



# Errors & Omissions Insurance for Home Inspectors

Home inspectors liability insurance protects home inspectors for claims arising from allegations of wrongful acts, errors and omissions in residential real estate inspections.

- The Insurance company is Rated A ++ Superior by AM Best.
- Eligibility:

Virtually any individual residential home inspector or home inspection firm is considered. Even inspectors with no experience and new ventures. Coverage is available in all states except Delaware and Washington DC.

Use of a pre-inspection contract is required

- **Deductible:** Minimum \$1,500.00

## Coverage can be expanded to include:

- Premises Liability insurance: Matching Limits up to \$1 million are available.
- Radon Inspections: Sub-Limits to \$250,000 (*\$3,000 deductible*)
- Termite / Pest Inspections: Sub-Limits to \$ 250,000 (*\$5,000.00 deductible*)
- "Referral" protection, extending coverage to entities that commonly refer inspectors to consumers such as real estate brokers.

March 2005

## HOME INSPECTORS PROFESSIONAL LIABILITY INSURANCE APPLICATION

THIS INSURANCE, IF ISSUED, WILL BE ON A CLAIMS-MADE AND REPORTED BASIS.

**NOTICE:** THE POLICY PROVIDES THAT THE LIMIT OF LIABILITY AVAILABLE TO PAY JUDGEMENTS OR SETTLEMENTS SHALL BE REDUCED BY AMOUNTS INCURRED FOR LEGAL DEFENSE. FURTHER NOTE THAT AMOUNTS INCURRED FOR LEGAL DEFENSE SHALL BE APPLIED AGAINST THE DEDUCTIBLE.

**NOTICE:** THIS IS A CLAIMS MADE POLICY. EXCEPT TO THE EXTENT AS MAY OTHERWISE BE PROVIDED HEREIN, THE COVERAGE OF THIS POLICY IS LIMITED TO LIABILITY ONLY FOR THOSE CLAIMS THAT ARE FIRST MADE AGAINST YOU AND REPORTED IN WRITING TO US DURING THE POLICY PERIOD. PLEASE READ THE POLICY CAREFULLY AND DISCUSS THE COVERAGE THEREUNDER WITH YOUR INSURANCE AGENT OR BROKER.

**Application Instructions:**

1. Please type or complete the application in ink.
2. If additional space is needed, please use your firm's letterhead

**To support your submission, please include:**

1. A copy of the Applicant's standard contract or agreement
2. Resumes of the Applicant's principals or key personnel

### General Applicant Information

RENEWAL OF: \_\_\_\_\_  NEW BUSINESS

1. Name of Applicant: \_\_\_\_\_ dba: \_\_\_\_\_
2. Mailing Address: \_\_\_\_\_
3. City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_
4. Desired Effective Date  

\_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_  
 MM      DD      YR
5. Contact Name: \_\_\_\_\_
6. Phone Number: \_\_\_\_\_ email address \_\_\_\_\_
7. Applicant is:     Corporation     Partnership     Individual     LLC     Other \_\_\_\_\_

### Operations

8. **Description of Operations:**  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_
9. Number of Inspectors: \_\_\_\_\_
10. Projected Annual Revenues: \$ \_\_\_\_\_
11. Total Revenue from Commercial Inspections \$ \_\_\_\_\_
12. Year Established \_\_\_\_\_
13. Does the Applicant have Professional Liability Coverage?  Yes     No  
 If yes, does the Applicant have Full Prior Acts  Yes     No  
 If no, please indicate the retroactive date \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_  

MM      DD      YR
14. Is the Applicant a member of the National Association of Certified Home Inspectors (NACHI) OR  
 A member of the American Society of Home Inspectors (ASHI)?  Yes     No
15. Does the Applicant participate in a formal Risk Management or Continuing Education Program or maintains membership to  
 another Professional Association offering risk management services?  Yes     No  
 Please indicate which Association the Applicant belongs \_\_\_\_\_
16. Is a Pre-Inspection Agreement/Contract signed 100% of the time?  Yes     No

17. In the past five years, has any professional liability claim or suit been made against the applicant or predecessor firms?  Yes  No  
 If yes, has more than \$5,000 been paid in defense/indemnity?  Yes  No  
 If yes, please provide claim/suit information:

\_\_\_\_\_

\_\_\_\_\_

**REQUESTED LIMITS**

**POLICY OPTIONS**

**Professional Liability (Errors & Omissions) Coverage**

- \$100,000/\$100,000       \$100,000/\$500,000       \$250,000/\$250,000       \$300,000/\$300,000       \$250,000/\$500,000
- \$500,000/\$500,000       \$500,000/\$1,000,000       \$1,000,000/\$1,000,000       other \_\_\_\_\_

**DEDUCTIBLE OPTIONS**

- \$1,500       \$2,500       \$5,000       OTHER \_\_\_\_\_

**Coverages & Endorsements**

If the following **optional** coverages are available, does the Applicant wish to purchase:

- Premises Liability?  Yes  No
- Wood Destroying Organisms/Termite Inspection?  Yes  No
- Radon Inspections / Sample Collections?  Yes  No
- Sewer, Pool, Spa?  Yes  No

\*\* Please note – TRIA coverage is provided on ALL of our policies

**Insurance History**

Name of Insurer	Policy Period		Limits of Liability	Deductible/Retention	Premium
	From: MM/DD/YY	To: MM/DD/YY			

**Representations**

ALL WRITTEN STATEMENTS AND MATERIALS FURNISHED TO THE INSURANCE COMPANY WHICH THIS APPLICATION IS SUBMITTED (HEREIN CALLED THE COMPANY) IN CONJUNCTION WITH THIS APPLICATION ARE HEREBY INCORPORATED BY REFERENCE INTO THIS APPLICATION AND MADE PART HEREOF.

THIS APPLICATION DOES NOT BIND THE APPLICANT TO BUY, OR THE COMPANY TO ISSUE THE INSURANCE, BUT IT AGREED THAT THIS FORM SHALL BE THE BASIS OF THE CONTRACT SHOULD A POLICY BE ISSUED, AND IT WILL BE ATTACHED TO AND MADE PART OF THE POLICY. THE UNDERSIGNED APPLICANT DECLARES THAT IF THE INFORMATION SUPPLIED ON THIS APPLICATION CHANGES BETWEEN THE DATE OF THIS APPLICATION AND THE TIME WHEN THE POLICY IS ISSUED, THE APPLICANT WILL IMMEDIATELY NOTIFY THE COMPANY OF SUCH CHANGES, AND THE COMPANY MAY WITHDRAW OR MODIFY ANY OUTSTANDING QUOTATIONS AND/OR AUTHORIZATION OR AGREEMENT TO BIND THE INSURANCE.

**Fraud Warnings**

**NOTICE TO 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 ACT, WHICH IS A CRIME AND MAY SUBJECT SUCH PERSON TO CRIMINAL AND CIVIL PENALTIES.

**NOTICE TO ARKANSAS, NEW MEXICO AND WEST VIRGINIA 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 POLICYHOLDER 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 LOUISIANA 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 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 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, OR 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, 36 §3613.1).

**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 TENNESSEE, VIRGINIA AND WASHINGTON 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.

**NOTICE TO VERMONT 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 ACT, WHICH MAY BE A CRIME AND MAY SUBJECT SUCH PERSON TO CRIMINAL AND CIVIL PENALTIES.

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Signature of Owner, Partner or Principal of Insured	Title	Date
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Signature of Insureds Agent or Broker	Title	Date
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**IF A POLICY IS ISSUED THE APPLICATION IS ATTACHED TO AND MADE PART OF THE POLICY SO IT IS NECESSARY THAT ALL QUESTIONS BE ANSWERED IN DETAIL.**

**PLEASE READ THE FOLLOWING CAREFULLY AND SIGN BELOW WHERE INDICATED. IF A POLICY IS ISSUED, THIS SIGNED STATEMENT WILL BE ATTACHED TO THE POLICY.**

The Insured hereby acknowledges that he/she/it is aware that the limit of liability contained in this policy shall be reduced, and may be completely exhausted, by the costs of legal defense and, in such event, the Company shall not be liable for the costs of legal defense or for the amount of any judgement or settlement to the extent that such exceeds the limit of liability of this policy.

The Insured hereby further acknowledges that he/she/it is aware that legal defense costs or defense expenses that are incurred shall be applied to the deductible amount.

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Signature of Owner, Partner or Principal of Insured	Title	Date
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Signature of Insureds Agent or Broker	Title	Date
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