

Instructions for Applicant Organization: Please type or **print in ink**. Answer all questions. If a question is not applicable, state NOT APPLICABLE. If the answer to any question is none, state NONE. If space is insufficient to answer any question fully, attach a separate sheet(s).

**MORTGAGE BANKERS BOND/ PROFESSIONAL LIABILITY RENEWAL APPLICATION
THIS IS A RENEWAL APPLICATION FOR A CLAIMS MADE AND REPORTED POLICY.**

*ALSO INCLUDE WITH THIS APPLICATION LATEST FULL YEAR FINANCIALS AND ANY INTERIM FINANCIALS AVAILABLE.

GENERAL INFORMATION

1. a. Name of Applicant (include any subsidiaries for which coverage is requested): _____

b. Address (No. & St.): _____

 City: _____ State: _____ Zip: _____

2. a. Number of new locations (if different from last years' application): _____ List Name and address for each new location (on a separate sheet if necessary): _____

b. Number of Locations with Underwriting Authority: _____

3. a. Has there been any change in company status (i.e. Sole Proprietor to Corporation)? Yes No
 If "Yes," please list: _____

b. Has there been any change in ownership and/or management in the past 12 months? Yes No
 If "Yes," explain: _____

c. In the past 12 months, any change in principals, persons, or entities owning 10% or more of the Applicant Company(ies), Parent Company (if any, please identify such as the parent), and indicate the percentage of ownership for each.

4. What percentage (if any) of the below Loan Origination Volume was funded by the Applicant's Warehouse Line?..... _____ %

5. Mortgage Banking / Brokering Activities for the twelve (12) months ending: _____

	Number of Loans	Dollar Volume
a. Servicing:	_____	_____
b. Origination:	_____	_____
c. Origination Percentage:		
1-4—Family Residential		_____ %
Multi-family		_____ %
Other Income Property		_____ %
Other (please describe _____)		_____ %
	Total	100%

- d. Type of Loans Originated:
- FHA/VA/Conventional _____ %
- Second/Equity Line Lending _____ %
- Construction Lending _____ %
- Mobile Home Lending _____ %
- Sub-Prime (please describe _____) _____ %
- Other (please describe _____) _____ %

If Sub-Prime Loans are made the Sub-Prime Supplemental needs to be completed.

6. List current number of employees by the following activities

a. Mortgage Banking Professional Employees

- (1) Board of Directors, Corporate Officers _____
- (2) Loan Production _____
- (3) Loan Servicing _____
- (4) All Other Professional _____

b. Non-Mortgage Banking Professional Employees _____

c. Clerical Employees _____

_____ Total Employees

d. Independent Loan Originators acting as Independent Contractors (ICs) _____

(Is coverage desired for these Independent Contractors)..... Yes No

(Please note coverage for ICs is only available if quoted by underwriters and coverage is only provide for ICs that do only loan origination services the Applicant and do not work for anyone else.)

7. Please confirm that there have been no material changes in procedures or policies utilized by the insured since last year's application was completed No Material Changes
 Yes, Material Changes. If yes, Please describe the changes on a separate page.
8. Has the company engaged in any new business practices over the last 12 months? If so, please detail.. Yes No

PROFESSIONAL LIABILITY

9. Does the Applicant obtain or anticipate revenues from any other services other than Loan Origination Activities? Yes No
 If so, please describe.

10. Has the Applicant been required to repurchase any loan(s) in the last 12 months? Yes No
 If so, please provide details as to when and what caused the repurchase.

11. Please confirm the Applicant has procedures to assure timely and proper disclosure of Good Faith Estimates and Truth in Lending Estimates..... Yes No

12. Does the Applicant know of any or have any reported violations of laws in any of the following:
- a. Real Estate Settlement Procedures Act Yes No
 - b. Truth in Lending Legislation..... Yes No
 - c. Equal Credit Opportunity Legislation..... Yes No

13. Has any professional liability claim or suit ever been brought against the Applicant and/or any predecessor company and/or any person proposed to be insured? Yes No
If "Yes," how many? _____

If "Yes," please complete a Claim Supplement/Potential Claim Supplement for each.

14. Does the applicant, or any predecessor in business or any of the past or present partners, Officers, Directors, or employees have any reasonable basis:
- a. to believe that there has been a breach of a professional duty? Yes No
 - b. to believe that the applicant or any predecessor in business or any of the past or present partners, Officers, Directors or employees are aware of any circumstances, incidents, or situations during the past five years which may result in claims being made against the applicant, any of the past or present partners, Officers, Directors or employees or former employees of the applicant? Yes No

If "Yes," how many? _____

If there is knowledge of any such fact, circumstance, or situation, any claim or action subsequently emanating therefrom shall be excluded from coverage under the proposed insurance.

15. Does the Applicant participate in any telemarketing programs (either directly or indirectly)? Yes No
 If so, how does the Applicant protect itself from claims from consumers on "Do Not Call Lists/registries"?

16. Does the Applicant utilize Automated Valuations and compare to on site appraisals:
- Before Closing..... Yes No
 - Post Closing..... Yes No

17. a. Does the Applicant utilize a tracking system throughout the loan process such as "ENCOMPASS" or other similar system? Yes No
- b. Does the Applicant utilize a checklist (manual or automated) to confirm all appropriate steps have been accomplished? Yes No

18. Please confirm that the Applicant has dual controls in place so that no single person can control the loan throughout the entire loan origination or underwriting process?..... Yes No

19. Does the applicant utilize MARI for:
- a. New employees?..... Yes No
 - b. New Mortgage Brokers?..... Yes No
 - c. Closing Agents?..... Yes No

20. Are discretionary audits to be done at request of managers or due to litigation or other triggers of audits not part of the normal quality control process?..... Yes No

21. Does the Applicant's Quality Control function include a new originator review and a review of new branches (if applicable)?..... Yes No

22. If the Applicant deals with correspondents, are these loans underwritten at the branch level? Yes No Not Applicable
23. Does the Applicant use Lexus or similar search systems to check on new employees?..... Yes No
24. Does the Applicant have a compliance officer or similar position?..... Yes No

MORTGAGE BANKER/BROKER BOND

25. Fidelity protection in connection with the administration of the company's pension fund and/or employee welfare or pension benefit plan by employees is automatically included in the bond if the plan is named. Please provide name of plan(s), if any: _____
26. B. List Loss Payee Requirements for Investors/ Loan Funders if different from last year: _____
27. Has the company any knowledge or information, after full inquiry, of any facts, circumstances or events which could give rise to a Mortgage Bankers Bond loss (or claim being made against them)? Yes No

The undersigned authorized person, on behalf of the Applicant, attest that all claims have been reported if the Applicant is aware of them. The Applicant further understands that any claim submitted after the completion of this application shall render any terms provided void and Underwriters shall have the right to re-underwrite the Applicant. In addition, no information provided by this application or along with this application shall be deemed to report a claim. Such notice should be made as instructed by the policy.

The undersigned authorized person, on behalf of the applicant, attests that to the best of his/her knowledge and belief the statements set forth herein are true. Although the signing of this Application Form does not bind the undersigned to effect insurance, the undersigned agrees that this application and the said statements shall be the basis of the policy of insurance and deemed incorporated therein, should the Company evidence its acceptance of this application by issuance of a policy.

The undersigned authorized person on behalf of the applicant declares that the above statements are true, that neither the undersigned person nor the applicant has suppressed or misstated facts and that at the present time the applicant has no reason to anticipate any claims being brought against the applicant or any representative of the applicant or knowledge of any negligent act, error, omission or offense on the applicant's part or any representative of the applicant except as stated herein, and agrees that this Application Form shall be the basis of the contract between the applicant and the Company and shall be deemed a part hereof.

NEW YORK—WARNING: 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.

FRAUD WARNING: 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.

Signing this form does not bind you to complete the insurance. Coverage will become effective upon approval of the application and issuance of the policy. It is agreed that this form will be the basis of the contract. Should a policy be issued, this form will be attached to and become a part of the policy.

Signature: _____

Title: _____

(Must be signed by Owner, Partner or President)

Date: _____

Month/Day/Year

Producer's Name

Area Code

Phone Number

Lending Supplemental Application

Instructions: Please complete the questions below for Sub Prime Loans. Where exact numbers are not available, please provide the Applicant's best estimate for the question asked. If information is not available, please mark "N/A".

Sub Prime Loan Definition: For the purposes of completing this application, Sub Prime Loans are generally deemed to be "B" quality loans or less that the Applicant can identify but should at a minimum include loans underwritten with a FICO score less than 620; Sub Prime Loans are thus to include any loans with FICO scores less than 620 and also any known sub prime loans of "B" quality or less (note some of these sub prime loans may have a FICO score higher than 619 and should be included). If the Applicant makes no Sub Prime Loans or makes no loans with FICO scores of less than 620, please complete only the following: the Applicant Name, Question "1", and signature section.

Applicant Name: _____

1. Estimated percentage of total loan origination that is Sub Prime (based on the definition above): _____ %

If question 1 is answered "zero", go to the end of the application. Read the signature section and sign and date it. The application is complete. If the answer to question 1 is anything other than "zero", complete the remainder of this supplemental application.

2. Total Sub Prime Loans Originated (including purchased loans) in the past twelve months

Past 12 months	\$ _____	# of Loans _____
Projected next 12 months	\$ _____	# of Loans _____

Please advise when answering questions 3 through 10 if a material change (more than 20%) in the answer to the question is expected during the next twelve months)

3. Approximate Loan to Value breakdown for Sub Prime Loans by percentage:

+100% LTV	_____ %
No Down payment	_____ %
LTV +95-99%	_____ %
LTV +90-95%	_____ %
LTV +85%-90%	_____ %
LTV 85% or less	_____ %
100% Total	

4. Type of Sub Prime Loans by percentage

Fixed Rate Loans	_____ %
ARMS	_____ %

5. Please state the percentage of any Sub Prime ARM Loans with monthly adjustment features) _____%

6. Other categories (note this column can total more than 100% as some categories may overlap with others, but only answer for Sub Prime Loans here):

- A. Interest Only Loans _____%
- B. New homes loans in a development _____%
- C. Spec Homes _____%
- D. Are not owner occupied _____%
- E. Refinance Loans _____%
- F. Percentage of ARM Loans where
Applicant only has to qualify at initial payment level _____%
- G. Second Mortgage/HELOCs _____%
- H. No Doc/Low Doc Loans _____%

7. Indicate the percentage of loans with FICO scores in each range for the Applicants Sub Prime Loans:

- a. FICO scores above 619 _____%
- b. FICO score ranges from 580-619 _____%
- c. FICO score ranges from 550-579 _____%
- d. FICO score is less than 550 _____%

8. What percentage of Sub Prime Loans are sold without recourse? _____%

9. What approximate percentage of Sub Prime Loans are made without escrows set up for real estate taxes, insurance or other impounds? _____%

10. On No Doc or Low Documentation Loans, please provide an estimate of the Loan to Value Ratio of those loans made in the last twelve months: _____%

11. Please describe procedures used to limit the exposure to predatory lending claim allegations for the Sub Prime Loans being originated (disclosures such as rate adjustment disclosures, counseling on adjustments expected, etc.)

12. Have any claims involving sub prime loans been made against the Applicant?

Yes ___ No ___

If yes, please provide details of such and any corrective actions taken to prevent future claims for such:

The undersigned authorized person, on behalf of the applicant, attest that all claims have been reported if the Applicant is aware of them. The Applicant further understands that any claim submitted after the completion of this application shall render any terms provided void and Underwriters shall have the right to re-underwrite the Applicant. In addition, no information provided by this application or along with this application shall be deemed to report a claim. Such notice should be made as instructed by the policy.

The undersigned authorized person, on behalf of the applicant, attests that to the best of his/her knowledge and belief the statements set forth herein are true. Although the signing of this Application Form does not bind the undersigned to effect insurance, the undersigned agrees that this application and the said statements shall be the basis of the policy of insurance and deemed incorporated therein, should the Company evidence its acceptance of this application by issuance of a policy.

The undersigned authorized person on behalf of the applicant declares that the above statements are true, that neither the undersigned person nor the applicant has suppressed or misstated facts and that at the present time the applicant has no reason to anticipate any claims being brought against the applicant or any representative of the applicant or knowledge of any negligent act, error, omission or offense on the applicant's part or any representative of the applicant except as stated herein, and agrees that this Application Form shall be the basis of the contract between the applicant and the Company and shall be deemed a part hereof.

NEW YORK—WARNING: 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.

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Signing this form does not bind you to complete the insurance. Coverage will become effective upon approval of the application and issuance of the policy. It is agreed that this form will be the basis of the contract. Should a policy be issued, this form will be attached to and become a part of the policy.

Signature: _____

Title: _____
(Must be signed by Owner, Partner or President)

Date: _____
Month/Day/Year

Applicant Firm Name: _____

Mortgage Banker/Mortgage Broker and Escrow Agent Claim/Circumstance/Administrative Hearings Supplement

APPLICANT'S INSTRUCTIONS:

1. Complete one form for each claim, circumstance or administrative hearing.
2. If space is insufficient to answer any question, use the reverse side or attach a separate sheet. Answer all questions.

(PLEASE TYPE OR PRINT)

1. Name(s) of individual(s) in the company named in the claim: _____

2. Name of Claimant: _____

3. To what insurance company did you report this claim or incident? _____

A. Date of alleged error: _____

B. Date reported: _____

C. Date first notice received: _____

4. Present status of claim (check one): in suit open circumstance closed

A. If closed:

Total damages paid: \$ _____

Total Defense Costs paid (including any Deductible paid): \$ _____

Indicate whether: court judgment, or out of court settlement.

B. If in suit or open:

Amount asked in summons \$ _____

Claimant's settlement demand \$ _____

Defendant's offer for settlement \$ _____

Insurer's loss reserve* \$ _____

Defense Costs paid to date \$ _____

Your Deductible that will apply to this claim \$ _____

***Unknown is unacceptable. Please contact the insurance company or the defense attorney for a good faith estimate.**

5. Description of claim (provide enough information to allow evaluation and attach a separate page if additional space is required). Alleged act, error or omission upon which claimant bases claim: _____

6. Have you changed policies or procedures as a result of this claim that will reduce the possibility of a similar occurrence? Yes No

If yes, please describe: _____

I/We understand that the information submitted herein becomes a part of the professional liability application and is subject to the same representations and conditions.

FRAUD WARNING: 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.

Applicant's signature: _____ Date: _____
(Must be signed by an Owner, Officer or Partner)

In order for us to understand your business a little better, please supply the following information. Where exact figures are not readily available, estimates are sufficient.

Date:
 Name:
 Company:
 Address:
 Contact Person:
 Telephone:
 Email:
 Website:

1. Your average loan balance

1st liens	2 nd liens
\$	\$

2. Lien Position

1st liens	2nds
%	%

3. Production - Number of loans per month

1st liens	2nds
#	#

4. Business Channels

Wholesale	Retail	Correspondent
%	%	%

5. Underwriting Guidelines Utilized

GSE	FHA	Other
%	%	%

6. Average Fico Score

1st liens	2 nd liens

7. Average Loan to Value

1st liens	2 nd liens

**THIS APPLICATION IS FOR A
CLAIMS MADE INSURANCE POLICY**

1. Name of Applicant: _____

Nature of Operations (please specify such as mortgage banker, architect, title agent or if other specify such): _____

2. Address: _____

City/State/Zip Code: _____

County: _____

Please circle or underline the appropriate response to questions 3-5 below:

3. Confirmation that you undertake at least weekly off site backups of data: Yes / No

4. Confirmation that you have automatic updating virus software in force across the network: Yes / No

5. Confirmation that you have at least basic password and protection in force to mitigate data exposure within your network: Yes / No

In order to be eligible to have Cyber Liability Coverage included in the package policy quoted or to be quoted, questions 3-5 must be answered affirmatively "YES". If "NO" is the response to any these questions, please respond below how the Applicant handles the issues addressed in the specific question.

The undersigned authorized person, on behalf of the Applicant, attest that all Cyber claims have been reported if the Applicant is aware of them. The Applicant further understands that any claim submitted after the completion of this application shall render any terms provided void and Underwriters shall have the right to re-underwrite the Applicant. In addition, no information provided by this application or along with this application shall be deemed to report a claim. Such notice should be made as instructed by the policy.

The undersigned authorized person, on behalf of the Applicant, attests that, to the best of his /her knowledge and belief, the statements set forth herein are true. Although the signing of this Application Form does not bind the undersigned to effect insurance, the undersigned agrees that this application and the said statements shall be the basis of the policy of insurance and deemed incorporated therein, should the Company evidence its acceptance of this application by issuance of a policy.

The undersigned authorized person on behalf of the Applicant declares that the above statements are true, that neither the undersigned person nor the applicant has suppressed or misstated facts and that at the present time the applicant has no reason to anticipate any claims being brought against the applicant or any representative of the applicant or knowledge of any Cyber Liability incident or claim, except as stated below, and agrees that this Application Form shall be the basis of the contract between the applicant and the Insurer and shall be deemed a part hereof.

The Applicant confirms by signing this application that the Applicant is not aware of any known or actual Cyber Liability Losses. If such loss(es) exist, please provide details here:

The Applicant understands that this supplemental application is for Cyber Liability Coverage. If other Cyber Liability Coverage is in place, this policy, if issued, will be excess of any other valid cyber liability insurance or indemnification.

DATE _____

APPLICANT COMPANY NAME: _____

NAME _____ TITLE _____
Signature Principle or Owner Only

Print Name