

S.M.E. PROFESSIONAL LIABILITY NEW BUSINESS APPLICATION



American Insurance
Professionals *****

A Division of Norman-Spencer

NOTICE: This Application is for a CLAIMS-MADE AND REPORTED COVERAGE FORM. The Coverage Form you are applying for is limited to liability for only those "claims" that are first made against you and reported to us during the policy period.

APPLICANT INFORMATION

Name of Applicant: _____
Address: _____
City: _____ State: _____ Zip Code: _____
Website: _____

Applicant's Structure: Individual/Sole Proprietor LLC/LLP Partnership/JV
 Corporation Other: _____

Last 12 Month Professional Revenue: USA/Canada: \$ _____ Foreign: \$ _____
Next 12 Month Professional Revenue: USA/Canada: \$ _____ Foreign: \$ _____

Employee Count:

FULL TIME Professionals/Licensees: _____
PART TIME Professionals/Licensees: _____
Administrative Staff: _____
Independent Contractor: _____

PROFESSIONAL SERVICES

Please refer to Addendum A at the end of the application to indicate Professional Services being provided.

UNDERWRITING QUESTIONS

1. Is the applicant owned by, associated with, or controlled by any other business? Yes No
If **Yes**, please enter the name of the business: _____
2. Does the applicant owned any subsidiaries or participate in JVs to be covered? Yes No
If **Yes**, please provide details on a separate page
3. Does the applicant maintain current and valid licenses, certifications or designations required or recognized by industry standards? Yes No
4. How Many YEARS OF EXPERIENCE does the applicant have performing the Professional Service(s) to be covered?
 +10 Years
 6-10 Years
 3-5 Years
 0-2 Years

5. What percentage of Revenue is generated by work done by Independent Contractors? 0-25%
 26-59%
 51-75%
 76-100%
6. What % of Professional Services are rendered under written agreement (contract, engagement letter, etc.)? 0-25%
 26-59%
 51-75%
 76-100%
7. Does the applicant have ACTIVE membership (in good standing) in one or more Professional Associations? Yes No
 If **Yes**, please indicate which ones: _____
8. Does the applicant maintain any of the following risk management/loss control procedures?
 Yes No
- Written procedures to ensure compliance with all federal/state/local statutes? Yes No
 - Written process in place to handle and resolve client complaints? Yes No
 - Continuing education support for all professional employees? Yes No
 - Strong contract management (e.g. hold harmless clauses, legal review, etc.)? Yes No
 - Formal, In-house training program for professional employees? Yes No

DISCIPLINARY ACTIONS AND CLAIMS QUESTIONS:

During the Past Five (5) Years:

9. Have you or any of its predecessors in business, subsidiaries, or affiliates, or any of the principals, directors, officers, partners, professional employees or independent contractors ever been the subject of a disciplinary action as a result of professional activities? Yes No
10. Have any claims, suits or proceedings been made against you, your firm, your predecessors in business or against any present partners, owners, officers, or employees? Yes No
11. Are you aware of any alleged act, circumstance, situation or error or omission which may result in a "claim" being made against you or any of the persons or firm described on this application? Yes No

If "Yes" to Questions 9, 10 and/or 11, please provide complete details, including the date of the disciplinary action or the date the claim was made, the current status of the action or claim, the damages demanded, current paid loss and/or loss expenses, and current loss and loss expense reserves.

IT IS UNDERSTOOD AND AGREED THAT NO FACT, CIRCUMSTANCE OR SITUATION INDICATING THE PROBABILITY OF A CLAIM OR ACTION AGAINST WHICH INDEMNIFICATION IS OR WOULD BE AFFORDED BY THE PROPOSED INSURANCE IS NOW KNOWN TO ANY DIRECTOR, OFFICER, TRUSTEE, EMPLOYEE OR VOLUNTEER OF THIS ORGANIZATION, AND IT IS AGREED BY ALL CONCERNED THAT IF THERE BE KNOWLEDGE OF ANY SUCH FACT, CIRCUMSTANCE OR SITUATION, ANY CLAIM OR ACTION SUBSEQUENTLY EMANATING THEREFROM SHALL BE EXCLUDED FROM COVERAGE UNDER THE PROPOSED INSURANCE.

PRIOR COVERAGE INFORMATION

12. Please provide details of Errors and Omissions insurance carried during the last three (3) years.

| Company | Limit | Deductible | Premium | Policy Term |
|---------|-------|------------|---------|-------------|
| | | | | |
| | | | | |
| | | | | |

If coverage is in-force, please indicate current RETRO ACTIVE DATE: _____

FRAUD WARNING: 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 IS GUILTY OF INSURANCE FRAUD. THIS IS A CRIME AND SUBJECTS SUCH PERSON TO CRIMINAL AND CIVIL PENALTIES.

(FOR NEW YORK INSURED: AN ACT OF INSURANCE FRAUD SHALL BE SUBJECT TO A CIVIL PENALTY NOT TO EXCEED \$5,000 AND THE STATED VALUE OF THE CLAIM FOR EACH SUCH VIOLATION.)

YOU HEREBY DECLARE that the above statements and particulars are true and that you have not suppressed or misstated any material facts and you agree that this Application will be the sole basis of any subsequent contract or insurance with us. Signature on the Application does not bind you or us to complete the insurance.

Application must be signed and dated by principal, partner, officer or director of the firm.

| | | |
|-------------|-------------------------------|--------------|
| Date | Signature of Applicant | Title |
|-------------|-------------------------------|--------------|

PLEASE NOTE: COMPLETION AND SUBMISSION OF THIS APPLICATION IS FOR THE PURPOSE OF SECURING A PREMIUM QUOTATION ONLY. NO COVERAGE WILL BE EFFECTED UNTIL RECEIPT OF WRITTEN INSTRUCTIONS AND PREMIUM PAYMENT. ANY SUBSEQUENT CONTRACT ISSUED WILL BE IN FULL RELIANCE UPON THE STATEMENTS AND REPRESENTATIONS MADE IN THIS APPLICATION AND THIS APPLICATION WILL BE MADE A PART OF THE COVERAGE FORM. A SIGNED APPLICATION DATED NOT MORE THAN 45 DAYS PRIOR TO THE INCEPTION DATE WILL BE REQUIRED IN THE EVENT COVERAGE IS EFFECTED.

ADDENDUM A: PROFESSIONAL SERVICES

Please indicate the professional service(s) being performed and the % of revenue generated:

REAL ESTATE SERVICES

| | | | |
|---------------------------------------|---|--------------------|---|
| Agent/Broker (Residential) | % | Mortgage Broker | % |
| Agent/Broker (Commercial) | % | Business Broker | % |
| Leasing Agent (Residential) | % | Right-of-Way Agent | % |
| Leasing Agent Commercial) | % | Landman Services | % |
| Property Manager | % | | % |
| Other Real Estate-Related Service(s): | | | % |

INSPECTION/APPRAISERS SERVICES

| | | | |
|---|---|--------------------------------|---|
| Home Inspection | % | Commercial Property Inspection | % |
| Real Estate Appraiser (Residential) | % | Building Code Inspection | % |
| Real Estate Appraiser (Commercial) | % | Mortgage Field Inspection | % |
| Other Property-Related Appraisal/Inspection Service(s): | | | % |

CONSULTANCY SERVICES

| | | | |
|----------------------------------|---|----------------------------------|---|
| General Management Consultant | % | Financial Planning Services | % |
| HR Consultant | % | Agribusiness Consultant | % |
| Employee Benefit Plan Consultant | % | "Green"/Environmental Consultant | % |
| Marketing Consultant | % | Healthcare Consultant | % |
| Risk Management Consultant | % | Research Consultants | % |
| Safety Consultant | % | Education Consultant | % |
| Other Consulting Service(s): | | | % |

TECHNOLOGY-RELATED SERVICES

| | | | |
|---------------------------------------|---|-----------------------------|---|
| E-Commerce Services | % | Systems Analysis/Management | % |
| Hardware/Infrastructure Manufacturing | % | Technical Services | % |
| Online Site/Portal | % | Technology Consulting | % |
| Programming/Software Development | % | Web Design/Hosting | % |
| Service Provider (ASP, ISP) | % | | |
| Other Technology-Related Service(s): | | | % |

GENERAL PROFESSIONAL AND BUSINESS SERVICES

| | | | |
|--------------------------------------|---|-------------------------------------|---|
| Advertising Services | % | Insurance Agent/Broker | % |
| Alarm monitoring services | % | Interim management services | % |
| Analytical Testing Lab Services | % | Interior design consultant | % |
| Association services | % | Life/career/executive coaching | % |
| Auctioneer (Non-Real Estate) | % | Logistics Services | % |
| Auctioneer (Real Estate) | % | Manufacturer's Sales Representative | % |
| Back office support services | % | Marine surveyors | % |
| Bookkeeping services | % | Mediation/Arbitration Services | % |
| Business Broker Services | % | Medical Billing Services | % |
| Business Management Services | % | Non-Real Estate Appraisal Services | % |
| Cell Tower Acquisition Services | % | Notary Services | % |
| Claims Adjuster Services | % | Office administration services | % |
| Clerking services | % | Payroll Processing Services | % |
| Collection Agent Services | % | Photographer Services | % |
| Construction Manager | % | Printing Services | % |
| Cost estimating services | % | Process servers | % |
| Court Reporting Services | % | Professional Fiduciary | % |
| Custom House broker | % | Promotional Services | % |
| Data entry services | % | Public Relations Services | % |
| Debt/Credit Management Services | % | Quality control inspections | % |
| Direct Marketing services | % | Referral Services | % |
| Draftsman (including CAD/CAM) | % | Royalty payment monitoring | % |
| Driving Instructor | % | Talent Agent Services | % |
| Drug testing services | % | Tax Preparation Services | % |
| Employee Benefits Plan Administrator | % | Telephone Services | % |
| Employee screening services | % | Third-Party Administration Services | % |
| Employment Placement Services | % | Trade Association Services | % |
| Event Planning Services | % | Training/Tutoring Services | % |
| Expert witness | % | Translation Services | % |
| Fine arts brokers/dealers | % | Travel Agency Services | % |
| Flight attendant training | % | Trustee Services | % |
| Freight Forwarder Services | % | Vehicle repossession services | % |
| Graphic Design Services | % | Yacht Broker Services | % |
| Hospitality services | % | | |
| Other Consulting Service(s): | | | % |