

Instructions:

1. Type or print clearly
2. Complete all questions. If answer is "none", so state
3. This form must be completed, signed and dated by a principal or the firm, or the individual applying for this insurance.

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

Address: (of principal office): _____ City: _____

County: _____ State: _____ Zip: _____

Telephone: _____ Fax: _____ Email: _____

Does the applicant have multiple sales office locations? **Yes [] No []** If yes, how many? _____

(Please list the names and addresses of all additional locations under the same ownership with one firm given in Question #1).

Name

Location

Has the firm name ever changed or has there ever been any acquisition, consolidation, dissolution, merger or change in business organization? **Yes [] No []**. If yes, please explain on a separate sheet (coverage is not provided for any predecessor firms or prior owners unless approved in writing by the insurance company).

2. Month/Year firm established under current ownership? _____

Firm is: Individual [] Partnership [] Corporate [].

If individual, are you applying as an Independent Contractor Agent and/or Broker? **Yes [] No []**

3. Complete the following for each Owner, Partner, Director, and Officer. If licensed less than three (3) years, please provide resumes.

Name and Title

Date First Licensed as
Broker / Agent

License Status
Active / In-active

Professional
Designations

4. Are you controlled by or owned by or associated with, or do you control or own or affiliated with any other firm or business? **Yes [] No []** If yes, please explain on a separate sheet.

5. Is your firm or any agent/broker/principal engaged in any business enterprise or professional practice other than real estate sales, leasing, property management, appraisal, or counseling? **Yes [] No []**. If yes, please explain on a separate sheet.

6. Staff: (indicate numbers)

Licensed Brokers – employed and independent contractors _____
 Licensed Agents – employed and independent contractors _____
 Property Management, staff & employees _____
 Appraisal employees _____
 Insurance Department employees _____
 Clerical Employees _____
 Other: (fully describe) _____
 Total Staff: _____

7. Please indicate the percentage of licensed agents who have held their licenses more than two years: _____%

Please indicate the percentage of licensed agents who are in-active (according to the Real Estate Board): _____%

8. Gross Income from real estate activities (gross income includes all fees and commissions before expenses and split with agents).

Description	Gross Income Last 12 Months	Number of Transactions	% Sold with Warranty	Projected Income Next 12 Months
Residential (including family owned farms)	\$			
Commercial (including residential prop. over 5 units)	\$			
Vacant Land Zoned for Residential Usage	\$			
Vacant Land Zoned for Commercial Usage	\$			
Business Brokerage	\$			
Property Management Fees (Residential)	\$			
Property Management Fees (Commercial)	\$			
Farm Management Fees	\$			
Real Estate Leasing Fees (Property not managed)	\$			
Real Estate Appraisal Fees (Residential)	\$			
Real Estate Appraisal Fees (Commercial)	\$			
Real Estate Consulting	\$			
Real Estate Mortgage Brokerage	\$			
Referral Fees	\$			
Other (Describe)	\$			
Total	\$			

Please indicate the average sales price of the firms prior year closed RESIDENTIAL transactions: _____

Please indicate the average sales price of the firms prior year closed COMMERCIAL transactions: _____

9. Does the applicant do any auctioneering? **Yes [] No []**. If yes, please provide income from real estate auctioneering: \$ _____

10. Does the applicant form, manage or organize group investments/syndications (i.e. limited partnerships, general partnerships, real estate investment trusts or corporations) for the purpose of investing in real property? **Yes [] No []**. If yes, please provide applicant's income from this activity \$ _____. No coverage is provided.

11. Does the applicant have any involvement with real estate activities for which an applicant is a construction manager or property developer? **Yes [] No []**. If yes, is the construction manager or property developer a separate business entity? **Yes [] No []**. Provide the name of the entity: _____
 No coverage is provided.

12. a. Is the applicant involved in property management? **Yes [] No []**. If yes, please complete the following.
- b. Is a budget prepared for each piece of property managed? **Yes [] No []**.
- c. Is a credit report obtained on each prospective tenant? **Yes [] No []**.
- d. Do you use standard management and lease agreements? **Yes [] No []**.
- e. Number of residential units managed? _____
- f. Amount of commercial/Industrial square footage managed? _____

- 13 a. Does the firm have an in-house procedures manual? **Yes [] No []**.
 b. Does the firm have in-house training sessions and/or encourage agents to take outside training courses? **Yes [] No []**.
 c. Does the principal broker have a specific training program for new sales associates? **Yes [] No []**.
 d. Has the firm's principal broker attended a risk reduction seminar in the last year? **Yes [] No []**.
 Name of the risk reduction seminar, date attended, location or seminar and sponsoring organization.

- e. Are standard contract forms used? **Yes [] No []**
 If yes, what percentage of transactions use standard contract forms? _____%.
- f. Are property/seller disclosure forms used? **Yes [] No []**
 If yes, what percentage of transactions use disclosure forms? _____%.
- g. Does the firm require their agents to perform physical inspections of properties? Yes [] No [] .

14. Prior Insurance History: (By year, please advise the following information on any and all Real Estate Errors and Omissions Insurance carried by the firm(s). Also, please note if you have invoked an "extended reporting period" for any contract).

List all insurance companies for the past five (5) years by name and year beginning with the most current. If none, state none.

Current Insurance Company _____
 Limits of Liability _____ Deductible _____
 Retroactive Date _____ Incep/ExpDate _____ Premium _____

2nd Year Insurance Company _____
 Limits of Liability _____ Deductible _____
 Retroactive Date _____ Incep/ExpDate _____ Premium _____

3rd Year Insurance Company _____
 Limits of Liability _____ Deductible _____
 Retroactive Date _____ Incep/ExpDate _____ Premium _____

4th Year Insurance Company _____
 Limits of Liability _____ Deductible _____
 Retroactive Date _____ Incep/ExpDate _____ Premium _____

5th Year Insurance Company _____
 Limits of Liability _____ Deductible _____
 Retroactive Date _____ Incep/ExpDate _____ Premium _____

YOU WILL NOT RECEIVE RETROACTIVE COVERAGE WITHOUT DATES GIVEN AND PROOF OF PRIOR INSURANCE

ANSWER QUESTION # 15 THROUGH #18, ONLY AFTER INQUIRY OF EACH MEMBER OF THE FIRM.

15. Have any persons proposed for this coverage ever been subject to disciplinary action by any real estate association, 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 []**. If yes, please attach a detailed explanation.
16. Has any application or policy for similar Errors and Omissions insurance on behalf of the applicant, partners, owners or officers of the applicant or on behalf of the applicant's predecessors in business ever been declined, canceled or refused renewal? **Yes [] No []**. If yes, please attach a detailed explanation.
17. Have any claims been made during the past five years against the applicant or those indicated in Questions 3, 6, or 12? **Yes [] No []**. If yes, the **Supplemental Claims Information** must be completed for each claim.
 *** Please note: This policy will not apply to claims which any person proposed for this insurance is aware of prior to the effective date of the policy.

CERTIFICATION OF NO KNOWN AND UNREPORTED CLAIMS OR INCIDENTS

I, the undersigned, certify that I have no knowledge of any claims, legal, or otherwise, which have been or may be made, against any entity or individual for which insurance is requested, which has not been reported previously to you or another insurance company. In addition, after making reasonable inquiries, I am not aware of any act, error or omission, or allegations of any act, error or omission, or any other circumstances or incidents which could give rise to a claim as a result of the company's operations or any individual's activities on behalf of the company.

I understand that the insurance company's willingness to provide coverage or reinstate coverage was based on the understanding that there are no known unreported claims or incidents. I also understand that all such unreported claims or incidents which later result in claim will not be covered by the company's policy.

COMPANY

SIGNATURE OF BROKER, OWNER, OR OFFICER

NAME OF INDIVIDUAL (PLEASE PRINT OR TYPE)

TITLE

DATE

NOTICE

1. THE INSURANCE POLICY THAT YOU ARE APPLYING TO PURCHASE IS BEING ISSUED BY AN INSURER THAT IS NOT LICENSED BY THE STATE OF CALIFORNIA. THESE COMPANIES ARE CALLED "NON-ADMITTED" OR "SURPLUS LINE" INSURERS.
2. THE INSURER IS NOT SUBJECT TO THE FINANCIAL SOLVENCY REGULATION AND ENFORCEMENT WHICH APPLIES TO THE CALIFORNIA LICENSED INSURERS.
3. THE INSURER DOES NOT PARTICIPATE IN ANY OF THE INSURANCE GUARANTEE FUNDS CREATED BY CALIFORNIA LAW. THEREFORE, THESE FUNDS WILL NOT PAY YOUR CLAIMS OR PROTECT YOUR ASSETS IF THE INSURER BECOMES INSOLVENT AND IS UNABLE TO MAKE PAYMENTS AS PROMISED.
4. CALIFORNIA MAINTAINS A LIST OF ELIGIBLE SURPLUS LINE INSURERS APPROVED BY THE INSURANCE COMMISSIONER. ASK YOUR AGENT OR BROKER IF THE INSURER IS ON THAT LIST.
5. FOR ADDITIONAL INFORMATION ABOUT THE INSURER YOU SHOULD ASK QUESTIONS OF YOUR INSURANCE AGENT, BROKER OR "SURPLUS LINE" BROKER OR CONTACT THE CALIFORNIA DEPARTMENT OF INSURANCE, AT THE FOLLOWING TOLL-FREE TELEPHONE NUMBER: 1-800-927-4357.

DATE

INSURED