



# AVRECO

550 West Van Buren, Suite 1200, Chicago, Illinois 60607  
 Phone: 312-922-7570 Direct Phone: 312-294-5475  
 Fax: 312-803-2170 e-mail: [ldieiss@avreco.com](mailto:ldieiss@avreco.com)

**AVRECO REAL ESTATE AGENTS ERRORS & OMISSIONS LIABILITY APPLICATION  
 UNDERWRITTEN BY CERTAIN UNDERWRITERS AT LLOYDS OF LONDON**

1.(a) Name of Applicant (Company name if applicable): \_\_\_\_\_

Street: \_\_\_\_\_

City: \_\_\_\_\_ County: \_\_\_\_\_ State/Zip: \_\_\_\_\_

Telephone: \_\_\_\_\_ Fax Number: \_\_\_\_\_

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

(b) Contact Person: \_\_\_\_\_

2. (a) Date Firm established or Independent Contractor first licensed: \_\_\_\_ / \_\_\_\_ / \_\_\_\_

(b) Has your firm name ever changed or has there been any acquisition, consolidation, dissolution, merger or change in business organization?: \_\_\_\_\_ Yes \_\_\_\_\_ No  
 If "yes," please explain: \_\_\_\_\_

3.	Limits of Liability requested (Please circle)	Deductible requested (Please circle)			
	\$100,000/\$100,000    \$250,000/\$250,000	\$1,500    \$2,500    \$5,000			
	\$250,000/\$500,000    \$500,000/\$500,000	\$10,000    \$15,000    \$20,000			
	\$500,000/\$1,000,000    \$1,000,000/\$1,000,000				

4. What services does the Applicant wish to have covered by the Professional Liability Insurance?  
 \_\_\_\_\_  
 \_\_\_\_\_

5. Please indicate type of company:  
 Sole Trade \_\_\_\_\_ Partnership \_\_\_\_\_ Corporation \_\_\_\_\_ Privately Held \_\_\_\_\_  
 Non-Profit \_\_\_\_\_ Publicly Traded \_\_\_\_\_ Franchise \_\_\_\_\_ Other: \_\_\_\_\_

6. Staff (Indicate numbers and include each Staff member only once)

	Full	Part Time *	Inactive
Principals, Partners, Officers			
Licensed Real Estate Agents			
Property Management Staff			
Real Estate Appraisers			
Other Employees (incl. Clerical)			

\* Part Time is five or fewer closings per year

7. Please provide the following:

No. of Principals and Qualified Employees	Professional Qualifications/ Designations	No. of years in practice	No. of years with Applicant
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

8. Please list Professional Associations to which the Applicant belongs: \_\_\_\_\_

9. What percentage of your agents participated in a formal Real Estate related continuing education program during the past 12 months? \_\_\_\_\_ %

10. Do you use In House Procedure Manuals? \_\_\_\_\_ Yes \_\_\_\_\_ No

11. In what percentage of cases does the Applicant use an approved written contract: \_\_\_\_\_ %

Where a written contract is not used, please explain how the scope of services to be provided is agreed:

\_\_\_\_\_

12. Percentage of Sales in the past 12 months that used Property Disclosure Forms? \_\_\_\_\_ %

13. What Percentage of Properties are sold with Home Warranty? \_\_\_\_\_ %

14. Show Income below including fees and commissions before split with brokers or sales people or deduction of expenses:

	Gross Income last 12 months	No. of Transactions	Projected Income Next 12 months	Projected No. of Transactions
Residential Real Estate Sales (incl. Vacant Land)				
Commercial / Industrial Sales				
Leasing Fees (Prop. Not managed)				
Residential Property Management (not owned)				
Commercial Property Management (not owned)				
Residential Real Estate Appraisal				
Commercial Real Estate Appraisal				
Mortgage Brokering				
Construction Development				
Income from Owned Property				
Income from Escrow Services				
Income from Dual Agent Representation				
Other Income				
<b>Total Income</b>				

15. Please indicate the following:

(a) average sales price of the firms past closed year Residential Transactions \_\_\_\_\_

(b) Average sales price of the firms past closed year Commercial Transactions \_\_\_\_\_

16. If properties are managed please answer the following questions:

(a) Do you assume responsibility for maintaining or advising the adequacy thereof for insurance coverage for property managed: \_\_\_\_\_ No \_\_\_\_\_ Yes

(b) Do you prepare budgets for each property managed? \_\_\_\_\_ No \_\_\_\_\_ Yes

(c) Is a credit report obtained on each prospective tenant? \_\_\_\_\_ No \_\_\_\_\_ Yes

(d) Are background checks performed on each prospective tenant? \_\_\_\_\_ No \_\_\_\_\_ Yes

17. (a) Does the Applicant form or organize group investments or syndicates, i.e. limited partnership, real estate investment trusts or corporations for the purpose of investing in Real Estate: \_\_\_\_\_ No \_\_\_\_\_ Yes

(b) If yes, please explain: \_\_\_\_\_  
\_\_\_\_\_

18. (a) Is the Applicant involved in property development or construction activities? \_\_\_\_\_ No \_\_\_\_\_ Yes

(b) If yes, please explain: \_\_\_\_\_  
\_\_\_\_\_

(c) If yes, is the Applicant involved in the sale of the property developed and/or constructed?  
\_\_\_\_\_ No \_\_\_\_\_ Yes

19. Does the Applicant perform real estate services in a dual agent capacity? \_\_\_\_\_ No \_\_\_\_\_ Yes

(a) If yes, does the Applicant and/or the Applicant's employees sign a disclosure form outlining the dual agent relationship to the respective clients (buyer and seller) prior to the execution of the transactional documents involved with the real property transaction? \_\_\_\_\_ No \_\_\_\_\_ Yes

(b) If yes, does the Applicant follow the dual agent disclosure procedures required under California Law pursuant to California Civil Code Sections 2079.13 and 2079.24? \_\_\_\_\_ No \_\_\_\_\_ Yes

20. Has the Applicant ever been subject to a disciplinary action for failing to disclose dual agent relationships pursuant to California Civil Code Sections 2079.13 and 2079.24? \_\_\_\_\_ No \_\_\_\_\_ Yes

(a) If yes, please explain: \_\_\_\_\_  
\_\_\_\_\_

21. (a) In the past 24 months has the Applicant or any of its principals engaged in any business or profession other than as previously disclosed? \_\_\_\_\_ No \_\_\_\_\_ Yes

(b) If yes, please explain: \_\_\_\_\_  
\_\_\_\_\_

22.(a) Is any errors and omissions or professional liability insurance in favour of the Applicant currently in force? \_\_\_\_\_ No \_\_\_\_\_ Yes

(b) If yes, please indicate errors and omissions insurance carried for each of the past three years:

Carrier	From	To	Limit	Deductible	Premium	Retrodate
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____

23.(a) Claims: Note: Please provide details for any "Yes" answers

Have any claims (including violations of fair housing laws) been made against your firm or anyone indicated in Question 6 in the last five years? \_\_\_\_\_ Yes \_\_\_\_\_ No

(b) Are you aware of any act, error, omission or other circumstances which might reasonably be expected to be the basis of a claim or suit against you or anyone indicated in question 6?

\_\_\_\_\_ Yes \_\_\_\_\_ No

(c) During the past five years has any insurance company declined, cancelled or refused to renew cover for the applicant or anyone named in Question 6?

\_\_\_\_\_ Yes \_\_\_\_\_ No

I/We hereby declare that the above statements and declarations are true and that I/We have not suppressed or misstated any material facts. I/We agree that any misrepresentation or misstatement of material facts may void coverage under this Insurance. 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 provide coverage or the applicant to purchase the insurance.

Applicants Signature: \_\_\_\_\_ Title: \_\_\_\_\_

Print Name: \_\_\_\_\_ Date: \_\_\_\_\_

Application must be signed and dated by a Principal of the firm to be considered for a quotation.

Return application to: Avreco  
550 West Van Buren  
Chicago, Illinois 60607  
Fax: 312-922-7563

**SUPPLEMENTAL CLAIMS INFORMATION**

1. Your Name: \_\_\_\_\_

2. Full name of individual involved in the claim: \_\_\_\_\_

3. Full name of Claimant: \_\_\_\_\_

4. Date of Alleged Error: \_\_\_\_\_

5. Date of Claim: \_\_\_\_\_

6. Additional Defendants: \_\_\_\_\_

7. Name of Insurer: \_\_\_\_\_

8. Present Status of Claim: \_\_\_\_\_ Pending \_\_\_\_\_ Closed \_\_\_\_\_ In Suit

9. If Closed Total Loss paid \_\_\_\_\_ Expense paid \_\_\_\_\_

10. If Pending, amount asked in Summons \_\_\_\_\_ Claimants Settlement demand \_\_\_\_\_

11. Defendant's offer for settlement \_\_\_\_\_ Insurer's Loss Reserve \_\_\_\_\_

12. \* Description of Claim – including assessment of liability if pending:  
A. \* Description of Claim and events: \_\_\_\_\_  
\_\_\_\_\_

B. \* Allegations claim based on: \_\_\_\_\_  
\_\_\_\_\_

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

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

\* Use Additional space if necessary