

TANGRAM

Program Managers



**APPLICATION FOR
REAL ESTATE AGENT'S ERRORS AND OMISSIONS LIABILITY**

THIS IS AN APPLICATION FORM FOR A CLAIMS MADE POLICY

INSTRUCTIONS:

1. Answer all questions (if not applicable, show N/A) and attach all additional information/explanations as required.
2. Applications must be dated and signed.
3. PLEASE READ STATEMENT AT END OF APPLICATION CAREFULLY.

General Information

1. Full Name (including all firm names, trading names, franchise affiliations or DBA's under which you operate).

Address of Principal Office:

Phone: _____ Fax: _____

Date firm established: _____

2. Limits of Liability Requested (each claim / annual aggregate):

\$250,000 / \$250,000 \$750,000 / \$750,000
 \$500,000 / \$500,000 \$1,000,000 / \$1,000,000

3. Deductible requested (per claim):

\$2,500 \$5,000 \$10,000
 \$15,000 \$20,000 \$25,000

4. Staff (indicate numbers):

	No. of Full-Time	No. of Part-Time	No. of Inactive
Principals, Partners, Directors Officers	_____	_____	_____
Licensed Real Estate Agents	_____	_____	_____
Property Management Staff	_____	_____	_____
Real Estate Appraisers	_____	_____	_____
Real Estate Counselors/Consultants	_____	_____	_____
Independent Contractors	_____	_____	_____
Other Employees (including Clerical)	_____	_____	_____

5. Please indicate total number of Independent Contractors for:

Next 12 Months Last Year 2 Years Ago

6. Complete the following for each Principal, Partner, Director and Officer. Use separate sheet(s) as necessary:

Name and Title	Current Status	Year First Licensed as Real Estate	List All Real Estate Related		Licensed Ever Revoked or Suspended
			Professional Associations	Professional Designations	
_____	____ Inactive ____ Active	____ Agent ____ Broker	_____	_____	_____
_____	____ Inactive ____ Active	____ Agent ____ Broker	_____	_____	_____
_____	____ Inactive ____ Active	____ Agent ____ Broker	_____	_____	_____

7. a) Are you controlled by or owned by or associated with, or do you control or own any other firm or business? If Yes, please explain ownership on a separate sheet. Yes No

b) Is your firm or any agent/broker/principal engaged in any business enterprise Or professional OTHER THAN real estate sales, leasing, property management appraisal or counseling? Please explain. Use separate sheet (2) as necessary Yes No

8. Does the Applicant have any financial interest in any of the properties you represent? Yes No
If YES, please indicate the maximum percentage of ownership of any one property: _____%
Please provide details: _____

9. Does the applicant form or organize group investments, limited partnerships, real estate investment trusts or corporations for the purpose of investing in real estate? If yes, please provide:

Total Cost of Properties Sold: _____ Average Cost of Properties: _____

Details of Activities: _____

LOSS PREVENTION

10. What percentage of your properties were sold in the past 12 months with a home protection warranty program? _____ %

11. What percentage of your sales in the past 12 months used property disclosure forms? _____ %

12. Do you use an in-house office policy / procedures manual? Yes No

13. Do you always use local board, state association or other approved contract forms? Yes No
If NO, attach copies of your form (2).

14. During the past 12 months, what percentage of your agents participated in a formal real estate related continuing education program designed to reduce broker liability? _____ %

15. Do you ever act for both buyer and sellers in the same transaction? Yes No

If yes, do you obtain a written consent to dual agency from both the buyers and the sellers? Yes No

If yes, in what percentages of transactions? _____ %

YOUR INCOME

16. Real Estate Activities: Show all income, fees and commissions BEFORE split with brokers of deduction of expenses:

	No. of Transactions	Avg. Transaction Size	Past Fiscal Year Ending / /	Next 12 Months Estimated
a. Residential Real Estate Sales	_____	_____	\$_____	\$_____
b. Farm and / or Ranch Sales	_____	_____	\$_____	\$_____
c. Commercial, Industrial and/or Income Property Sales	_____	_____	\$_____	\$_____
d. Property Management Fees (non-owner).	N/A	N/A	\$_____	\$_____
e. Mortgage Broker/Financial Arrangements	_____	N/A	\$_____	\$_____
f. Real Estate Leasing Fees	N/A	_____	\$_____	\$_____
g. Real Estate Counseling / Consulting	N/A	N/A	\$_____	\$_____
h. Real Estate Appraisal	N/A	N/A	\$_____	\$_____
i. Referral Fees	N/A	N/A	\$_____	\$_____
TOTAL GROSS INCOME	_____	N/A	\$_____	\$_____

COMMERCIAL, FARM/RANCH SALES

Questions should be answered if income is shown in Question 16 b or c.

17. Maximum property values:

\$_____ Next 12 Months \$_____ Last Year \$_____ 2 Years Ago

18. Average property values:

\$_____ Next 12 Months \$_____ Last Year \$_____ 2 Years Ago

PROPERTY MANAGEMENT

Questions 19-25 should be completed if income is shown in Question 16 d.

19. Property Management Fees for the Past Fiscal Year:	No. of Properties	Total Fees
a. Single Family Dwelling (Not-Owned)	_____	\$_____
b. Personal Property (Not-Owned)	_____	\$_____
c. Commercial Property (Not-Owned)	_____	\$_____

20. Does the Applicant have any Financial Interests in any of the Properties? Yes No

If YES, Please provide details: _____

21. Do you have any involvement with real estate activities for which you are a construction manager or property developer? Yes No

22. Is a budget prepared for each managed property? Yes No

23. Are you involved in space merchandising? Yes No

24. Are credit reports obtained for prospective tenants? Yes No
25. Are you responsible for negotiating, effecting or maintaining insurance coverage for managed properties? Yes No

PREVIOUS COVERAGES/CLAIMS (ALL questions in this Section must be answered.)

26. Please completed the following for your firm and any predecessor firms with respect to your Real Estate Agents Errors and Omissions Liability Insurance for the past 3 years. If no past coverage, indicate NONE.

Policy Period Mo/Day/Yr.	Insurance Company (not Agent)	Deductible	Limit of Annual Premium or Liability	Per Transaction Rate
_____ TO _____	_____	_____	_____	_____
_____ TO _____	_____	_____	_____	_____
_____ TO _____	_____	_____	_____	_____

CLAIMS

Answer Questions 27 and 29 only after inquiry of each member of your firm. If Yes to 27 or 29, please complete Supplemental Claim Information Section for each claim.

27. Have any claims (including violations of fair housing) been made during the past 10 years against your firm or anyone indicated in Question 4 or 5? Yes No
28. Are you aware of any act, error, omission or other circumstance which might be expected to be the basis of a claim or suit against you or anyone indicated in Question 4 or 5? Yes No
29. During the past 6 years, has any Insurance Company declined, canceled or refused to renew for the Applicant or anyone named in Question 5? If Yes, Please explain. Yes No
30. Is there any Prior Acts Restrictions or Retroactive Date on the Applicant's expiring policy? Yes No
- If Yes, please indicate Retroactive Date (month/day/year): _____
31. Have any persons proposed for this coverage ever been subject to disciplinary action by any Real estate associates, state licensing board or other regulatory body as a result of real estate agents or brokers, property managers or real estate appraiser activities? Yes No

NOTE: The insurance coverage for which you are applying is written on a Claims-Made Policy, therefore, only claims which are first made against you during the policy period are covered, subject to policy provisions. "Claim" means the receipt by you of a demand for money or services, naming you and alleging a "wrongful act". If you have any questions about the coverage, please discuss them with your insurance agent.

I/We hereby declare that the above statements and particulars are true and that I/We have not suppressed or misstated any material facts and I/We agree that this application shall be the basis of the contract with the company and that coverage, if written, will be provided on a claims-made basis. It is understood and agreed that completion of this application does not bind the company to issue or the Applicant to purchase the insurance. Further, it is understood that any claims/circumstances described herein are now subject to coverage under the insurance coverage for which I/We are applying.

Name: _____ Title: _____

Signature: _____ Date: _____

SUPPLEMENTAL CLAIM INFORMATION

a. Please complete this section if you have been involved in any claim or suit during the past 10 years.

b. Complete one for each claim, please copy and use form to report additional claims.

c. Leave **NO** blanks.

1. Your Name: _____

2. Full Name of Individual involved in the Claim: _____

3. Full Name of Claimant: _____

4. Date of Alleged Error: _____

5. Expense Paid: _____

6. Additional Defendants: _____

7. Name of Insurer: _____

8. Present Status of Claim: Pending Closed In Suit

9. If Closed, Total Loss Paid: \$ _____

Expenses Paid: \$ _____

10. If pending, amount asked in summons: \$ _____

11. Defendant's offer for Settlement: \$ _____

12. Description of Claim – including Assessment of Liability if Pending. (Please provide enough information to allow evaluation.)

a. Description of Claim and Events: _____

b. Allegations upon which Claimant bases claim: _____

13. Explain what action(s) have been taken to prevent a recurrence or similar claim: _____
