



CITA Insurance Services

Insurance Agents, Brokers, and Consultants

Errors & Omissions Insurance Application for Claims Made and Reported Coverage

1. Applicant Information:

Applicant's Legal Entity Name: _____

Address: _____ City: _____ County: _____ State: _____ Zip: _____

No. of Locations: _____ State(s): _____ Website Address: _____

Entity is a (check all that apply): Individual Sole Proprietorship Partnership LLC Corporation Other: _____

Date Entity Established: _____ Total number of years of industry experience of the entity's principal(s): _____

Contact Name: _____ Contact Title: _____

Phone: _____ Contact Person's Email Address: _____

What Associations and/or Industry Trade Groups are you a member of or participate in? (if any): _____

2. Current E&O Policy Information:

Insurance Carrier: _____

Effective Date: _____ Expiration Date: _____ Policy Number: _____

Retroactive Date as stated on current E&O Declarations Page: _____ Annual Premium: _____

Limit of Liability: Per Claim _____ / Aggregate _____

3. Product Information:

Percentage of policies that are: Direct Bill: _____% Placed with a Carrier Service Center: _____%

Percentage of business placed through any State Administered Work Comp Funds: _____%

Percentage of policies that are: Admitted: _____% Non-admitted: _____% (must equal 100%)

Percentage of Revenue derived as a: Retail Agency _____% Wholesaler _____% Surplus Lines Broker _____% MGA _____% (must equal 100%)

4. Client Information Controls:

Are all computers (including laptops) storing Personally Identifiable Information (e.g., credit card numbers, social security numbers, medical data, etc.) encrypted? Yes No

Is Firewall Management Software installed on your computer network? Yes No

Do you have a security policy communicated to all employees and volunteers who have access to Personal Identifiable Information (e.g., credit card numbers, social security numbers, medical data, etc.)? Yes No

5. Desired Coverage Options – Check all options you would like a quotation for:

Limits of Liability (each wrongful act/aggregate):

\$1,000,000/\$1,000,000 \$1,000,000/\$2,000,000 \$1,000,000/\$3,000,000 \$2,000,000/\$2,000,000

\$2,000,000/\$3,000,000 \$2,000,000/\$4,000,000 \$3,000,000/\$3,000,000 \$4,000,000/\$4,000,000

\$5,000,000/\$5,000,000 Other: _____

Claims Expenses within the Limits of Liability or in addition to the Limits of Liability:

Included within the Limits of Liability In addition to the Limits of Liability

Deductible (each wrongful act/aggregate):

\$1,000/\$2,000 \$2,500/\$5,000 \$5,000/\$10,000 \$10,000/\$10,000 Other: _____

Deductible applies to:

Damages Only Damages and Claims Expenses

Additional Limit of Liability and Deductible options may be available upon request

6. Additional Underwriting Questions:

- a) Is your total commission and/or fee income over \$75,000? Yes No
- b) Has the Agency or individual applying for coverage, been licensed for the sale/servicing of insurance for **LESS than 3 years**? Yes No
- c) Do you operate out of more than one location? Yes No
- d) Have you had any merger or acquisition activity within the past three (3) years? Yes No
- e) Is coverage needed for any additional agency/firm entities (including DBA names), in addition to the applicant Named Insured? Yes No
- f) Do you contract with any independent contractors or sub-producers to provide professional services on your behalf? Yes No
- g) Do you require Limits of Liability greater than \$3,000,000 each Wrongful Act / \$3,000,000 Aggregate? Yes No
- h) Do you desire a Deductible option greater than \$5,000 Wrongful Act / \$10,000 Aggregate? Yes No
- i) Do you receive commission/fee income from the sale and/or servicing of the following: Variable Life, Variable Annuities, Mutual Funds, Securities, Third Party Claims Administration, Benefit Plan Administration and/or Life Settlement Transactions? Yes No
- j) Do you require prior acts coverage for any of the following discontinued products: Variable Life, Variable Annuities, Mutual Funds, Securities, Third Party Claims Administration, Benefit Plan Administration and/or Life Settlement Transactions? Yes No
- k) Do you perform Human Resource Consulting activities, whether or not a fee is charged? Yes No
- l) Do you sell and/or service any of the following products: Aviation, Crop, Livestock, Medical Malpractice, Wet Marine, Long Haul Trucking, and/or Bonds? Yes No
- m) Does the percentage of business placed with carriers not rated and/or rated below B+ by A.M. Best or Demotech exceed 20%? Yes No
- n) Is there any coverage placed, involvement with, responsibility as, or an administrator for: Captives, Risk Retention Groups, Risk Purchasing Groups, and/or PEO's? Yes No
- o) Is there any coverage placed, involvement with, responsibility as, or an administrator for: Self-insured Plans, Self-insured Trusts, Multiple Employer Trusts (MET) and/or Multiple Employer Welfare Arrangements (MEWA)? Yes No
- p) Are interested in obtaining a quotation for Employment Practices related liability exposures? Yes No
- q) Do any of your employees produce business that your agency/firm does not recognize or include as commission/fee income? Yes No
- r) Do you require Additional Insured coverage for any parties you have contracts or arrangements with? Yes No
- s) In the last 5 years, has the Agency/Firm or any other Named Insured applying for coverage, been the subject of a disciplinary action or investigation by a regulatory body as a result of professional activities? Yes No
- t) Has the Agency/Firm or any other Named Insured applying for coverage had E&O coverage declined, cancelled or refused in the past 3 years? Yes No
- u) In the past 5 years have any employees, management, and/or principals been convicted of a felony? Yes No
- v) In the past 5 years have you had any claims made, claims paid, claims expenses incurred or made any goodwill payments? Yes No

If you answered "Yes" to any of the above questions, please proceed and complete Supplemental Application "A"
If you answered "No" to all of the above questions, please proceed and complete Supplemental Application "B"

If you have any questions on this step, please contact our office at: 800-280-7250

Note: this policy will not apply to claims arising from acts errors or omissions that occurred prior to the requested effective date of coverage being applied for, to which any actual or potential Named Insured had knowledge or information of such wrongful acts that could lead to a claim, whether or not disclosed. If you or your agency are aware of any act, error or omission or circumstance that could give rise to claims as such, please report those to your current carrier to prevent possible gaps in coverage.

REPRESENTATIONS:

On behalf of our company, I agree that this application, including all attachments, exhibits, supplemental applications or addendums is complete and correct to the best of my knowledge and belief. I understand that this application and its addendums form the basis of the contract of insurance, if the Company offers coverage and we accept the Company's offer. I also understand that completion of this application does not bind the Company Agent or Broker to provide insurance. This application attaches to and becomes a part of the contract of insurance, if such contract is issued.

FRAUD WARNINGS

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 and subjects that person to criminal and civil penalties.

Applicable to AL

Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or who knowingly presents false information in an application for insurance is guilty of a crime and may be subject to restitution fines or confinement in prison, or any combination thereof.

Applicable in AR, LA, MD, NM, RI and WV

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 (including failing to disclose whether the applicant or applicants have been convicted of any degree of the crime of arson)** is guilty of a crime and may be subject to fines and confinement in prison. *Applies in MD Only. **Applies to RI Only.

Applicable to DC

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.

Applicable in FL and OK

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 (of the third degree)*. Applies in FL Only.

Applicable in KS

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 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 commits a fraudulent insurance act.

Applicable to KY, NY and PA

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* (not to exceed five thousand dollars and the stated value of the claim for each such violation)*. *Applies to NY Only.

Applicable to OH

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.

Applicable to OK

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

Applicable in ME, TN, VA and WA

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 denial of insurance benefits. *Applies in ME Only.

Applicable in NJ

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

Applicable in OR

Any person who knowingly and with intent to defraud or solicit another to defraud the insurer by submitting an application containing a false statement as to any material fact may be violating state law.

Applicable in CO

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.

MUST BE SIGNED AND DATED BY OWNER, PARTNER OR SENIOR OFFICER OF THE AGENCY APPLYING FOR COVERAGE

Name: _____
(Print Name)

Title: _____
(Print Title)

Signature: _____
(Owner, Partner or Senior Officer)

Date: _____
(Month/Day/Year)



CITA Insurance Services
Insurance Agents, Brokers, and Consultants
Errors & Omissions Insurance Application for Claims Made and Reported Coverage
Supplemental Application "A"

1. Have you had any acquisitions, mergers or cluster arrangements within the past three (3) years: Yes No
If Yes, complete the Changes, Mergers, and/or Acquisitions Supplemental Application.
2. Is coverage needed for any additional agency/firm entities (including DBA names), in addition to the applicant Named Insured? Yes No
If Yes, list below:

Name of Entity	Address (If different)	Date Established	Entity Type

3. Staff:
- a. Total Number of Employees: _____
 - b. What is the 3 yr average employee turnover rate: _____%
 - c. Total Number of Independent Contractors: _____
 - d. Would you like a separate limit of liability for your Independent Contractors and Sub-producers? Yes No NA
If Yes, complete Independent Contractors and Sub-producers Supplemental Application
 - e. Would you like to exclude coverage for your Independent Contractors and Sub-producers? Yes No NA
If Yes, complete Independent Contractors and Sub-producers Supplemental Application
 - f. Select the option that best describes your firms diligence and consistency regarding employee hiring policies and procedures (only select one):
 - Documented employee hiring policies and procedures exist and are reviewed regularly
 - Common practices are followed and documented relative to hiring
 - There are no documented or common practices followed relative to hiring
 - g. What percentage of your management staff completed a state approved E&O Loss Prevention class or seminar within the past 24 months? _____%
 - h. What percentage of your "other than management" staff completed an E&O Loss Prevention class or seminar within the past 24 months? _____%
4. Percentage of business placed with carriers not rated and/or rated below B+ by A.M. Best or Demotech: _____%
5. Is there any coverage placed, involvement with, responsibility as, or an administrator for: Captives, Risk Retention Groups, Risk Purchasing Groups, and/or PEO's? Yes No **If Yes, complete the Alternative Risk Supplemental Application**
6. Is there any coverage placed, involvement with, responsibility as, or an administrator for: Self-insured Plans, Self-insured Trusts, Multiple Employer Trusts (MET) and/or Multiple Employer Welfare Arrangements (MEWA)? Yes No **If Yes, complete the Plan/Trust Supplemental Application**
7. Indicate the top 3 insurance carriers from which your agency income is derived. Include product type and approximate percentage of total agency income that each represents:

<u>Insurance Carrier</u>	<u>Indicate Product Type</u> <u>(P&C, Life and/or A&H)</u>	<u>Approximate Percentage of</u> <u>Total Commission Income</u>
1.		%
2.		%
3.		%

8. Are you interested in obtaining an Additional Insured Endorsement for any contracts or arrangements you are party to that require such endorsement? Yes No **If "Yes", complete the Additional Insured Supplemental Application**

9. Office Procedures:

a. Select the option that best describes how the firm/entity typically situates language in its contracts with 3rd parties, relative to contractual transfer of risk?

- 3rd Party holds agency 100% harmless
- Mutual Hold Harmless
- No contractual transfer of risk in such arrangements

b. Is proof of E&O insurance required from agents/brokers and/or sub-agents/brokers that place business through your agency/firm?

Yes No NA

c. Is there an in-house policy/procedure manual in use? Yes No

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

e. Are written or electronic records maintained outlining details of all critical conversations, instructions and agreements? Yes No

f. Is there a procedure or checklist used in reviewing client coverage/limit requirements? Yes No

g. Are policies/endorsements checked against the application and other client requests for coverage prior to delivery to clients? Yes No

h. Does the firm document the client's acceptance and rejection of offers, coverage, conditions and limitations? Yes No

i. Are expiration lists maintained? Yes No

j. Are there procedures that preserve the confidential nature of client's information? Yes No

k. Is there an in-house training program for new employees? Yes No NA

l. Do you use an agency management system? Yes No

If you answered "No" to any of the questions in 7 above, please explain:

10.

Loss History:

In the last 5 years, has the Agency/Firm or any other Named Insured applying for coverage, been the subject of a disciplinary action or investigation by a regulatory body as a result of professional activities? Yes No NA If "Yes", describe:

In the last 5 years, has any employees, management, and/or principals been convicted of a felony? Yes No NA If "Yes", describe:

Has the Agency/Firm or any other Named Insured applying for coverage had E&O coverage declined, cancelled or refused in the past 3 years?(Not applicable in MO) Yes No If "Yes", describe:

During the past 5 years has any E&O related claim been made against the Agency/Firm, or any other Named Insured applying for coverage, while conducting services on behalf of the Agency/Firm? Yes No If "Yes", complete the Claims Supplement Application and submit pertinent loss runs.

Does the Agency/Firm, or any other Named Insured applying for coverage, have knowledge of any wrongful acts that occurred prior to the requested effective date of this coverage, and have not yet been reported, that may result in a potential E&O claim? Yes No If "Yes", please describe:

During the past 5 years, have you or the entity(ies) applying for coverage made an "adjustment" or "goodwill payment" in settlement of any dispute? Yes No If "Yes", describe:

11.

Products and/or Services:

Last 12 months of premium volume and commission and fee income. If new entity, provide next 12 months projection.

Property and Casualty (P&C) Insurance:

Total P&C Insurance Premium Volume: \$ _____

Total P&C Commission/Fee Income: \$ _____

P&C – Personal and Commercial Lines – Indicate the percentage of commission/fee income for each – This P&C section must total 100%

PERSONAL LINES:

Auto (Standard)	%	Pleasure Boats/Craft	%
Auto (Non-standard) / Assigned Risk	%	Umbrella	%
Homeowners / Fire (Standard)	%	Other (Describe):	%
Homeowners / Fire (Non-standard)	%		

COMMERCIAL LINES			
Fire (Standard)	%	Crop*	%
Fire (Non-standard)	%	Medical Malpractice*	%
SMP/BOP/Package	%	Professional Liability	%
Commercial General Liability	%	Inland Marine	%
Umbrella/Excess	%	Wet Marine	%
Auto (Standard)	%	Bonds – Surety*	%
Auto (Nonstandard)	%	Bonds – All Other*	%
Long Haul Trucking	%	Aviation	%
Workers Compensation	%	Other (Describe):	%
Livestock	%	*If commission/fee income from Crop, Med Mal, and/or Bonds complete the Supplemental Application.	
CALCULATE TOTAL (MUST EQUAL 100%):			%
Life, Accident & Health (A&H) Insurance and Other Financial Products:			
Total Life, A&H Insurance and Other Financial Products Premium Volume:		\$ _____	
Total Life, A&H Insurance and Other Financial Products Commission and Fee Income:		\$ _____	
Life, A&H Ins and Other Financial Products - Indicate the percentage of commission/fee income for each – This section must total 100%			
Individual Life	%	Variable Life & Variable Annuities	%
Individual A&H	%	Equity Indexed Annuities	%
Group Life	%	Mutual Funds	%
Group A&H	%	Securities**	%
Long Term Care	%	Life Settlement Transactions	%
Fixed Annuities	%	Other (Describe):	%
		**If commission/fee income from Securities complete the Supplemental Application.	
CALCULATE TOTAL (MUST EQUAL 100%):			%
Other Products and/or Services:			
Human Resources Consulting Fees*** \$ _____		Employee Benefit Plan Consulting/Administration Fees*** \$ _____	
Number of Human Resources Professional Consultants*** _____		Third Party Insurance Claims Administration Fees*** \$ _____	
		Other (Describe)*** \$ _____	
		***If fee income from any "Other Products and/or Services" complete Supplemental Application.	

Note: this policy will not apply to claims arising from acts errors or omissions that occurred prior to the requested effective date of coverage being applied for, to which any actual or potential Named Insured had knowledge or information of such wrongful acts that could lead to a claim, whether or not disclosed. If you or your agency are aware of any act, error or omission or circumstance that could give rise to claims as such, please report those to your current carrier to prevent possible gaps in coverage.

REPRESENTATIONS:

On behalf of our company, I agree that this application, including all attachments, exhibits, supplemental applications or addendums is complete and correct to the best of my knowledge and belief. I understand that this application and it's addendums form the basis of the contract of insurance, if the Company offers coverage and we accept the Company's offer. I also understand that completion of this application does not bind the Company Agent or Broker to provide insurance. This application attaches to and becomes a part of the contract of insurance, if such contract is issued.

FRAUD WARNING

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 and subjects that person to criminal and civil penalties.

MUST BE SIGNED AND DATED BY OWNER, PARTNER OR SENIOR OFFICER OF THE AGENCY APPLYING FOR COVERAGE

Name: _____
(Print Name)

Title: _____
(Print Title)

Signature: _____
(Owner, Partner or Senior Officer)

Date: _____
(Month/Day/Year)