

# AFFINITY INSURANCE AGENCY, INC.



PROFESSIONAL LIABILITY

WHEN THE LEAST EXPECTED HAPPENS

## TITLE AGENTS PROFESSIONAL LIABILITY INSURANCE APPLICATION

(Claims Made Basis)

Defense Costs are included within the limits of liability.

1. Name of Applicant: \_\_\_\_\_

Address: \_\_\_\_\_

City \_\_\_\_\_ County \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

Telephone Number ( \_\_\_\_\_ ) \_\_\_\_\_ Fax Number ( \_\_\_\_\_ ) \_\_\_\_\_

Email Address : \_\_\_\_\_

2. Are there other office locations?  Yes  No

If Yes, Please list (include county): \_\_\_\_\_

3. Applicant is:  Sole Proprietor  Partnership  Corporation

4. Date Established: \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_  
Month Day Year

5. Have you changed the name of the firm, purchased, acquired, been acquired by, merged with, or consolidated with any other firm or business in the last 5 years?  Yes  No

If Yes, explain in detail: \_\_\_\_\_

6. Is the Applicant, its predecessor firm or any of the officers owned by or have any ownership interest in a financial institution, mortgage company, real estate development or investment firm, title agency or a title insurance carrier?  Yes  No

If Yes, does title Applicant provide any services to or for these affiliated entities: \_\_\_\_\_

7. Are any of the principals or key employees actively involved in any business or profession other than title agent, escrow agent, abstractor, etc. or is any other type of business or profession conducted?

Yes    No      If Yes, explain: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

8. Have you ever performed any title services on properties located outside of the United States?  Yes    No

If Yes, explain \_\_\_\_\_  
 \_\_\_\_\_

9. Current staff (including owners). Please list names of staff, other than clerical, and assign activity codes and years of experience.

**Activity Codes**

- Owner/ Partner/ Officer      O
- Title Agent                      T
- Abstractor/ Searcher        A
- Escrow Agent                  E
- Closing Agent                C

Name	Activity Code	Years of Experience
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

10. Carriers represented - list all title insurers with whom business is or has been placed in the last 5 years. All information must be complete. INCLUDE ANY BAR-RELATED TITLE INSURER OR FUND.

Name of Company	Date First Represented	Current Annual	Underwriting Authority?	
		Premium Volume	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
_____	_____	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
_____	_____	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
_____	_____	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
_____	_____	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No

11. Do your two largest clients make up more than 50% of your business?  Yes  No  
 If yes, what percentage of your gross annual revenues comes from each of these clients and in what business or industry are these clients engaged?

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**12. TITLE ACTIVITIES**

<b>Gross Revenue</b>	<b>Last 12 Months</b>
a. Escrow Services /Closing Services	\$ _____
b. Title Agent Commissions/ Abstracting/ Search Fees	\$ _____
c. Other (describe) _____	\$ _____
Total Gross Revenue	\$ _____

**13. REAL PROPERTY CATEGORIES**

a. What is the approximate breakdown of your total gross revenue for the last 12 months for the following categories or real estate?

- A) Residential \_\_\_\_\_ %
- B) Commercial/ Industrial \_\_\_\_\_ %
- C) Agricultural \_\_\_\_\_ %
- D) Oil/ Gas \_\_\_\_\_ %
- E) Precious Metals/ Minerals  
(i.e., coal, gravel, etc.) \_\_\_\_\_ %
- F) Other (please describe) \_\_\_\_\_  
\_\_\_\_\_ %
- Total \_\_\_\_\_ % (Must Equal 100%)

b. Does the Applicant perform 1031 tax deferred exchange services?  Yes  No

- i. As Escrow/Closing Agent only?  Yes  No
- ii. As Intermediary/Accommodator?  Yes  No

14. During the past two years, have you handled disbursement of funds as construction progressed, or have you handled any periodic disbursement type escrows?  Yes  No  
 If Yes, provide explanation including percentage of gross revenue emanating from these clients:

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15. Has any person at the firm ever had any professional or business license of any kind suspended or revoked?  
 Yes  No      If Yes, explain:

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16. Have any claims or suits been made during the past five years against the applicant, its predecessor firm or any of the officers or employees of the firm?  Yes  No  
 If Yes, please complete the claims supplement.

17. Is the applicant, its predecessor firms or any officer or employee of the firm aware of any circumstance, act, error or omission which may result in a claim against them?  Yes  No  
 If Yes, please attach a statement with specific details.

18. Does the applicant use independent contractors?  Yes  No

a) Does the applicant require the independent contractors to carry errors and omissions liability insurance?  Yes  No If yes, please provide proof of coverage.\*

\*The applicant certifies that it will continue to require independent contractors to obtain E&O insurance throughout the life of this policy or after the date of execution of this application.

19. a) Prior Coverage - list all title agents professional liability insurance carried during the past five years. If none, state "none."

Insurance Company	Limit of Liability	Deductible	Premium	Policy Period
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

b) Have you been continuously insured for ten years or more?  Yes  No

If No, please indicate the date on which you first purchased continuous

Errors & Omissions Coverage: \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_  
Month Day Year

20. Has any application for title agents errors and omissions insurance on behalf of the applicant or any predecessor firm been declined, or has any policy been cancelled or nonrenewed?  Yes  No  
 If Yes, explain, including specific reason for cancellation or nonrenewal:

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**21. COVERAGE DESIRED**

<b>a) Limit:</b> <input type="checkbox"/> \$250,000/\$250,000 <input type="checkbox"/> \$500,000/\$500,000 <input type="checkbox"/> \$500,000/\$1,000,000 <input type="checkbox"/> \$1,000,000/\$1,000,000 <input type="checkbox"/> \$1,000,000/\$2,000,000	<b>b) Deductible:</b> <input type="checkbox"/> \$2,500 <input type="checkbox"/> \$5,000 <input type="checkbox"/> \$10,000 <input type="checkbox"/> \$15,000 <input type="checkbox"/> \$25,000	<b>Which will apply to each and every claim during the Policy Period</b>

Would you like a quotation so that your deductible does not apply to defense costs (First Dollar Defense)?  Yes  No

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

**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 NEW MEXICO 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 CIVIL FINES AND CRIMINAL 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, 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."

**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"  
(365:15-1-10,363613.1).

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

The undersigned represents that the statements set forth herein are true and accurate and that there has been no attempt at suppression or misstatement of any material facts known or that should be known, and agrees that this application shall become the basis of any coverage and part of any policy that may be issued by the Company. The execution of this application does not bind the undersigned to purchase any coverage offered, nor does the review and/or receipt of this application bind the Company to issue a policy or offer coverage.

Date: \_\_\_\_\_  
Must be signed and dated within 30 days prior to inception

Signed: \_\_\_\_\_  
President, Vice President, Owner or Partner only

**Required Submission Materials** - In addition to this completed application, the following items are required:

1. **Letterhead** - Copy of your agency business stationary must be included.
2. **Resumes** - For agencies in operation for less than two years, resumes on principals and key agency personnel are required.

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PROFESSIONAL LIABILITY

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## CLAIM SUPPLEMENT

Title Agents/ Escrow Agents/ Abstractors, etc. Errors and Omissions Liability  
Claims Made and Reported Policy Application

### Applicant's Instructions:

1. Complete one form for each claim or incident.
2. If space is insufficient to answer any question fully, use the reverse side of this page or attach a separate sheet. Answer all questions completely.

(PLEASE TYPE OR PRINT)

1. Applicant's Name: \_\_\_\_\_
2. Additional Defendants: \_\_\_\_\_  
\_\_\_\_\_
3. Full Name of Claimant: \_\_\_\_\_
4. To what Insurance Company did you report this claim or incident? \_\_\_\_\_
  - a. Date reported to Insurance Company? \_\_\_\_\_
  - b. Date you first received notice: \_\_\_\_\_
  - c. Date of alleged error: \_\_\_\_\_
5. Present status of claim (check one):  In Suit  Open Incident  Closed
  - a. If **closed**, total damages paid including Claim Expense and Deductible: \$ \_\_\_\_\_  
Indicate whether:  Court Judgement, or  Out of Court settlement
  - b. If **Pending**:  
Amount asked in Summons: \$ \_\_\_\_\_  
Claimant's settlement demand: \$ \_\_\_\_\_  
Defendant's offer for settlement: \$ \_\_\_\_\_  
Insurer's loss reserve\*: \$ \_\_\_\_\_  
Deductible: \$ \_\_\_\_\_

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

**6. Description of Claim:** (Provide enough information to allow evaluation and attach a separate page if Additional space is required.)

a) Alleged act, error or omission upon which Claimant bases claim:

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b) Description of case and events:

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c) Description of the type and extent of injury or damage allegedly sustained:

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7. 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: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**THIS SUPPLEMENT IS ATTACHED TO AND FORMS A PART OF THE TITLE AGENTS/ ESCROW AGENTS/ ABSTRACTORS, ETC. ERRORS AND OMISSIONS LIABILITY CLAIMS MADE AND REPORTED POLICY APPLICATION AND/OR RENEWAL APPLICATION. THIS APPLICATION IS SUBJECT TO ALL OF THE SAME PROVISIONS CONCERNING REPRESENTATIONS MADE AS IN THE BASIC APPLICATION AND/OR RENEWAL APPLICATION.**

APPLICANT'S SIGNATURE \_\_\_\_\_ SIGNATURE DATE \_\_\_\_\_

APPLICANT'S TITLE \_\_\_\_\_

(Must be signed by an authorized representative who is an active owner, partner, or senior executive officer of your firm -application must be signed within 30 days of the policy inception date)