

GREAT AMERICAN INSURANCE COMPANY
Real Estate Professional Liability Insurance Application – New York



PLEASE READ THE POLICY CAREFULLY. THE INSURANCE COVERAGE FOR WHICH YOU ARE APPLYING IS WRITTEN ON A CLAIMS-MADE POLICY FORM. THE POLICY PROVIDES NO COVERAGE FOR CLAIMS ARISING OUT OF ACTS OR OMISSIONS IN THE PERFORMANCE OF REAL ESTATE PROFESSIONAL SERVICES WHICH TOOK PLACE PRIOR TO THE RETROACTIVE DATE. THE RETROACTIVE DATE MAY NOT BE CHANGED DURING THE TERM OF THE CLAIMS MADE RELATIONSHIP AND ANY EXTENDED REPORTING PERIOD.

COVERAGE UNDER THE POLICY CEASES UPON TERMINATION OF THE POLICY, EXCEPT FOR AUTOMATIC EXTENDED REPORTING COVERAGE, UNLESS THE INSURED PURCHASES OPTIONAL EXTENDED REPORTING COVERAGE. THE POLICY PROVIDES FOR AUTOMATIC EXTENDED REPORTING PERIOD COVERAGE OF 60 DAYS, OPTIONAL EXTENDED REPORTING PERIOD COVERAGE OF 1, 2 OR 3 YEARS AND OTHER EXTENDED REPORTING PERIODS MAY BE AVAILABLE FOR AN UNLIMITED DURATION OF TIME AFTER THE TERMINATION OF THE POLICY. IF THERE IS NO UNLIMITED EXTENDED REPORTING PERIOD, POTENTIAL COVERAGE GAPS MAY ARISE AT THE EXPIRATION OF ANY APPLICABLE EXTENDED REPORTING PERIOD.

DURING THE FIRST SEVERAL YEARS OF THE CLAIMS MADE RELATIONSHIP, CLAIMS-MADE RATES ARE COMPARATIVELY LOWER THAN OCCURRENCE RATES, AND THE INSURED CAN EXPECT SUBSTANTIAL ANNUAL PREMIUM INCREASES, INDEPENDENT OF THE OVERALL RATE LEVEL INCREASES, UNTIL THE CLAIMS-MADE RELATIONSHIP REACHES MATURITY.

THE LIMIT OF LIABILITY AVAILABLE TO PAY DAMAGES MAY BE REDUCED BY UP TO 50% BY CLAIM EXPENSES FOR POLICIES WITH A LIMIT OF LIABILITY – EACH CLAIM OF \$500,000 OR GREATER. FURTHER NOTE THAT THIS POLICY PROVIDES THAT CLAIM EXPENSES MAY BE APPLIED AGAINST THE DEDUCTIBLE BY UP TO 50% OF THE DEDUCTIBLE AMOUNT FOR POLICIES WITH A LIMIT OF LIABILITY – EACH CLAIM OF \$500,000 OR GREATER.

Applicant Name: _____
(Company name including all dba's or trade names if applicable)

Principal Street Address: _____

City, State, Zip: _____

Mailing Address (if different): _____

Email: _____ Website: _____

Contact: _____ Telephone #: (_____) _____ Fax #: (_____) _____

1. Applicant company type: Corporation/LLC Independent Contractor Sole Proprietor Partnership/LLP
2. a. Date Applicant firm was established: _____ b. Year current owner assumed management: _____
c. Number of years owner licensed as an agent: _____ as a broker: _____ as an appraiser: _____
3. Is the applicant owned, associated, or controlled by any other business, investment group or syndication? Yes No
If Yes, Please provide the name of the entity(s) and the nature of the relationship:

4. During the past 5 years:
 - a. Has the Applicant undergone a change in operations, including any merger or acquisition? Yes No
If Yes, please complete the Purchase / Merger Supplement
 - b. Has any principal, partner, director, officer or professional of the Applicant performed professional services for any other business in which the applicant has any ownership or managerial interest? Yes No
If Yes, provide details on a separate sheet.

5. Does the Applicant:

a. Have any single client responsible for more than 25% of the firm's annual income? Yes No

If Yes, provide details on a separate sheet.

b. Transact business in multiple states or outside of the United States? Yes No

If Yes, provide details on a separate sheet, including the percent (%) of total gross revenues from each state or country.

c. Perform or intend to perform professional services for REITS or property syndications? Yes No

If Yes, what is the percentage of the gross commission income derived from these services? _____%

6. Indicate the total number of: a. full time professionals: _____ b. part time professionals: _____ c. inactive professionals: _____

* **Professionals are defined as:** Owners, Partners, Officers, Real Estate Brokers/Agents/Salespersons, Appraisers, Property Managers, Consultants or Auctioneers including independent contractors.

7. Do at least 15% of all professionals hold a professional designation? (i.e. GRI, CRS, CRE, ABR, MAI, SRA) Yes No

8. Does the Applicant have a formalized training program for all professionals and staff? Yes No

9. Indicate the number of professional employees who participated in an accredited, continuing professional education program during the past 12 months. _____

10. Provide the firm's gross revenues from the last fiscal year. If newly established, please provide an estimate of revenues for the current annual period (Gross revenues are defined as all fees and commissions before expenses):

	Gross Revenues for Last Fiscal Year Ending ____/____/____	Total # of Transactions	Revenue for the 12 months Prior to the last Fiscal Year
Residential:			
Sales & Leasing	\$ _____	_____	\$ _____
Owned Property Sales	\$ _____	_____	\$ _____
Land and Lots	\$ _____	_____	\$ _____
Broker Price Opinions	\$ _____	_____	\$ _____
Commercial:			
Sales & Leasing	\$ _____	_____	\$ _____
Owned Property Sales	\$ _____	_____	\$ _____
Land and Lots	\$ _____	_____	\$ _____
Farm Land / Ranch Sales	\$ _____	_____	\$ _____
Other Services:			
Appraisals*	\$ _____	_____	\$ _____
Property Management*	\$ _____	_____	\$ _____
Business Brokering*	\$ _____	_____	\$ _____
Auctioneering*	\$ _____	_____	\$ _____
Mortgage Brokering*	\$ _____	_____	\$ _____
Construction / Development*	\$ _____	_____	\$ _____
Consulting / Counseling*	\$ _____	_____	\$ _____
Other Real Estate Services*	\$ _____	_____	\$ _____
TOTAL:	\$ _____	_____	\$ _____

* If the Applicant has revenue derived from any "Other Services" listed above, please complete the Other Services Supplement

11. Does the Applicant use approved board of REALTORS® or state association of REALTORS® standard contract forms for the listing and sale of all real estate? Yes No N/A If No, please explain.
12. Does the Applicant have documented procedures which include instructions on how to handle complaints and compliance with Federal, State and local statutes? Yes No
13. What percentage of transactions involve acting as: a. a dual agent? _____% b. an intermediary? _____%
c. a transactional broker? _____%
14. Is a written Agency Disclosure Statement used in all transactions and provided to the client? Yes No N/A
15. What percentage of residential transactions included a: a. Signed property disclosure form? _____%
b. Home warranty program? _____% c. Home inspection or written waiver? _____%
16. In the past year what was the average sales price of residential properties sold by applicant? \$_____ N/A
17. Please list the 3 largest sales in the past 3 years: \$_____ ; \$_____ ; \$_____ N/A
18. Are hotels, motels or mobile home/RV parks sold, leased or managed by the Applicant firm? Yes No N/A
If Yes, what is the percentage of the gross commission income derived from these services? _____%
19. For any bank owned properties where you represent the buyer, do you advise the buyer in writing to have the property inspected by a licensed and insured home inspector prior to purchase? Yes No N/A
20. During the past 3 years:
- a. Has any member of the firm engaged in acquiring the properties or deeds of financially distressed homeowners, including sale – leaseback agreements? Yes No N/A
- b. Has any member of the firm been involved in asset or property preservation services including any incidental repair work on bank owned properties? Yes No N/A
- c. Has any member of the firm been involved in property rehabilitation services on bank owned properties? Yes No N/A
If Yes to parts b. or c. of this question, were all such repairs performed by a licensed contractor? Yes No
- d. Has any member of the firm engaged in any eviction services on pre-foreclosed or bank owned properties? Yes No N/A
If Yes, was the preparation, filing and service of the eviction complaint and obtaining the eviction judgment handled by an attorney? Yes No
21. After inquiry, is the Applicant, or anyone to whom this insurance will apply, aware of any:
- a. Professional Liability claim made against them in the past 5 years? Yes No
- b. Act or omissions in the performance of professional service for others which might reasonably be expected to be the basis of a claim or suit against them? Yes No
- c. Complaint, disciplinary action, investigation or license suspension/revocation by any regulatory authority? Yes No
- d. Changes in any claims previously reported on past applications? Yes No

If Yes to any part of question 21, please complete the Claim / Disciplinary Action Supplement

IMPORTANT NOTE: The applicant's disclosure of claim information does not indicate nor imply, in any way, that any act or omission is covered by this policy. In addition, circumstances or incidents that might reasonably be expected to be the basis of a claim MUST be reported to the applicant's current insurer before the claim reporting period expires.

QUESTIONS 22-24 MUST BE COMPLETED BY NEW BUSINESS APPLICANTS ONLY

22. During the past 5 years has any insurance carrier declined, canceled or refused renewal of similar insurance on behalf of this applicant or anyone to whom this insurance will apply (Other than due to loss of market)? Yes No
If Yes, provide details on a separate sheet and include the date, carrier and reason.

23. List Previous Professional Liability Coverage policies this individual, firm or predecessors of firm have held within the last 5 years. If no insurance was in effect for a given year, state "none" where applicable below:

Company	Policy Period	Limit of Liability	Deductible	Premium	Retro Date
_____	_____ to _____	_____	\$ _____	\$ _____	_____
_____	_____ to _____	_____	\$ _____	\$ _____	_____
_____	_____ to _____	_____	\$ _____	\$ _____	_____
_____	_____ to _____	_____	\$ _____	\$ _____	_____
_____	_____ to _____	_____	\$ _____	\$ _____	_____

24. Has the applicant ever purchased an extended reporting period endorsement? Yes No

If Yes, please provide details to include the date, carrier and reason:

25. Coverage Selection:

a. Limits of Liability: Per Claim _____ Policy Aggregate _____

b. Deductible: _____ Loss Only Loss and Claims Expenses

c. Desired Policy Effective Date: _____/_____/_____

COMPLETION OF THIS FORM DOES NOT BIND COVERAGE. APPLICANT'S ACCEPTANCE OF COMPANY'S QUOTATION IS REQUIRED PRIOR TO BINDING COVERAGE AND POLICY ISSUANCE. THE APPLICANT AND FIRM ACCEPTS NOTICE THAT ANY POLICY ISSUED WILL APPLY ON A "CLAIMS-MADE" BASIS. THE APPLICANT AND FIRM ACCEPTS NOTICE THAT THEY ARE REQUIRED TO PROVIDE WRITTEN NOTIFICATION TO THE COMPANY OF ANY CHANGES TO THIS APPLICATION THAT MAY HAPPEN BETWEEN THE SIGNATURE DATE BELOW AND ANY PROPOSED EFFECTIVE DATE. THE APPLICATION MUST BE SIGNED BY AN ACTIVE OWNER, PARTNER, PRINCIPAL, OFFICER, OR MEMBER OF THE APPLICANT.

The undersigned is authorized by, and acting on behalf of, the Applicant and represents that all statements and particulars herein are true, complete and accurate and that there has been no suppression or misstatements of fact and agrees that this application shall be the basis of, and becomes part of, the Applicant's Real Estate professional liability coverage.

NEW YORK 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, 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.

 Print Name

 Title

 Signature

 Date

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