

**APPLICATION FOR  
INSURANCE BROKERS ERRORS AND OMISSIONS**

New Application       Renewal Application

If renewal, provide Policy Number \_\_\_\_\_ Expiration date \_\_\_\_\_

1. Name of Applicant (if more than one, show principal applicant only, and additional applicants below)

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Additional applicants (to be named insureds)

Name	Activities
_____	_____
_____	_____
_____	_____

2. Address (Head Office) \_\_\_\_\_  
\_\_\_\_\_

Date Established      Month \_\_\_\_\_      Year \_\_\_\_\_

Telephone # \_\_\_\_\_      Fax # \_\_\_\_\_

Web Site Address: \_\_\_\_\_      Contact e-mail address: \_\_\_\_\_

Location(s) of Branch offices \_\_\_\_\_  
\_\_\_\_\_

3. Has the name of the brokerage, ownership or principals of the brokerage changed, or has any other business been purchased, merged or consolidated with the brokerage, including the purchase of another broker's business, during the past five years?       Yes       No  
If "Yes" please list details below including gross income derived from other business.

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4. Is the brokerage engaged in any other business?       Yes       No  
If "Yes" please provide details. \_\_\_\_\_

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5. Is the brokerage owned by, associated with or controlled by any other business(es)?  Yes  No  
 If "Yes", please provide name, percentage of ownership, description of business of parent or controlling interest, kind and amount of insurance derived from associated businesses or owner. \_\_\_\_\_

6. a) Total gross P&C premiums written annually \$ \_\_\_\_\_

b) Total Life, Accident & Health commissions written annually \$ \_\_\_\_\_

7. What percentage of TOTAL INCOME comes from:

Insurance ..... %

Claim Settlement for a fee ..... %

Premium Financing  
 For own clients ..... %

For others ..... %

Consulting for a fee ..... %

Third Party Administration for  
 Employee Benefit / Pension Plan ..... %

Other (Specify) ..... %  
 (MUST TOTAL 100%) 100 %

8. Please give the approximate percentage breakdown of the total premium volume.

Business placed as:

\_\_\_\_\_ % Broker (with binding authority) \_\_\_\_\_ % MGA\* (with binding authority)

\_\_\_\_\_ % Broker (without binding authority). \_\_\_\_\_ % MGA\* (without binding authority)

100% TOTAL

\*(MGA / Managing General Agency: agency operating with a broad grant of authority by an insurance company or Lloyd's to underwrite, bind and issue policies.)

9. Please give the approximate percentage breakdown of the total premium volume:

Business received or assumed:

\_\_\_\_\_ % Direct from insureds

\_\_\_\_\_ % From other brokers

100% TOTAL

10. Please give the approximate percentage breakdown of the total P&C premium volume.

\_\_\_\_\_ % Personal Lines

\_\_\_\_\_ % Commercial Lines

100% TOTAL

11. Please give the approximate percentage breakdown of the total P&C premium volume:

**Classes of Business:**

Animal mortality .....	_____ %
Automobile:	
Long Haul Trucking (50 miles radius and greater) .....	_____ %
Commercial (All other) .....	_____ %
Personal .....	_____ %
Aviation .....	_____ %
Bonds:	
Surety / contract .....	_____ %
Other bonds .....	_____ %
Crop Insurance .....	_____ %
General Property / Casualty .....	_____ %
Inland Marine .....	_____ %
Professional Liability .....	_____ %
Wet Marine:	
Commercial .....	_____ %
Pleasure .....	_____ %
Other (Specify) .....	_____ %
<b>TOTAL</b>	<b>100%</b>

12. Is the brokerage associated with a cluster or similar type arrangement?  Yes  No  
If "Yes", please provide details.

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13. Does anyone from the brokerage sit on any Company Board of Directors or Governing Committees involving an insurance related activity?

Yes  No

If "Yes", please provide details. \_\_\_\_\_

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14. Please list the insurance companies which together account for **100%** of your **total premium volume** and indicate if you have **binding authority**. Please include all insurers used via an intermediary.  
*(It is not sufficient to show just the name of the intermediary)*

Company	%	Binding (Yes/No)	Do you have direct access (Yes/No) (If No, give name of intermediary)

15. Please list any unlicensed or non-admitted insurance companies that you place business with.

Company	%	Binding (Yes/No)	Do you have direct access (Yes/No) (If No, give name of intermediary)

16. Please indicate the Broker's E&O carrier for the last three years. If none, state none.

Carrier	Policy Number	Limit	Effective and Expiration Date	Current Premium (Optional)

17. If you have not had Errors and Omissions coverage for the last (3) years or have had a gap in coverage, please give us a narrative explanation. \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

18. Please give information requested for all **Broker staff**. Over 20 hours is counted as full time.

	Name	Check if Licensed	Professional Designation	Position	Full Time	Part Time
a) Licensed Owners, Partners, Officers, Directors:	_____	_____	_____	_____	_____	_____
	_____	_____	_____	_____	_____	_____
	_____	_____	_____	_____	_____	_____
b) Licensed producers who are employees of the brokerage:	_____	_____	_____	_____	_____	_____
	_____	_____	_____	_____	_____	_____
	_____	_____	_____	_____	_____	_____
c) All other employees including non licensed owners, partners, officers and directors:	_____	_____	_____	_____	_____	_____
	_____	_____	_____	_____	_____	_____
	_____	_____	_____	_____	_____	_____
SUB-TOTAL OF FULL AND PART – TIME EMPLOYEES (a + b + c)					_____	_____
d) Operational Coverage: producers, office brokers who are not employees of the Brokerage and are to be named as Additional Insureds	_____	_____	_____	_____	_____	_____
	_____	_____	_____	_____	_____	_____
	_____	_____	_____	_____	_____	_____
	_____	_____	_____	_____	_____	_____

SUB-TOTAL TO BE NAMED AS ADDITIONAL INSUREDS (18. d) \_\_\_\_\_

e) If more than one office, please indicate the total number of staff members at each location.

Location # 1 \_\_\_\_\_ # 2 \_\_\_\_\_ # 3 \_\_\_\_\_ (Total of all to be included above and below.)  
 If more locations, attach sheet with information on staff members at each location.

**TOTAL STAFF** \_\_\_\_\_

f) Do any of the persons listed in a) to e) above work for any other brokerage or for themselves?  Yes  No  
 If "Yes", please provide details. \_\_\_\_\_

\_\_\_\_\_  
 \_\_\_\_\_

19. Did any of your employees participate in an errors and omissions prevention seminar during the past 24 months?  Yes  No  
 If "Yes", please provide details including date, number of staff, and sponsor of program.

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

20. Please describe the details of training sessions or courses provided or taken: \_\_\_\_\_

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

21. Please describe your orientation program for new employees: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

22. Is all incoming mail date stamped?  Yes  No

23. Are verbal binders confirmed in writing?  Yes  No

24. Are copies of binders mailed to both insured and insurance carrier within three (3) days?  Yes  No

25. Is there a procedure for documenting important phone conversations?  Yes  No

26. Is a policy expiration list maintained?  Yes  No

27. Are all policies and endorsements checked for accuracy before mailing?  Yes  No

28. Please describe the levels of automation within your brokerage: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

29. Does the applicant have a planned diary, suspense or follow-up system?  Yes  No  
*If "Yes", please describe.*

30. Does the applicant have a formal training/compliance manual along with a designated person responsible for the maintenance of the manual? *If "No", please comment.*  Yes  No

31. Does the applicant have a written procedure that has been communicated to all persons engaged by the applicant that details the procedure for the handling of complaints and/or the notification of circumstances and/or claims to professional indemnity insurers? *If yes, who is the person responsible. If "No", please comment.*  Yes  No

32. Does the applicant have a documented file review procedure for risks which in the opinion of the applicant are high risk or non-standard accounts? *If "No", please comment.*  Yes  No

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33. Does the applicant retain on each file sufficient information to record on each file why a certain insurance policy or transaction was recommended as being suitable for client's requirements? *If "No", please comment.*  Yes  No

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34. Is a summary letter stating the reasons why a certain policy/transaction was recommended sent to clients as a matter of course for all accounts? *If "No", please comment.*  Yes  No

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35. Does the applicant have a formal disaster recovery plan? *If "No", please comment.*  Yes  No

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36. Does the applicant retain daily off-site backups for all electronic data? *If "No", please comment.*  Yes  No

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37. If the applicant has notified claims or circumstances to insurers what action has the applicant taken to review and improve internal procedures following the notifications to insurers? *Please describe and/or comment.*

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38. Does the applicant use insurers not rated by Best's or rated below "B"? *If "Yes", please comment.*  Yes  No

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39. If the answer to question 38 is yes, does the applicant warn clients about un-rated or below "B" rated security?  
If "No", please comment.  Yes  No

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40. If the answer to question 38 is yes, does the applicant vet the security?  
If "No", please comment.  Yes  No

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41. Do you place any risks (Directly or through an intermediary or wholesaler) with unlicensed insurers?  
 Yes  No

42. What steps do you take to check the Financial strength of Insurers you use (Directly or through an intermediary or wholesaler.)

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43. Does the Applicant currently carry professional or errors and omissions liability insurance?  Yes  No  
i) If Yes, please indicate the name of the Insurer: \_\_\_\_\_

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ii) Please indicate if such coverage is offered on an occurrence basis or claims made basis  
Occurrence  Claims Made

iii) If current coverage is on a claims made basis, what is the retroactive date? \_\_\_\_\_

iv) What is your current policy limit? \$ \_\_\_\_\_

v) What is your current deductible? \$ \_\_\_\_\_

vi) If you are presently insured, are renewal terms being offered?  Yes  No

vii) If No, please state reason: \_\_\_\_\_

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44. a) Have any claims ever been made to the knowledge of the Applicant against the Applicant, any business predecessors, or any of the present or former partners or officers?  Yes  No

b) Is the Applicant aware of any act, error, omission or circumstances which could give rise to a claim against the Applicant or any predecessor in business, or any present or former partner or officer?

Yes  No



**IF THE ANSWER TO EITHER Q.44 a) OR Q.44 b) IS YES, COMPLETE THE ENCLOSED CLAIMS HISTORY FORM**

NOTE: THE POLICY DOES NOT COVER ANY CLAIM OR CIRCUMSTANCE STATED IN 44 a) AND/OR 44 b) OR ANY ACT, ERROR, OMISSION OR CIRCUMSTANCE WHICH COULD GIVE RISE TO A CLAIM, OF WHICH THE APPLICANT HAS KNOWLEDGE PRIOR TO THE INCEPTION OF THE POLICY.

45. Has any Partner, Executive Officer, Director or Professional Employee had their licence suspended, been fined or reprimanded during the past five years? *If "Yes", attach details.*  Yes  No

46. To the Applicant's knowledge, has any company declined or terminated the insurance for the Applicant, any present partner of officer or for any predecessor in the business, past partners or officers?  Yes  No

*If "Yes", provide details:* \_\_\_\_\_  
\_\_\_\_\_

47. Please note the professional associations to which the Applicant belongs:  
\_\_\_\_\_  
\_\_\_\_\_

48. When is your fiscal year end? \_\_\_\_\_

49. Insurance required:

LIMITS:                   \$ 500,000 / 1,000,000   
                              \$ 1,000,000 / 1,000,000   
                              \$ 1,000,000 / 2,000,000   
                              \$ 2,000,000 / 2,000,000   
                              \$ 5,000,000 / 5,000,000   
                              Other \_\_\_\_\_

DEDUCTIBLES:           \$ 2,500   
                              \$ 5,000   
                              \$ 10,000   
                              \$ 25,000

Loss Only  
 Loss and Litigation Expense

We hereby declare that the above statements and particulars are true and that we have not suppressed or misstated any material facts and we agree that this declaration shall be the basis of any binder or contract or insurance with the Insurer, and that the limits and deductibles as stated in the said binder or contract of insurance shall govern.

It is understood and agreed that the completion of this application does not bind the Insurer to the issue of the insurance nor the Applicant to the purchase of the insurance.

It is further understood and agreed that if, following submission of this application to the Insurer and prior to the date requested for coverage to be effective, the Applicant becomes aware of any information which has a bearing on question 43 a) or 43 b) of this application, the Insurer shall be immediately notified in writing of such information.

NAME OF FIRM \_\_\_\_\_

Signature (Signing Officer) \_\_\_\_\_

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

**CLAIMS HISTORY**

Applicant's Name: \_\_\_\_\_ Date: \_\_\_\_\_

Claimant: \_\_\_\_\_

Claimant's Insurer, Policy Number, Period and Type of cover: \_\_\_\_\_

Date of Claim: \_\_\_\_\_ Suit: Yes  No

Amount Claimed:\$ \_\_\_\_\_ Estimated Liability:\$ \_\_\_\_\_

Indemnity Paid:\$ \_\_\_\_\_ Expenses Paid:\$ \_\_\_\_\_

Closed: Yes  No

Description of Claim: \_\_\_\_\_

Claimant: \_\_\_\_\_

Claimant's Insurer, Policy Number, Period and Type of cover: \_\_\_\_\_

Date of Claim: \_\_\_\_\_ Suit: Yes  No

Amount Claimed:\$ \_\_\_\_\_ Estimated Liability:\$ \_\_\_\_\_

Indemnity Paid:\$ \_\_\_\_\_ Expenses Paid:\$ \_\_\_\_\_

Closed: Yes  No

Description of Claim: \_\_\_\_\_

Claimant: \_\_\_\_\_

Claimant's Insurer, Policy Number, Period and Type of cover: \_\_\_\_\_

Date of Claim: \_\_\_\_\_ Suit: Yes  No

Amount Claimed:\$ \_\_\_\_\_ Estimated Liability:\$ \_\_\_\_\_

Indemnity Paid:\$ \_\_\_\_\_ Expenses Paid:\$ \_\_\_\_\_

Closed: Yes  No

Description of Claim: \_\_\_\_\_