



# STARSTONE SPECIALTY INSURANCE COMPANY

## APPLICATION

### REAL ESTATE SERVICES PROFESSIONAL LIABILITY INSURANCE

**APPLICATION FOR CLAIMS-MADE AND REPORTED PROFESSIONAL LIABILITY INSURANCE POLICY, LIMITED TO ONLY THOSE CLAIMS FIRST MADE AGAINST THE INSURED AND REPORTED IN WRITING TO THE INSURER DURING THE POLICY PERIOD OR AN EXTENDED REPORTING PERIOD, IF APPLICABLE.**

It is agreed that in granting coverage under this Policy, the Insurer has relied upon the information and materials described below and any other material submitted by the Applicant in connection with the underwriting of this Policy.

Applicant Name			
Street Address		Suite	
City	County	State	Zip Code
Date established		Website Address	
Officer designated to receive correspondence and notices from the Insurer:			
Primary Contact Name		Title	
Email	Telephone Number	Fax Number	

#### **CURRENT and PRIOR INSURANCE COVERAGE**

Expiration Date	Carrier	Per Claim Limit	Aggregate Limit	Retention	Retroactive Date
		\$	\$	\$	
		\$	\$	\$	
		\$	\$	\$	

1. Has the Applicant had any Professional Liability Insurance declined, cancelled or non-renewed  Yes  No within the past three years?  
 If "Yes", provide details: \_\_\_\_\_

#### **I. GENERAL INFORMATION**

1. Form of business (check one):
- |   |   |                                    |   |
|---|---|------------------------------------|---|
| <input type="checkbox"/> Public Company | <input type="checkbox"/> Private For Profit | <input type="checkbox"/> Nonprofit | <input type="checkbox"/> Sole Proprietorship / Individual |
| <input type="checkbox"/> Joint Venture  | <input type="checkbox"/> Partnership        | <input type="checkbox"/> LLC       | <input type="checkbox"/> LLP                              |

2. Number of Employees:

	Full Time	Part Time
Principals, Partners, Officers		
Licensed employees		
Independent Contractors (licensed)		
Independent Contractors (unlicensed)		
Other employees		

3. Subsidiaries for which coverage is desired:

Subsidiary Name	Percent Owned	Acquisition or Formation Date	Services Performed by the Subsidiary
	%		
	%		
	%		

**II. FINANCIAL INFORMATION (in US \$)**

1. Annual gross revenues for the Applicant and subsidiaries for the last three (3) years and estimated for the next 12 months:

	<b>Fiscal Year Ending MM/YY</b>	<b>Total Gross Revenues</b>
Next 12 months	_____	\$ _____
Most Recent Year	_____	\$ _____
1 <sup>st</sup> Prior Year	_____	\$ _____
2 <sup>nd</sup> Prior Year	_____	\$ _____

2. Fiscal Year End revenue for the Applicant and subsidiaries from the following services or activities:

<b>PROFESSIONAL ACTIVITIES</b>	<b>1<sup>st</sup> Prior Year</b>	<b>Most Recent Year</b>	<b>Next 12 months</b>
Asset Management	\$ _____	\$ _____	\$ _____
Appraisals	\$ _____	\$ _____	\$ _____
Auctioneering	\$ _____	\$ _____	\$ _____
Broker Price Opinions	\$ _____	\$ _____	\$ _____
Business Broker	\$ _____	\$ _____	\$ _____
Business Valuation	\$ _____	\$ _____	\$ _____
Construction Management	\$ _____	\$ _____	\$ _____
Court Appointed Receiver	\$ _____	\$ _____	\$ _____
Development Services	\$ _____	\$ _____	\$ _____
Expert Witness	\$ _____	\$ _____	\$ _____
Facility Management	\$ _____	\$ _____	\$ _____
Foreclosures	\$ _____	\$ _____	\$ _____
Home/Building Inspector	\$ _____	\$ _____	\$ _____
Leasing	\$ _____	\$ _____	\$ _____
Mortgage Brokering	\$ _____	\$ _____	\$ _____
Property Management - Commercial	\$ _____	\$ _____	\$ _____
Property Management - Residential	\$ _____	\$ _____	\$ _____
Real Estate Consulting/Counselor	\$ _____	\$ _____	\$ _____
Sale of Commercial Property	\$ _____	\$ _____	\$ _____
Sale of Residential Property	\$ _____	\$ _____	\$ _____
Sale of Industrial/Income Producing Property	\$ _____	\$ _____	\$ _____
Sale of Raw, Farm, Timber, Ranch Property	\$ _____	\$ _____	\$ _____
Title Agent/Abstractor/Escrow Agent	\$ _____	\$ _____	\$ _____
Other (describe): _____	\$ _____	\$ _____	\$ _____

**III. OPERATIONAL EXPOSURE**

1. Is the Applicant owned or controlled by, or affiliated with, any other entity?  Yes  No

If "Yes", provide details: \_\_\_\_\_

2. Is the Applicant a Franchisee?  Yes  No

If "Yes", provide Franchisor name: \_\_\_\_\_

3. Is the Applicant a successor-in-interest to any predecessor business or has the Applicant ever been involved in any merger, acquisition, consolidation, divestiture, bankruptcy or dissolution?  Yes  No

(Predecessor means any partnership, corporation, professional association, limited liability partnership or limited liability corporation engaged in architecture and/or engineering services; and to whose financial assets and liabilities the Applicant is the majority successor in interest.)

If "Yes", provide details: \_\_\_\_\_

4. In the next 12 months, does the Applicant or any subsidiary have any plans for any merger, acquisition, consolidation, divestiture, bankruptcy, dissolution, or creation of a new business, subsidiary or division?  Yes  No

If "Yes", provide details: \_\_\_\_\_

5. Does the Applicant derive 25% or more of the annual gross revenues from any one client and/or entities owned or controlled by any one client?  Yes  No

If "Yes", provide details:

6. a. What percentage of revenue is subcontracted out to others? \_\_\_\_\_%  
 b. Subcontractors perform the following services:

7. During the past five (5) years or within the next 12 months, has any principal, partner, managing member, director, officer, professional employee, leased employee or independent contractor of the Applicant been engaged to provide, or plan to provide, professional services for or in connection with any entity or any real property in which he, she, the Applicant, or any other proposed insured had/has an ownership or financial interest?  Yes  No

If "Yes", provide details including percentage of ownership:

**IV. SPECIALTY INFORMATION**

**REAL ESTATE AGENT/BROKER (IF APPLICABLE):**

1. Does the Applicant have written risk management procedures in place including written procedures to ensure compliance with all federal, state and local statutes and regulations including fair housing and other anti-discrimination laws and regulations?  Yes  No

2. Does the Applicant always disclose in writing when representing the buyer and seller in the same transaction?  Yes  No

3. a. In the last 12 months, indicate the estimated percentage of transactions in which the Applicant represented both the buyer and the seller: \_\_\_\_\_%

b. Describe any risk management procedures undertaken by the Applicant to reduce the potential for claim arising out of such dual representation:

4. Estimated annual percentage of transactions attributable to:  
 a. Foreclosed properties \_\_\_\_\_%  
 b. Short sales \_\_\_\_\_%

**PROPERTY MANAGER (IF APPLICABLE):**

1. Is the Applicant responsible for negotiating, effecting or maintaining insurance coverage on behalf of any clients?  Yes  No

2. Does the Applicant require certificates of insurance from property owners evidencing property, liability, tenant discrimination, & employment liability insurance on all locations?  Yes  No

3. Is the Applicant responsible for construction management?  Yes  No

4. Describe the properties managed by the Applicant and subsidiaries for which coverage is sought:

Property Name	Property Location	Type of Property Managed	Number of Locations	Number of Total Units

**MORTGAGE BROKER (IF APPLICABLE):**

1. Provide the percentage of total loan volume for each loan type:  
 a. Sub-Prime, Class C or D \_\_\_\_\_%  
 b. Reverse \_\_\_\_\_%

2. Does the Applicant provide any servicing, underwriting or mortgage banking services?  Yes  No

3. What is the average loan value in the past three (3) years? \$ \_\_\_\_\_

4. What is the maximum loan value in the past three (3) years? \$ \_\_\_\_\_

**HOME INSPECTOR (IF APPLICABLE):**

1. Year first licensed as a Home Inspector? \_\_\_\_\_
2. Does the Applicant offer the following types of Inspection?
  - a. Radon  Yes  No
  - b. Lead/Lead Based Paint  Yes  No
  - c. Mold  Yes  No
3. Is the Applicant a member of a professional association(s)?  Yes  No  
 If "Yes", provide details: \_\_\_\_\_
4. Will the Applicant go into crawl spaces, climb on roofs, and review the landscape (grade)?  Yes  No  
 If "Yes", which one(s)?  
 Crawl Spaces     Climb on Roofs     Review the Landscape (grade)

**DEVELOPMENT SERVICES (IF APPLICABLE):**

1. Applicant's five (5) largest completed development projects during the past three (3) years:

Project Name	Type of Development	Construction Value	Revenues Obtained
		\$	\$
		\$	\$
		\$	\$
		\$	\$
		\$	\$

2. Current and projected projects of the next 12 months:

Project Name	Type of Development	Construction Value	Revenue	Stage of Development
		\$	\$	
		\$	\$	
		\$	\$	
		\$	\$	

3. Does the Applicant retain any interest in any development projects?  Yes  No  
 If "Yes", provide details: \_\_\_\_\_
4. Has the Applicant or any subsidiary(ies) been subject to any claims involving construction defects within the past five (5) years?  Yes  No  
 If "Yes", provide details: \_\_\_\_\_
5. Has the Applicant or any subsidiary(ies) been subject to any claims involving cost overruns within the past five (5) years?  Yes  No  
 If "Yes", provide details: \_\_\_\_\_
6. Has the Applicant or any subsidiary(ies) been subject to any claims involving project delays or abandonments within the past five (5) years?  Yes  No  
 If "Yes", provide details: \_\_\_\_\_

**LOSS INFORMATION**

1. During the last five (5) 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 full details.)
  
2. During the last five (5) years and with respect to each liability coverage requested, has the Applicant, any individual, or any other entity proposed for coverage under this insurance policy currently involved in or been a party to, or subject of, any administrative or regulatory proceedings or investigation, civil or criminal charges, hearings, demands or lawsuits including violations for fair housing and/or claims for failure to disclose pollutants?  Yes  No  
 (If "Yes", attach full details.)
  
3. Is the Applicant, any subsidiary, or any Director, Officer, Trustee, Employed Lawyer, or employee of the Applicant aware of any fact, circumstance, situation, event, act, error or omission, that could reasonably be expected to give rise to a claim, being made against them under the proposed liability coverage for which the Applicant is applying?  Yes  No  
 (If "Yes", attach full details.)
  
4. Have all claims, lawsuits and demands, or events, situations and circumstances that could reasonably give rise to a claim, been reported to the Applicant's prior or current insurers?  Yes  No  
 (If "Yes", attach full details.)

**IT IS AGREED THAT ANY CLAIM BASED UPON, ARISING OUT OF, DIRECTLY OR INDIRECTLY RESULTING FROM, OR IN ANY WAY INVOLVING ANY FACT OR CIRCUMSTANCE SET FORTH OR THAT SHOULD HAVE BEEN SET FORTH IN QUESTIONS 1. THROUGH 4. ABOVE WILL BE EXCLUDED FROM THE PROPOSED COVERAGE.**

**READ CAREFULLY**

The undersigned, acting on behalf of the Applicant and all proposed insureds, declare that the statements set forth herein are true and accurate and that thorough efforts have been made to obtain sufficient information from each proposed insured in order to facilitate proper and accurate completion of this Application.

The undersigned agree that the Application and all other materials submitted to the insurer are their statements, are incorporated in and constitute a part of the Policy, and shall be deemed attached to the Policy as if physically attached. The undersigned represent that the statements and representations in the Application and all other materials submitted to the insurer shall be deemed material to the acceptance of the risk and that the Policy is issued in reliance upon the truth and accuracy of such statements and representations. It is agreed by the undersigned, this Application, together with any other materials submitted to the insurer, have been completed as respects to the entire Applicant and all proposed insureds.

The undersigned further declare that if any significant change in the condition of the Applicant or proposed insureds is discovered, between the date this Application was signed and the effective date of the policy, which would render the information in this Application inaccurate or incomplete, any such information will immediately be reported in writing to the insurer and the insurer may withdraw or modify any outstanding quotations and/or authorization or agreement to bind the insurance. The undersigned and insurer agree that the signing of this application does not bind the undersigned to purchase the insurance.

\_\_\_\_\_  
 Signature of President, Chief Executive Officer, Chief Financial Officer, or Managing Partner Date

\_\_\_\_\_  
 Print or Type Name Title

Must be signed within 30 days of the proposed effective date.

**ALL STATES (UNLESS A STATE-SPECIFIC FRAUD WARNING APPLIES)**

**NOTICE TO 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 ACT, WHICH IS A CRIME AND MAY SUBJECT SUCH PERSON TO CRIMINAL AND CIVIL PENALTIES.

**STATE-SPECIFIC**

**NOTICE TO ARKANSAS, NEW MEXICO AND 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 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 INSURANCE 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 AUTHORITIES.

**NOTICE TO DISTRICT OF COLUMBIA APPLICANTS: WARNING:** IT IS A CRIME TO PROVIDE FALSE OR MISLEADING INFORMATION TO AN INSURER FOR THE PURPOSE OF DEFRAUDING THE INSURER OR ANY OTHER PERSON. PENALTIES INCLUDE IMPRISONMENT AND/OR FINES. IN ADDITION, AN INSURER MAY DENY INSURANCE BENEFITS IF FALSE INFORMATION MATERIALLY RELATED TO A CLAIM WAS PROVIDED BY THE APPLICANT.

**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 KENTUCKY APPLICANTS:** 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.

**NOTICE TO LOUISIANA 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 MAINE APPLICANTS:** IT IS A CRIME TO KNOWINGLY PROVIDE FALSE, INCOMPLETE OR MISLEADING INFORMATION TO AN INSURANCE COMPANY FOR THE PURPOSE OF DEFRAUDING THE INSURANCE COMPANY. PENALTIES MAY INCLUDE IMPRISONMENT, FINES OR A DENIAL OF INSURANCE BENEFITS.

**NOTICE TO MARYLAND APPLICANTS:** ANY PERSON WHO KNOWINGLY OR WILLFULLY PRESENTS A FALSE OR FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT OR WHO KNOWINGLY OR 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 NEW JERSEY APPLICANTS:** ANY PERSON WHO INCLUDES ANY FALSE OR MISLEADING INFORMATION ON AN APPLICATION FOR AN INSURANCE POLICY 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 OKLAHOMA APPLICANTS: WARNING:** 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 (365:15-1-10, 36 §3613.1).

**NOTICE TO OREGON APPLICANTS:** ANY PERSON WHO KNOWINGLY PRESENTS A FALSE OR FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT OR KNOWINGLY PRESENTS MATERIALLY FALSE INFORMATION IN AN APPLICATION FOR INSURANCE MAY BE GUILTY OF A CRIME AND MAY BE SUBJECT TO FINES AND CONFINEMENT IN PRISON.

**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 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 INSURANCE COMPANY. PENALTIES INCLUDE IMPRISONMENT, FINES AND DENIAL OF INSURANCE BENEFITS.

**NOTICE TO VERMONT 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 ACT, WHICH MAY BE A CRIME AND MAY SUBJECT SUCH PERSON TO CRIMINAL AND CIVIL PENALTIES.

**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 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 VALUE OF THE CLAIM FOR EACH SUCH VIOLATION.