

## Application for Claims-Made Professional Liability Insurance Coverage

Your acceptance is subject to Underwriter's approval. All questions must be answered. Please attach additional sheets for comments and explanations to questions asked where the answer cannot be fully addressed on this application form. The term "Applicant", as used herein, refers to the person or entity applying for coverage and proposed to be covered under the policy, if issued, as the "First Named Insured". "Applicant" shall also mean any other person or entity applying for coverage as a Named Insured.

We recommend this application be submitted electronically. If you are unable to do so, please print and scan the document and save to your hard drive both before and after completing. Please utilize Adobe Acrobat Reader 8.0 or higher, which is available at no cost at <http://www.adobe.com/products/acrobat/readstep2.html>

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Requested Effective Date: \_\_\_\_\_

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1. Applicant Entity Name/First Named Insured: \_\_\_\_\_  
**[for each additional entity request, complete the Additional Entity Supplemental Application]**

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Physical Street Address: \_\_\_\_\_

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City: \_\_\_\_\_ County: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

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Mailing Address: \_\_\_\_\_

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City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_ Website address: \_\_\_\_\_

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2. Contact Person: \_\_\_\_\_ Email: \_\_\_\_\_ Phone: \_\_\_\_\_

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3. Is Applicant an IIABA State affiliate member?  Yes  No

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4. Entity Type:  Sole Proprietorship  Corporation  LLC  Partnership  LLP

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5. Date entity established: \_\_\_\_\_ **[If less than 3 years, the owners' resumes and business plan are required]**

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6. Has the Applicant had any of the following occur within the last 5 years?  Yes  No  
**[If yes, the Mergers, Acquisitions and Clusters Supplemental Application, must be completed]:**

Name Change  Ownership change  Acquisition  Merger  Cluster arrangement

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7. Is the Applicant owned or controlled by another entity?  Yes  No If yes, please answer the questions below:

a. Name of entity: \_\_\_\_\_ Type: \_\_\_\_\_ % of ownership: \_\_\_\_\_

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b. Percentage of Applicant revenue derived from insurance placements where a parent or affiliated company is the client \_\_\_\_\_ %

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8. Is office space shared with another agency or do you provide business processing services for another agency?  Yes  No  
 If yes, provide the name of the agency: \_\_\_\_\_  
**[If providing business processing services for another agency, please attach proof of their E&O coverage]**

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9. Do you outsource any agency function overseas such as policy, endorsement or certificate review or issuance?  Yes  No  
 If yes, provide details: \_\_\_\_\_

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10. Provide current and prior Insurance Agents Errors & Omissions Liability policy history for the past 5 years below:

Insurance Carrier	Effective Date	Policy Limit/Aggregate	Deductible	Annual Premium	Retro Date

Attach copy of current E&O policy Declarations Page

11. Limits of Liability options requested that are different from the current policy: \$ \_\_\_\_\_ Per Claim \$ \_\_\_\_\_ Aggregate

12. Deductible options requested that are different from the current policy: \$ \_\_\_\_\_

13. What type of Deductible do you have on your current policy?  Damages & Defense  Damages Only [First Dollar]

14. Is optional coverage for Employment Practices Liability being requested?  Yes  No

[If yes, the Employment Practices Liability Endorsement Supplemental Application must be completed]

15. Total Premium Volume for the past fiscal year for ALL locations: \$ \_\_\_\_\_ Estimated next 12 months: \$ \_\_\_\_\_

16. Total Revenue for ALL locations: \$ \_\_\_\_\_

[Revenue is all sources of income with the exception of earnings from premium finance contracts, investment income, and profit sharing bonuses received from insurance companies]

Property & Casualty – Past fiscal year: \$ \_\_\_\_\_ Estimated next 12 months: \$ \_\_\_\_\_

Life/Accident & Health – Past fiscal year: \$ \_\_\_\_\_ Estimated next 12 months: \$ \_\_\_\_\_

Other – Past fiscal year: \$ \_\_\_\_\_ Estimated next 12 months: \$ \_\_\_\_\_

17. List nonresident licenses held: \_\_\_\_\_

18. Number of locations: \_\_\_\_\_

If more than one, complete the following:

Location	1 - Principal Address	2	3	4	5
City					
County & State					
Revenue					
Total Staff					

19. Indicate total staff for all locations below: [Staff members should only be counted once].

	Full Time	Part Time
Licensed Owners & Officers		
Licensed Employed Producers		
Independent Contractor Producers Exclusive to the Agency		
Independent Contractor Producers Not Exclusive to the Agency		
Licensed Customer Service		
Unlicensed Customer Service with Client Contact		
Other Unlicensed Staff		
Total		

20. For those indicated in #19 above, how many are licensed to sell Life/Accident & Health Products:

21. For those indicated in #19 above provide the following:

a. P&C Insurance agency experience that is less than 3 years:	% 3-5 years	% More than 5 years	%
b. Percent that have completed insurance designations such as CPCU, CIC, ARM, RPLU, etc.	%		
c. Turnover rate over the past 3 years:	%		

[To calculate, divide the number of staff that have left over the last 3 years by the average number of staff over the last 3 years.

Example: Average staff count over the last 3 years is 10. 2 people left the agency in the last 3 years. 2 divided by 10 is 20%].

22. What percentage of the applicant's ownership or management staff has attended Loss Prevention Seminars in the past 12 month period up to 30 days after policy effective date? % **Attach Seminar Certificates**

If yes, attach documentation of completion.

23. List the top 5 insurance carriers or other insuring entities where insurance coverage is placed. Insuring entities include self-insured groups, state insurance plans, PEO's, etc:

Insurance Carrier/Insuring Entity	Annual Premium Volume	Binding Authority		A. M. Best's Rating	Admitted	Nonadmitted	Does Not Apply
		Yes	No				
		<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

24. Indicate the distribution for the following types of placements: [Responses MUST equal 100%]

Admitted:	%
Nonadmitted:	%
State Insurance Plans: (Examples: JUAs, Fair Plans, State Workers Comp Plans, State Earthquake and Wind Plans)	%
Self-Insured Groups: (Examples: Trusts, public entity pools, captives)	%
PEOs: [If conducting business with a PEO, the PEO Referral Supplemental Application must be completed]	%
Total:	100 %

25. Indicate the percentage of placements by A.M. Best Rating: [Responses MUST equal 100%]

Rated B+ or better:	%
Rated less than B+:	%
Does not have an A.M. Best Rating:	%
Total:	100 %

26. Indicate the percentage of placements: [Responses MUST equal 100%]

By the Applicant direct to the carrier/insuring entity:	%
By the Applicant through a Managing General Agent (MGA):	%
By the Applicant through a Surplus Lines Broker, wholesaler or other broker:	%
As a Managing General Agent:	%
As a Surplus Lines Broker or wholesaler:	%
Other – Explain:	%
Total:	100%

27. What is the total number of MGAs, Surplus Lines Brokers, wholesalers and other brokers the agency places business through:

28. Indicate the percentage of billing placements:

Direct bill of policyholders by the insurance company/risk bearing entity:	%
Agency bill basis:	%
Total	100%

29. What percentage of your clients have physical locations outside of the U.S. (not including U.S. territories, Puerto Rico or Canada)? %

30. Is the Applicant involved in the creation, formation, operation and/or administration of any of the following:

Alternative Risk Transfer Arrangements (ART), Captive Plans or Arrangements, Risk Retention Groups, Risk Purchasing Groups, Professional Employer Organizations (PEOs), Self-Insured Trusts, Multiple Employer Trusts (METs) or Multiple Employer Welfare Arrangements (MEWAs)?

Yes  No

If yes, attach a detailed explanation.

31. What percentage of your business is placed for building contractors and construction risks? %

32. Provide revenue distribution by your sales activities and services provided: [All columns combined MUST total 100%]

Column A Commercial and Casualty	Column B Personal Property and Casualty	Column C Life, Accident and Health	Column D Financial Products: Annuities, Mutual Funds, Variable Products and Securities*	Column E Other Services
___ % Standard Property/Fire	___ % Auto – Standard	___ % Life – Individual	___ % Variable Life	___ % Reinsurance Intermediary
___ % Nonstandard Property/Fire	___ % Auto – Nonstandard and Assigned Risk Plans	___ % Life – Group	___ % Mutual Funds	___ % Third Party Administrator – Workers Compensation*
___ % SMP, BOP, Package	___ % Homeowners and Standard Fire	___ % A&H – Individual	Annuities: ___ % Equity Indexed ___ % Fixed ___ % Variable	___ % Employee Benefits Administration*
___ % CGL	___ % Fire - Nonstandard and Fair Plans	___ % A&H – Group: Fully Insured [Including HMO/PPO]	___ % Securities [stocks]	___ % Actuarial Services
___ % Excess & Umbrella	___ % Pleasure Craft	___ % A&H – Group: Partially Insured or Self Insured*	___ % Bonds	___ % Real Estate, Escrow, Mortgage Broker, Title Agent
Transportation: ___ % Auto – Standard ___ % Auto - Nonstandard ___ % Long Haul Trucking ___ % Other Trucking ___ % Livery	___ % Umbrella	___ % Long Term Care	___ % Other, list below:	___ % Claims Adjusting Services*
___ % Workers Compensation	___ % Flood, Wind, Earthquake	___ % Other, list below:		___ % Loss Control/ Risk Management
___ % Crop Coverage*	___ % Other, list below:			___ % Consulting – Fee Based
___ % Medical Malpractice				___ % Premium Financing for Others
___ % Professional Liability (nonmedical): D&O, E&O, EPLI, etc.				___ % Other, list below:
___ % Wet Marine				
___ % Inland Marine				
___ % Bonds – Surety*				
___ % Bonds – All Other*				
___ % Aviation				
___ % Oil, Gas, Petrochemical				
___ % Hazardous Materials Pollution, Environmental Liability				
___ % Flood, Wind, DIC, Earthquake				
___ % Other, list below:				
___ % Subtotal Column A	___ % Subtotal Column B	___ % Subtotal Column C	___ % Subtotal Column D	___ % Subtotal Column E
*Complete Supplemental Form				100% Total All Columns

33. Answer the following questions regarding your agency's office procedures:

a. Are all notes, correspondence and important phone conversations with clients, underwriters and others, dated and retained?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
b. Does the agency consistently use a diary system?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
If yes, is it: <input type="checkbox"/> automated <input type="checkbox"/> manual		
c. Does the agency have an Agency Management System?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
If yes, which one do you use?		When was it last upgraded?
d. If multiple locations, are the same procedures, systems and controls the same for all offices?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
If no, please explain:		
e. Are expiration lists maintained and reviewed on all accounts?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
f. Does the agency use a checklist or other formalized coverage analysis to assist in the evaluation of your client's exposures and insurance requirements?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
g. If coverage is quoted with a company or other insuring entity that is either unrated or has less than a B+ rating from A.M. Best, does the agency use a disclaimer?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
h. Does the agency have a procedure to notify policyholders of negative carrier rating changes or other adverse developments involving those entities where you have placed their business?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
i. If coverage provided is more restrictive than the client's prior coverage or from what the client requested, does the agency obtain a signed acknowledgement from the client?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
j. Are umbrella/excess policies reviewed to be certain they are consistent with primary policy terms and conditions?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
k. Are certificates of insurance reviewed to be certain they are consistent with the policy terms and conditions?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
l. Are policies and endorsements checked against expiring policies, the application, and other client requests for correctness prior to delivery to your clients?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
m. Does the agency have a procedure for the prompt reporting of claims?	<input type="checkbox"/> Yes	<input type="checkbox"/> No

34. Please provide an answer to the following questions regarding your agency's history:

a. Has any policy or application for Insurance Agents Errors & Omissions insurance on behalf of the Applicant or its predecessors in business, ever been declined, cancelled or refused renewal? [This question is not applicable in Missouri]	<input type="checkbox"/> Yes	<input type="checkbox"/> No
If yes, please explain:		
b. During the past 5 years, has the Applicant made an "adjustment" or "goodwill payment" in settlement of any dispute? [If yes, attach a detailed explanation]	<input type="checkbox"/> Yes	<input type="checkbox"/> No
c. Has any principal, director, officer, manager, member, partner, employee or agent of the Applicant ever been subject to a complaint, reprimand or disciplinary or criminal action by Federal, State or local authorities as a result of their professional services activities? [If yes, attach a detailed explanation]	<input type="checkbox"/> Yes	<input type="checkbox"/> No
d. Does the Applicant or any principal, director, officer, manager, member, partner, employee or agent of the applicant proposed for coverage have knowledge of or information concerning any fact, circumstance, situation, act, error or omission which might reasonably be expected to give rise to a claim? [If yes, attach a detailed explanation]	<input type="checkbox"/> Yes	<input type="checkbox"/> No

e. During the past 5 years, have any claims, suits, proceedings or claims for damages been made against the Applicant or any proposed insured?

[If yes, the Claim Information Supplemental Application must be completed]

Yes  No

**NOTE: Provide current copy of the applicant’s insurance agents errors and omissions carrier loss runs for the past 5 years. The loss runs should be dated within the past 60 days.**

It is agreed that if any applicant or director, officer, manager, member, partner or employee or agent of the applicant proposed for coverage has knowledge of any information concerning any such fact, circumstance, situation, act, error or omission, whether or not identified in response to Question 35.d. or 35.e., any claim arising therefrom is hereby excluded from coverage under the policy, if issued.

It is hereby agreed that the information provided above is true and correct, and is material in deciding whether to issue the above coverage or coverages to the Applicant. This supplemental application must be signed and dated by the owner, partner or a senior officer of the Named Insured.

**Must be signed and dated by owner, partner or senior officer.**

Name:

Title:

[Print Name]

[Print Title]

Signature:

Date:

[Must be signed by Owner, Partner or Senior Officer]

[Month/Day/Year]

**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 is a crime and subjects such 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, AZ, CO, DC, FL, HI, ID, KS, LA, ME, MD, MN, NM, NJ, OH, OK, PR, RI, TN, UT, VA, VT, WA and WV per attached form 141874].

**Additional Application Information:**

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