

**HOME INSPECTORS PROFESSIONAL
LIABILITY INSURANCE APPLICATION**

O. Rickey Harris Insurance
806 Hwy 78 West
Jasper, AL 35501
1-205-221-5466
Fax 205-221-5570 Fax

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.

Application Instructions:

- A. Please type or complete the application in ink.
- B. If additional space is needed, please use your firm's letterhead for attachments.

General Applicant Information:

1. Name of Applicant: _____
2. Principal Address: _____
3. City: _____ County: _____ State: _____ Zip Code: _____
4. Phone Number: _____ Fax Number: _____
5. Does the Applicant practice from additional offices? Yes No
 - a. If Yes, please advise the address(s) of the additional locations: _____
 - b. Does responsibility for the Applicant's other offices rest with the management at your principal location? Yes No
6. Applicant is: Corporation Partnership Individual LLC Other: _____
7. Date Applicant was Established: ____/____/____
8. Please list the names of all **predecessor** firms of the Applicant (**Name only those firms where the applicant is a successor to the former firm's assets and liabilities**):

Name of Former Firm	Year Established	Number of Partners/ Officers

Applicant's Practice:

9. Please describe in detail the professional activities for which coverage is desired: _____

10. Does any member of the Applicant provide professional services other than those mentioned in Question # 9? Yes No
If Yes, provide full details: _____

11. To what professional association(s) does the Applicant belong? _____

Applicant's Practice (cont.)

12. Has any one client (includes affiliated clients) account for **25% or more** of the Applicant's gross revenues during the **past 12 months**? Yes No

If Yes, please provide the **name(s)** of the client(s) and the **percentage of billings**: _____

13. During the past 12 months, what approximate percentage of the Applicant's clients (**by total number of your clients**) were new, first time clients to the Applicant: _____ %
14. List the **total gross revenues for the past two years** derived from those activities in **Question #9**. In addition, please list **projected revenues for the current year** (For insurance agents and brokers, please provide total gross commissions).

YEAR	RESIDENTIAL	COMMERCIAL	TOTAL	REVENUES
CURRENT:	\$	\$	\$	PROJECTED
1 ST PRIOR:	\$	\$	\$	GROSS
2 ND PRIOR:	\$	\$	\$	GROSS

15. Please provide a percentage breakdown based upon your revenues for the past 12 months of the types of inspection the Applicant has made:

Air _____% **Asbestos** _____% **Environmental Site** _____%

Mechanical _____% **Lead** _____% **Assessment or Survey** _____%

Radon _____% **Structural** _____% **Termites/Other Pests** _____%

Other _____% (describe) _____

Staff Information:

16. Please provide the following: (Please include all principal and key employee resumes)

Name of all Principals, Partners Owners and Key Employees	Professional Qualifications	Years with Applicant Firm	Years in Practice	Continuing Education (Yes or No)	Position with Firm

17. Provide information on the Applicant's Staff: **Full Time** **Part Time**
- a. **Total Number:** _____
- b. **Number of Inspectors:** _____
- c. **Number applicants hired within the past 12 months:** _____
- d. **Number terminated, retired or resigned within the past 12 months:** _____

Risk Management:

18. Is the Applicant controlled, owned or associated with any other firm, corporation or company, or do you have any wholly or partially owned subsidiaries? (If Yes, attach an explanation) Yes No
19. Are any activities listed in Question #9 provided to such business enterprise listed in Question #15? (If Yes, attach an explanation) Yes No

Risk Management (cont.)

20. Does the Applicant have a procedure for maintaining client lists and identifying any actual or potential conflicts of interest? Yes No
21. a. Does the Applicant have a written procedures manual for employees to follow? Yes No
 b. Does the Applicant have a training program for new employees? Yes No
22. Is the office computerized or automated? Yes No
 a. If Yes, what parts or areas of the operation and practice are computerized or automated? (describe below)

 b. Is the Applicant’s computer date system “Year 2000” compliant? Yes No
 c. If No, what steps are you taking to make sure your computer date system will be compliant? (describe below)

23. Does the Applicant use a written contract or agreement with clients?
 (Please check one) In all cases Sometimes Never
24. What percentage of the Applicant’s business involves subcontracting of work to others? _____%
 a. What kind(s) of work has the Applicant’s subcontracted in the past 12 months? _____
 b. Does the Applicant require and receive in-hand certificates of insurance evidencing in force professional liability coverage before you authorize any subcontractor to begin performing work on the Applicant’s behalf? Yes No

Claim History:

25. In the past five (5) years, has any professional liability claim or suit ever been made against the Applicant or any of its predecessor firms if any? (If yes, **please complete the Claim Supplement**) Yes No
26. Does any principal, owner, partner or employee know of any incident, act, error or omission that could result in a claim or suit against the Applicant Firm or any of its predecessor firms, if any? (If yes, **please complete the Claim Supplement**) Yes No
27. Have all matters in Question #25 and #26 been reported to the Applicant’s former or current insurer(s) or to the former insurer of any predecessor firm or former insurer of a current member of the Firm? (If yes, **please complete the Claim Supplement**) Yes No
28. Has any principal, owner, partner or employee for whom coverage is sought been the subject Of a disciplinary complaint made to any court, administrative agency or regulatory body? (If yes, **please complete the Claim Supplement**) Yes No

Insurance History:

29. Please list the Applicant’s Professional Liability Insurance Coverage carried during the past three (3) years, Including any periods without coverage:

Name of Insurer	<u>POLICY PERIOD</u>		Limits of Liability	Deductible/ Retention	Premium
	Date From:	Date To:			

Insurance History (cont.)

30. Does the current policy have a prior acts limitation or retroactive date? If yes, please indicate date: ____/____/____
(Please forward a copy of the **expiring declarations page and all endorsements**)

31. Has the Applicant ever purchased an extended reporting endorsement? Yes No
(If yes, please provide date purchased and term of endorsement below)
____/____/____ _____

32. In the past five (5) years, has the Applicant or any of its members ever had professional liability insurance or similar insurance declined, cancelled or non-renewed? Yes No
(If yes, please provide full details) _____

33. Does the Applicant carry General Liability coverage? Yes No
(If yes, please enclose a complete copy of the Applicant's current policy declarations)

34. **Limits Desired:** \$ _____ 35. **Deductible Desired:** \$ _____

36. **Desired Effective Date:** ____/____/____ (mm/dd/yyyy)

37. Please include the following:

- a. Applicant's Letterhead and any agency brochures.
- b. Resumes of the Applicant's principals or key personnel.
- c. Applicant's most recent financial statement.
- d. A complete copy of the Applicant's current policy.
- e. A copy of the Applicant's standard contract or agreement.

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 IS 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 CHANGE 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 ARKANSAS 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."

FRAUD WARNINGS (cont.)

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 REGULARITY AGENCIES.”

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 MINNESOTA APPLICANTS: “A PERSON WHO SUBMITS AN APPLICATION OR FILES A CLAIM WITH INTENT TO DEFRAUD OR HELPS COMMIT A FRAUD AGAINST AN INSURER IS GUILTY OF A CRIME.”

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, 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 THE 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 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.”

Signature of Owner, Partner or Principal

Title

____/____/____
Date

