet if necessary): _____

45. Has any person at the Applicant company ever had any professional or business license of any kind suspended or revoked? Yes _____ No _____ If Yes, please explain (use a separate sheet if necessary): _____

46. In the past 5 years, has the applicant or any of their past or present owners, officers, or partners, given notice of any claim, suit, circumstance or potential claim to any professional liability insurer? Yes _____ No _____ **If Yes, please complete the attached Claim/Incident/Circumstance Information Sheet for EACH claim.**

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47. Is the Applicant or any other person proposed for insurance aware of any incident or circumstance which MAY RESULT in a CLAIM being made against the Applicant or any past or present owners, partners, officers, directors, employees or predecessors in business? Yes ___ No ___ **If Yes, please complete the attached Claim/Incident/Circumstance Information Sheet for EACH incident or circumstance.**

PLEASE BE ADVISED THAT ANY PROCEEDINGS, CLAIMS, INCIDENTS AND/OR CIRCUMSTANCES IDENTIFIED IN RESPONSES TO QUESTION NUMBER(S) 42, AND/OR 43 WILL BE EXCLUDED FROM ANY COVERAGE RESULTING FROM THIS APPLICATION.

Limit of Liability requested: *check all that apply*

Deductible requested: *check all that apply*

\$250,000/\$250,000	_____	\$2,500	_____
\$250,000/\$500,000	_____	\$5,000	_____
\$500,000/\$500,000	_____	\$10,000	_____
\$500,000/\$1M	_____	\$15,000	_____
\$1M/\$1M	_____	\$25,000	_____
\$1M/\$2M	_____	\$50,000	_____

ANTIFRAUD WARNING NOTICE TO ALL APPLICANTS: ANY PERSON WHO KNOWINGLY 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 ALSO PUNISHABLE BY CIVIL PENALTIES IN CERTAIN JURISDICTIONS.

NOTICE TO TEXAS APPLICANTS: ANY PERSON WHO MAKES AN INTENTIONAL MISSTATEMENT THAT IS MATERIAL TO THE RISK MAY BE FOUND GUILTY OF INSURANCE FRAUD BY A COURT OF LAW.

NOTICE TO COLORADO APPLICANTS: 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 PROVIDE FALSE, INCOMPLETE, OR MISLEADING FACTS OR INFORMATION TO A POLICY HOLDER 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.

NOTICE TO FLORIDA APPLICANTS: 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.

NOTICE TO OKLAHOMA AND IDAHO APPLICANTS: 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.

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NOTICE TO PENNSYLVANIA APPLICANTS: 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.

NOTICE TO NEW MEXICO APPLICANTS: 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.

NOTICE TO KENTUCKY APPLICANTS: 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.

NOTICE TO MICHIGAN AND MINNESOTA APPLICANTS: 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, IS GUILTY OF A FELONY AND IS SUBJECT TO CRIMINAL AND CIVIL PENALTIES.

NOTICE TO OHIO APPLICANTS: ANY PERSON WHO, WITH 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.

NOTICE TO NEW JERSEY APPLICANTS: ANY PERSON WHO KNOWINGLY INCLUDES ANY FALSE OR MISLEADING INFORMATION ON AN APPLICATION FOR AN INSURANCE POLICY OR FILES A STATEMENT OF CLAIM CONTAINING ANY FALSE OR MISLEADING INFORMATION IS SUBJECT TO CRIMINAL AND CIVIL PENALTIES.

NOTICE TO MAINE, TENNESSEE, VIRGINIA, AND WASHINGTON APPLICANTS: 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.

NOTICE TO ARKANSAS, LOUISIANA & WEST VIRGINIA APPLICANTS: 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.

NOTICE TO MARYLAND APPLICANTS: ANY PERSON WHO KNOWINGLY AND WILLFULLY PRESENTS A FALSE OR FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT OR 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.

NOTICE TO MISSOURI & ARIZONA APPLICANTS: CLAIM EXPENSES ARE INSIDE THE POLICY LIMITS. ALL CLAIM EXPENSES SHALL FIRST BE SUBTRACTED FROM THE LIMIT OF LIABILITY, WITH THE REMAINDER, IF ANY, BEING THE AMOUNT AVAILABLE TO PAY FOR DAMAGES.

NOTICE TO OREGON APPLICANTS: ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD OR SOLICIT ANOTHER TO DEFRAUD ANY INSURANCE COMPANY: (1) BY SUBMITTING AN APPLICATION, OR (2) BY FILING A CLAIM CONTAINING A FALSE STATEMENT AS TO ANY MATERIAL FACT, MAY BE VIOLATING STATE LAW.

NOTICE TO NEW YORK APPLICANTS: ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR OTHER PERSON FILES AN APPLICATION FOR INSURANCE OR A 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 CAUSE OF THE CLAIM FOR EACH VIOLATION.

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A POLICY CANNOT BE ISSUED UNLESS THE APPLICATION IS PROPERLY SIGNED AND DATED.

The signer of this application, authorized and acting on behalf of all insured, declares that all statements and information provided by the Insured is true, complete and accurate. It is agreed that this application is the basis of and becomes a part of the policy, should a policy be issued. The signing of this application does not require the signer to purchase insurance, nor does the review of this application require the Insurer to issue a policy.

Signer's Name (printed): _____ Title: _____

Signed: _____ Date: _____

(Must be signed by Owner, Partner or Senior Officer)

**Please complete Supplemental Claim / Incident / Circumstance Information Sheet ONLY
if you answered YES to question(s) 42 and/or 43 of the Application.**

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SUPPLEMENTAL CLAIM / INCIDENT / CIRCIMSTANCE INFORMATION SHEET

This sheet is to be completed by Applicant who has been involved in any claim or suit during the past 5 (FIVE) years or who is aware of any incidents which may give rise to a claim. Complete a separate sheet for each claim or incident if necessary. Answer all questions fully. Principal of company must sign this sheet in addition to the Application.

CHECK ONE BOX:

- NO I HAVE NOT HAD ANY CLAIMS IN THE PAST 5 (FIVE) YEARS
 YES I HAVE REPORTED THIS CLAIM / POTENTIAL CLAIM TO MY E&O INSURANCE CARRIER

1. NAME OF INSURED/APPLICANT: _____
2. NAME OF INDIVIDUAL(S) OR FIRM INVOLVED IN CLAIM: _____
3. NAME OF CLAIMANT: _____
4. DATE OF ALLEGED ERROR / ACT: _____
5. DATE CLAIM MADE: _____
6. NAME OF INSURER (if applicable): _____
7. PRESENT STATUS OF CLAIM: PENDING CLOSED IN SUIT
8. IF CLOSED, TOTAL LOSS PAID \$ _____ TOTAL EXPENSES PAID \$ _____
9. IF PENDING:
 - a. AMOUNT ASKED IN SUMMONS \$ _____
 - b. CLAIMANT'S SETTLEMENT \$ _____
 - c. DEMAND \$ _____
 - d. DEFENDANT'S SETTLEMENT OFFER \$ _____
 - e. INSURER'S LOSS RESERVE \$ _____
 - f. EXPENSES PAID TO DATE \$ _____
10. DETAILED DESCRIPTION OF CLAIM AND EVENTS*: _____

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SUPPLEMENTAL CLAIM / INCIDENT / CIRCIMSTANCE INFORMATION SHEET

11. ALLEGATIONS UPON WHICH CLAIMANT BASES CLAIM*: _____

12. EXPLAIN WHAT ACTIONS HAVE BEEN TAKEN TO PREVENT A RECURRENCE OR SIMILAR CLAIM*: _____

*Use a separate sheet if necessary.

APPLICANT'S SIGNATURE: _____ DATE: _____