

INSTRUCTIONS

1. Please answer all questions, leave no blank spaces.
2. If space is insufficient to answer fully any questions, please attach separate sheet.
3. Application must be signed and dated by owner, partner or officer.

INSURANCE BROKER'S PROFESSIONAL INDEMNITY INSURANCE

APPLICATION FORM

(THIS IS AN APPLICATION FOR A CLAIMS MADE POLICY)

NOTE: *In applying for the coverage, the applicant understands that in the event of an insured loss, the limit of liability and deductible shall be inclusive of the loss payment and the claim expenses as defined in the policy.*

1. NAME OF FIRM AND ADDRESS OF THE HEAD OFFICE:

.....

.....

.....

2. ADDRESS(ES) OF BRANCH OFFICES:

.....

.....

.....

3. NAMES AND ADDRESSES OF PARENT AND SUBSIDIARY OPERATIONS, AND % OWNED:

.....

.....

.....

4. THE APPLICANT IS:

INDIVIDUAL	.....
PARTNER	.....
CORPORATION	.....
OTHER (DESCRIBE)	.....

DATE ESTABLISHED

IF ESTABLISHED WITHIN THE LAST THREE YEARS, PLEASE PROVIDE DETAILS OF PREVIOUS INSURANCE EXPERIENCE OF PRINCIPALS.

5. DURING THE PAST FIVE YEARS:

- (a) HAS THE NAME OF THE FIRM BEEN CHANGED? YES/NO
 IF YES, PLEASE GIVE DETAILS
- (b) HAS ANY OTHER FIRM BEEN PURCHASED, MERGED OR
 CONSOLIDATED WITH THE APPLICANT? YES/NO
 IF YES, PLEASE GIVE DETAILS

6. WHAT IS THE TOTAL NUMBER OF PARTNERS, STAFF AND OFFICE BROKERS?

- (a) TOTAL NUMBER OF PARTNERS (INCLUDING THE SIGNATORY ON
 THE PROPOSAL FORM)
- (b) ALL STAFF, SUCH AS CLERKS, TYPISTS, TELEPHONE
 OPERATORS, ETC.
- (c) SOLICITORS AND OFFICE BROKERS REMUNERATED ON A
 COMMISSION BASIS (TO BE NAMED ON A SEPARATE
 SCHEDULE)

7. IS THE FIRM LICENSED (WHERE NECESSARY) OR DOING BUSINESS AS:

- (a) INSURANCE BROKER YES/NO
 (b) INSURANCE AGENT YES/NO
 (c) GENERAL INSURANCE AGENT YES/NO
 (d) MANAGING GENERAL AGENT YES/NO
 (e) UNDERWRITER FOR A POOL OF COMPANIES YES/NO
 (f) INSURANCE CONSULTING/ADVISING YES/NO

8. IF THE ANSWER TO 7. (d) OR (e) IS 'YES', PLEASE GIVE THE FOLLOWING INFORMATION FOR EACH CONTRACT/AGREEMENT:

- NAME OF CONTRACT/AGREEMENT
- (a) PREMIUM INCOME
- (b) COMMISSION OR FEES
- (c) MAXIMUM LIMIT(S)
- (d) CLASSES INSURED
- (e) INSURERS FOR WHOM THE ASSURED HAS AUTHORITY TO
 UNDERWRITE RISKS
- (f) EXPLAIN IN DETAIL THE EXTENT OF AUTHORITY GRANTED TO YOU
 IN RESPECT OF EACH BINDING AUTHORITY

9. IS APPLICANT INVOLVED IN ANY OF THE FOLLOWING ACTIVITIES, IF 'YES' PLEASE SHOW PERCENTAGE OF TOTAL REVENUE RECEIVED FROM EACH ACTIVITY:

- | | | | |
|-----|---|--------|--------|
| (a) | REAL ESTATE | YES/NO |% |
| (b) | MUTUAL FUNDS | YES/NO |% |
| (c) | PREMIUM FINANCING | YES/NO |% |
| (d) | CLAIMS ADJUSTING | YES/NO |% |
| (e) | LOSS PREVENTION ENGINEERING | YES/NO |% |
| (f) | THIRD PARTY ADMINISTRATOR | YES/NO |% |
| (g) | LAW PRACTICE | YES/NO |% |
| (h) | IS THE APPLICANT ENGAGED IN ANY ACTIVITIES OTHER THAN THOSE ALREADY LISTED IN QUESTIONS 7 AND 8? YES/NO | | |
| | IF 'YES', PLEASE LIST ADDITIONAL ACTIVITIES | | |
| | | | |

PLEASE NOTE THAT NO COVERAGE IS GRANTED FOR THESE ACTIVITIES UNLESS SPECIFICALLY AGREED BY ENDORSEMENT TO THE POLICY.

10. WHAT IS THE ANNUAL PERCENTAGE BREAKDOWN BY LINE OF BUSINESS OF THE APPLICANT'S ANNUAL PREMIUM INCOME?

- | | % OF TOTAL |
|---|------------|
| (a) FIRE & E.C. (COMMERCIAL LINES) | |
| (b) SUBSTANDARD FIRE | |
| (c) PACKAGE POLICIES | |
| (d) HOMEOWNERS | |
| (e) AUTO STANDARD | |
| (f) AUTO NON STANDARD | |
| (g) MEDICAL MALPRACTICE | |
| (h) PROFESSIONAL LIABILITY, D&O, E&O | |
| (i) GENERAL/UMBRELLA/EXCESS LIABILITY | |
| (j) WORKERS COMPENSATION | |
| (k) LIVESTOCK MORTALITY/BLOODSTOCK | |
| (l) FLOOD | |
| (m) LONG HAUL TRUCKING | |
| (n) CROP INSURANCE | |
| (o) JEWELERS BLOCK | |
| (p) MARINE (PLEASE SPECIFY TYPE) | |
| (q) AVIATION (PLEASE SPECIFY TYPE) | |
| (r) LIFE (PLEASE SPECIFY TYPE) | |
| (s) ACCIDENT & HEALTH (PLEASE SPECIFY TYPE) | |
| (t) POLLUTION LIABILITY | |
| (u) BONDS | |
| (v) REINSURANCE | |
| (w) OTHER (PLEASE SPECIFY) | |

11. DOES THE APPLICANT PLACE BUSINESS WITH LLOYD’S UNDERWRITERS, IF ‘YES’ PLEASE GIVE THE APROXIMATE PERCENTAGE OF YOUR TOTAL COMMISSION/BROKERAGE DERIVED THEREFROM:

- (a) DIRECTLY THROUGH ANY FIRM OF LLOYD’S BROKERS
IN LONDON? YES/NO%
- (b) INDIRECTLY THROUGH THE INTERMEDIARY OF
ANOTHER NORTH AMERICAN AGENT OR BROKER?
YES/NO%

12. WHAT PERCENTAGE OF THE APPLICANT’S BUSINESS IS:

- (a) RECEIVED DIRECT FROM INSUREDS?
- (b) ACCEPTED FROM OTHER PRODUCERS?

13. DURING THE APPLICANT’S LAST FINANCIAL YEAR WHAT WAS:

- (a) TOTAL PREMIUM INCOME
- (b) TOTAL COMMISSION OR BROKERAGE
- (c) INSURANCE CONSULTING FEES
- (d) TOTAL FEES DERIVED FROM OTHER
ACTIVITIES (PLEASE LIST)

14. LIST THE TOP FOUR INSURANCE COMPANIES BY PREMIUM INCOME WITH WHICH YOU PLACE BUSINESS AND SHOW THE DOLLAR VOLUME FOR EACH:

INSURANCE COMPANY	ADMITTED?	VOLUME PLACED?	CURRENT “BESTS INSURANCE” RATING
.....	YES/NO	.....	.....
.....	YES/NO	.....	.....
.....	YES/NO	.....	.....
.....	YES/NO	.....	.....

- 15. (a) DOES APPLICANT DELEGATE BINDING AUTHORITY TO
SUB-PRODUCERS? YES/NO
- (b) DOES APPLICANT ADJUST CLAIMS? YES/NO
- (c) DOES APPLICANT HAVE CLAIMS SETTLEMENT AUTHORITY? YES/NO
IF ‘YES’, PLEASE PROVIDE DETAILS
- (d) DOES APPLICANT HAVE AUTHORITY TO DENY CLAIMS? YES/NO
- (e) DOES APPLICANT NEGOTIATE/PURCHASE REINSURANCE? YES/NO

16. HOW ARE STAFF MEMBERS KEPT INFORMED OF CHANGES IN LEGISLATION THAT MIGHT AFFECT YOUR FIRM, CLIENTS OR CARRIERS?

.....

.....

17. DO YOU HAVE PROCEDURES TO RECORD AND DOCUMENT FOR THE FILE ALL BUSINESS-RELATED TELEPHONE CONVERSATIONS AND REQUIRE EMPLOYEES TO FOLLOW THOSE PROCEDURES? YES/NO

18. ARE ALL DECLINATIONS OF COVERAGE CONFIRMED IN WRITING? YES/NO

19. DO YOU OBTAIN INSTRUCTIONS IN WRITING FROM CUSTOMERS WHO WANT THEIR INSURANCE COVERAGE REDUCED OR ELIMINATED? YES/NO

20. ARE CUSTOMERS ADVISED IN WRITING WHENEVER INSURANCE COVERAGE CANNOT BE BOUND IMMEDIATELY OR WHEN SPECIAL RESTRICTIONS AND/OR ENDORSEMENTS APPLY? YES/NO

21. PLEASE GIVE FULL PARTICULARS OF ALL SIMILAR INSURANCES DURING THE PAST FIVE YEARS:

INSURER	AMOUNT OF POLICY	DEDUCTIBLE	PERIOD	PREMIUM
.....
.....
.....
.....
.....

22. HAS ANY APPLICATION FOR INSURANCE MADE ON BEHALF OF THE FIRM OR ANY OF THE PRESENT PARTNERS OR, TO THE KNOWLEDGE OF THE FIRM, ON BEHALF OF THEIR PREDECESSORS IN BUSINESS, EVER BEEN DECLINED OR HAS ANY SUCH INSURANCE EVER BEEN CANCELLED OR RENEWAL REFUSED? YES/NO

IF 'YES', PLEASE GIVE FULL PARTICULARS ON A SEPARATE SHEET.

23. HAS THE APPLICANT OR ANY PARTNER OR EMPLOYEE OF ANY APPLICANT PROPOSED FOR INSURANCE EVER BEEN SUBJECT TO DISCIPLINARY ACTION BY ANY STATE LICENSING AGENCY OR OTHER REGULATORY BODY? YES/NO

IF 'YES', PLEASE GIVE FULL PARTICULARS ON A SEPARATE SHEET.

24. HAVE ANY CLAIMS BEEN MADE DURING THE PAST FIVE YEARS AGAINST THE FIRM, THEIR PREDECESSORS IN BUSINESS OR ANY OF THE PRESENT PARTNERS OR, TO THE KNOWLEDGE OF THE FIRM, AGAINST ANY PAST PARTNERS? YES/NO

IF 'YES', PLEASE GIVE FULL PARTICULARS ON A SEPARATE SHEET.

25. IS THE FIRM AWARE, AFTER ENQUIRY, OF ANY CIRCUMSTANCES WHICH MAY RESULT IN ANY CLAIMS BEING MADE AGAINST THE FIRM, THEIR PREDECESSORS IN BUSINESS OR ANY OF THE PRESENT OR PAST PARTNERS? YES/NO

IF 'YES', PLEASE GIVE FULL PARTICULARS ON A SEPARATE SHEET.

26. (a) WHAT LIMIT OF INDEMNITY IS REQUIRED?
(b) WHAT AMOUNT OF DEDUCTIBLE IS REQUIRED

I/WE HEREBY DECLARE THAT THE ATTACHED STATEMENTS AND PARTICULARS ARE IN ALL RESPECTS TRUE AND ARE MATERIAL TO THE ISSUANCE OF INSURANCE HEREIN AND THAT I/WE HAVE NOT OMITTED OR SUPPRESSED OR MIS-STATED ANY FACTS AND I/WE AGREE THAT THIS PROPOSAL FORM SHALL BE THE BASIS OF THE CONTRACT AND SHALL WE BE DEEMED A PART OF THE POLICY AS IF ANNEXED THERETO. SIGNATURE OF THIS FORM DOES NOT BIND THE FIRM OR THE UNDERWRITERS TO COMPLETE THE INSURANCE.

NAME OF FIRM

BY

*Owner, Partner or Officer
(Must be Signed)*

DATE

TITLE