

# Financial Institutions Title Agents E&O Application



AmTrust North America  
An AmTrust Financial Company

\*To be able to save this form after the fields are filled in, you will need to have Adobe Reader 9 or later. If you do not have version 9 or later, please download the free tool at: <http://get.adobe.com/reader/>.

- Title Agents E&O Professional Liability       Employment Practices Liability  
 Directors & Officers Liability                       Fiduciary & Employee Benefits Liability

**THE LIABILITY POLICY THAT MAY BE ISSUED BASED UPON THIS APPLICATION PROVIDES CLAIMS MADE COVERAGE WRITTEN ON A NO DUTY TO DEFEND BASIS. DEFENSE COSTS ARE INCLUDED WITHIN THE LIMIT OF LIABILITY AND REDUCE THE LIMIT OF LIABILITY AVAILABLE TO PAY SETTLEMENTS AND JUDGMENTS AND MAY EXHAUST IT ENTIRELY. PLEASE READ THE POLICY CAREFULLY.**

## Section I – General Information

Applicant (Full Legal Name): \_\_\_\_\_  
 Address: \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_  
 P.O. Box: \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_  
 Telephone: \_\_\_\_\_ Year Established: \_\_\_\_\_ Website: \_\_\_\_\_

Representative authorized to receive notices on behalf of the Applicant and all subsidiaries:

Name: \_\_\_\_\_ Title: \_\_\_\_\_ Email: \_\_\_\_\_

Applicant is:     LLC                       Corporation                       Partnership

List the addresses of all branch offices below, or attach list to application.

Street Address	City	State	Zip Code

- Has any insurer declined, cancelled or non-renewed any Errors & Omissions Insurance or any similar insurance on behalf of any Applicant for this insurance? **If Yes, attach details.**  Yes     No
- Does any person or entity with any equity or ownership interest in the Applicant also own, control, manage, or operate a law firm, real estate agency, real estate development, or investment firm, construction firm, mortgage or financial institution, title insurance underwriting company, or another title insurance agency?  Yes     No  
**If Yes, please provide an explanation on a separate sheet.**
- In the past five (5) years, has the name of the Applicant been changed, or has any other business been purchased, merged, or consolidated with the Applicant?  Yes     No  
**If Yes, please provide an explanation on a separate sheet.**

## Section II – Current Coverage

Type of coverage	Carrier	Limit	Indicate if Separate Limit	Retention	Premium	Expiration
Professional Liability:		\$	<input type="checkbox"/>	\$	\$	
D&O / Management Liability:		\$	NA	\$	\$	
Employment Practices Liability:		\$	<input type="checkbox"/>	\$	\$	
Fiduciary Liability:		\$	<input type="checkbox"/>	\$	\$	

### Section III – Requested Limits and Deductibles

#### Limits Requested

- \$500,000 / \$500,000    
  \$1,000,000 / \$1,000,000    
  \$1,000,000 / \$2,000,000    
  \$2,000,000 / \$2,000,000  
 Other: \_\_\_\_\_

#### Deductibles Requested

- \$10,000      \$15,000      \$20,000      \$25,000  
 \$50,000      \$75,000      \$100,000

### Section IV – Employee / Location / Exposure Information

- Number of employees at all locations that are full-time: \_\_\_\_\_
- Number of employees at all locations that are part-time, leased, temporary, volunteer or seasonal workers: \_\_\_\_\_
- Are any of the above employees located outside of the United States?  Yes  No

**If Yes, attach details.**

### Section V – Professional Liability

- Applicant's business activities include:  
 Abstractor      Title Agent      Escrow / Closing      Other: \_\_\_\_\_
- Please detail your annual gross revenues (If new in business, project first year gross income):

	Revenues from LAST 12 Months	Projected Revenues for NEXT 12 Months	Avg. # of Transactions per Month
Title Agent	\$	\$	
Escrow Agent	\$	\$	
Closer	\$	\$	
Abstractor/Searcher	\$	\$	
Witness Closer/Signing Agent	\$	\$	
Other (please describe): _____	\$	\$	
<b>TOTAL</b>	\$	\$	

- List the number of professional employees under the respective job description:  
 If an individual has less than 5 years of experience in any of the professions listed below, please provide details of experience related to the title industry on your letterhead or resume.

Title Agent/Reader	Abstractor/Searcher	Escrow Agent/Closer	Lawyer / Clearance Officer	Other (describe)

- Please detail total estimated gross income percentage by type of services performed:  
 Residential: \_\_\_\_\_ %     Mining / Minerals: \_\_\_\_\_ %  
 Commercial: \_\_\_\_\_ %     Other (specify): \_\_\_\_\_ %  
 Agricultural / Raw Land: \_\_\_\_\_ %     Other (specify): \_\_\_\_\_ %  
 Oil / Gas: \_\_\_\_\_ %     **MUST TOTAL: 100 %**

- Do your two (2) largest clients make up more than fifty percent (50%) of your business?  Yes  No

**If Yes, what percentage of your gross annual revenues comes from?** Client #1: \_\_\_\_\_ % Client #2: \_\_\_\_\_ %

**In what business or industry are the clients engaged?**

Client #1: \_\_\_\_\_ Client #2: \_\_\_\_\_

**Section V – Professional Liability (continued)**

6. Has any TITLE underwriting company cancelled or non-renewed their contract with the Applicant other than for low remittance?  Yes  No

**If Yes, please list the company, reason and year for each:**

Company Name	Reason	Year

7. Are you ALTA Best Practices Certified?  Yes  No

**If Yes, please provide date of certification:** \_\_\_\_\_

8. Please select the states where the Applicant performs professional services:

- AK    AL    AR    AZ    CA    CO    CT    DC    DE    FL    GA  
 HI    IA    ID    IL    IN    KS    KY    LA    MA    MD    ME  
 MI    MN    MO    MS    MT    NC    ND    NE    NH    NJ    NM  
 NV    NY    OH    OK    OR    PA    RI    SC    SD    TN    TX  
 UT    VA    VT    WA    WI    WV    WY

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

**If Yes, please provide an explanation:**

10. Does the Applicant use independent contractors or leased workers?  Yes  No

**If Yes, please indicate the percentage of your business performed by independent contractors and / or leased workers in the following functions:**

Title Agents / Readers: _____ %	Escrow Agents / Closers: _____ %	Abstractors / Searchers: _____ %
Other: _____ % Describe: _____		

11. Please indicate which of the following sources you use for Title Searches:

Category	Percentage of Total Business
Applicant Firm	_____ %
Independent Contractor / Leased Worker	_____ %
Title Insurer / Underwriter	_____ %
Other (describe): _____	_____ %
<b>MUST TOTAL</b>	<b>100%</b>

12. Who performs the Applicant's escrows / closings / settlements?

Category	Percentage of Total Business
Applicant Firm	_____ %
Independent Contractor / Leased Worker	_____ %
Title Carrier	_____ %
<b>MUST TOTAL</b>	<b>100%</b>

**Section VI – Management/Levels of Review**  
**Complete this section only if D&O coverage is desired.**

1. During the past 5 years:
- a. have there been any changes in the Board of Directors or senior management of the Applicant for reasons other than death or retirement?  Yes  No
  - b. has any Director or Officer been charged with or convicted of any criminal act or been the subject of a criminal investigation?  Yes  No

**If any answer is Yes, attach details.**

**Section VI – Management / Levels of Review (continued)**

**Complete this section only if D&O coverage is desired.**

- 2. External Audit is:  Full-Scope  Directors-Scope  Not Performed
- 3. The external audit is performed:  Annually  Bi-Annually  Other: \_\_\_\_\_  Not Applicable
- 4. Were all weaknesses identified in the most recent Management letter addressed by the Board of Directors?  Not Applicable  Yes  No
- 5. Does the Applicant have a continuous internal audit by an internal auditor who reports directly to the Board of Directors?  Yes  No
- 6. Total number of shares of stock or Membership units outstanding:
  - a. Common Stock / Membership Units Outstanding: \_\_\_\_\_
  - b. Preferred Stock: \_\_\_\_\_
- 7. Please provide the following details regarding the Insured's ownership structure:

Names of Shareholders Owning more than 10% of total Outstanding Stock	Percent Owned	Voting Rights		Representation on the Board of Directors	
		<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
	%	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No

**Section VII – Employment Practices Liability (EPL)**

**Complete this section only if EPL coverage is desired.**

- 1. Has employee turnover exceeded 25% in either of the past 2 years?  Yes  No
- 2. During the past 12 months, have there been or does the Applicant anticipate any employee layoffs, terminations, branch / office closings, restructurings, layoffs, or reorganizations?  Yes  No
- 3. Does the Applicant have formal written policies with regard to discrimination and workplace harassment (including a sexual harassment)?  Yes  No
- 4. Are all employment practices guidelines, policies and procedures reviewed by an employment law attorney?  Yes  No
- 5. Does the Applicant have written policies or procedures for dealing with complaints from the general public, customers, clients, vendors or other third parties for issues involving harassment or discrimination?  Yes  No
- 6. Does the Applicant conduct training for employees on issues of discrimination and sexual and other workplace harassment?  Yes  No
- 7. Within the past 2 years, has the Applicant or outside employment counsel completed an audit regarding the payment of wages, including equal pay and overtime pay?  Yes  No
- 8. What percentage of employees earn \$100K or higher in annual compensation (salary + bonuses)? \_\_\_\_\_ %

**Name and Email address of the HR Manager or individual responsible for HR function (designated contact for our EPLI Helpline/Loss Control services):**

**Name:** \_\_\_\_\_ **Title:** \_\_\_\_\_ **Email:** \_\_\_\_\_

## Section VIII – Fiduciary & Employee Benefits Liability

Complete this section only if coverage is desired for Applicant's retirement and welfare benefit plans.

1. Complete the following for all Plans:

Plan Name	Type of Plan* (see choices below)	Most Recent Asset Value	Year Established	Number of Participants
		\$		
		\$		
		\$		

\* Plan types: (a) 401k Plan; (b) Profit Sharing Plan and Defined Benefit (Pension) Plan; or (c) other

It is understood and agreed that coverage will not be provided for any Plan unless listed above and expressly agreed to by the Insurer.

2. Does any Plan listed above have a funding deficiency?  Yes  No
3. Is any Plan currently under examination or is any issue related to a Plan currently pending before the Internal Revenue Service, Department of Labor, the Pension Benefit Guaranty Corporation or any court?  Yes  No
4. If the Applicant has an Employee Stock Ownership Plan (ESOP), indicate the percentage of company stock owned by the ESOP. \_\_\_\_\_ %
5. Provide details on all prior/pending litigation applicable to the Applicant's retirement and welfare benefit plans under Section VIII.

## Section IX – Pending Litigation & Claims Information

### General (applicable to all coverages):

1. Have there been during the past 5 years, or are there now pending, any lawsuits, administrative charges or proceedings, written or oral demands for monetary damages or non-monetary relief, civil or criminal proceedings, formal civil administrative or regulatory proceedings, or arbitration proceeding, involving the Applicant, any Subsidiary or any past or present director, officer employee proposed for this insurance?  Yes  No
2. Have any principals, partners, officers or professional employees ever been the subject of reprimand or disciplinary or criminal actions by authorities as a result of their professional activities?  Yes  No
3. Does the Applicant, any Subsidiary, any director or officer, or any other person proposed for this insurance have knowledge of any fact, circumstance or situation related to any coverage herein applied for which could reasonably be expected to give rise a future claim?  Yes  No

### Employment Practices Liability Coverage:

1. Has any claim, demand or lawsuit been made against the Applicant or any person proposed for this insurance involving sexual harassment or discrimination brought by the general public, customers, clients, vendors or other third parties?  Yes  No

### Fiduciary Liability Coverage:

1. Provide details on all prior/pending litigation applicable to the Applicant's retirement and welfare benefit plans under Section VII.  Yes  No

If any answer to the above questions is yes, attach full details.

**New Applicants:** It is understood and agreed that any claim arising from any prior or pending litigation or written or oral demand shall be excluded from coverage. It is further understood and agreed that if any fact, circumstance or situation which could reasonably be expected to give rise to a future claim exists, any claim or action subsequently arising therefrom shall also be excluded from coverage.

**Renewal Applicants:** It is understood and agreed that if the undersigned or any insured has knowledge of any fact, circumstance or situation which could reasonably be expected to give rise to a future claim, then any increased limit of liability or coverage enhancement shall not apply to such fact, circumstance, or situation. In addition, any increased limit of liability or coverage enhancement shall not apply to any claim, fact, circumstance or situation for which the Insurer has already received notice.

## Fraud Warning

Any person who knowingly and with intent to defraud any insurance company or another 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 may be a crime and may subject the person to criminal penalties.

**ALABAMA, ARKANSAS, LOUISIANA, NEW MEXICO, RHODE ISLAND, VIRGINIA and WEST VIRGINIA:** 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. In Alabama, Arkansas, Louisiana, Rhode Island and West Virginia that person may be subject to fines, imprisonment or both. In New Mexico, that person may be subject to civil fines and criminal penalties. In Virginia, penalties may include imprisonment, fines and denial of insurance benefits.

**COLORADO:** 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 Agencies.

**DISTRICT OF COLUMBIA:** 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.

**KENTUCKY and PENNSYLVANIA:** 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 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. In Pennsylvania, commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

**FLORIDA:** Any person who knowingly and with intent to injure, defraud or deceive the Insurer, files a statement of claim or an Application containing any false, incomplete or misleading information is guilty of a felony. In Florida it is a felony to the third degree.

**KANSAS:** An act committed by any person who, knowingly and with intent to defraud, presents, causes to be presented or prepares with knowledge or belief that it will be presented to or by an insurer, purported insurer, broker or any agent thereof, any written, electronic, electronic impulse, facsimile, magnetic, oral, or telephonic communication or statement as part of, or in support of, an application for the issuance of, or the rating of an insurance policy for personal or commercial insurance, or a claim for payment or other benefit pursuant to an insurance policy for commercial or personal insurance which such person knows to contain materially false information concerning any fact material thereto; or conceals, for the purpose of misleading, information concerning any fact material thereto.

**MAINE:** 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 denial of insurance benefits.

**MARYLAND:** Any person who knowingly or willfully presents a false or fraudulent claim for payment of a loss or benefit or knowingly or willfully presents false information in an Application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

**NEW JERSEY:** Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties.

**NEW YORK:** Any person who knowingly and with intent to defraud any insurance company or any 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 (\$5,000) and the stated value of the claim for each such violation.

**OHIO:** Any person who, with intent to defraud or knowing that he is facilitating a fraud against the Insurer, submits an Application or files a claim containing a false or deceptive statement is guilty of insurance fraud.

**OKLAHOMA:** 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.

**OREGON:** 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 may be guilty of a crime and may be subject to fines and confinement in prison.

**TENNESSEE and WASHINGTON:** 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 and/or denial of insurance benefits.

**VERMONT:** Any person who knowingly presents a false statement in an application for insurance may be guilty of a criminal offense and subject to penalties under state law.

## Representation Statement

The undersigned declare that, to the best of their knowledge and belief, the statements in this Application, any prior Applications, any additional material submitted, and any publicly available information published or filed by or with a recognized source, agency or institution regarding business information for the Applicant for the 3 years prior to the Bond / Policy's inception [hereinafter called "Application"] are true, accurate and complete, and that reasonable efforts have been made to obtain sufficient information from each and every individual or entity proposed for this insurance. It is further agreed by the Applicant that the statements in this Application are their representations, they are material and that the Bond / Policy is issued in reliance upon the truth of such representations.

The signing of this Application does not bind the undersigned to purchase the insurance and accepting this Application does not bind the Insurer to complete the insurance or to issue any particular Bond / Policy. If a Bond / Policy is issued, it is understood and agreed that the Insurer relied upon this Application in issuing each such Bond / Policy and any Endorsements thereto. The undersigned further agrees that if the statements in this Application change before the effective date of any proposed Bond / Policy, which would render this Application inaccurate or incomplete, notice of such change will be reported in writing to the Insurer immediately.

### Chief Executive Officer, President or Chairman of the Board:

Print Name: \_\_\_\_\_ Signature: \_\_\_\_\_

Title: \_\_\_\_\_ Date: \_\_\_\_\_

### Chief Financial Officer or Equivalent Officer:

Print Name: \_\_\_\_\_ Signature: \_\_\_\_\_

Title: \_\_\_\_\_ Date: \_\_\_\_\_

### A POLICY CANNOT BE ISSUED UNLESS THE APPLICATION IS SIGNED AND DATED BY TWO INDIVIDUALS.

Agent Name: \_\_\_\_\_ License Number: \_\_\_\_\_

Agent Signature: \_\_\_\_\_

### Please provide the following information with your submission:

- Current Declarations Page from the Applicant's D&O Policy, Professional Liability Policy, Fidelity Bond, and Employment Practices Liability Policy, if such policies are not currently written by AmTrust North America.
- Most recent Annual Report or audited financial statements. If not applicable, attach a copy of the most recent Directors' Examination Report.
- Management Letter and Applicant's responses, if material weaknesses or deficiencies were noted.
- Most recent EEO-1 report, if the Applicant has over 100 employees.

### Submit Application to:

banksubmissions@amtrustgroup.com

### AmTrust North America Attention: Financial Institution Division

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