Errors & Omissions Insurance for Title, Escrow Agents and Abstractors

Endorsed by the American Land Title Association

- **The Insurance Company:** Title Industry Assurance Company, a Risk Retention Group
  - Under the 1986 amendments to the Liability Risk retention act of 1981, a risk retention group is a special purpose insurance company owned solely by its policyholders, which may write only liability insurance-including E & O coverage. Under the act, TIAC is charted and licensed in Vermont for the purpose of issuing title agents and abstractors E & O insurance nationwide

- **Limits Available:** Up to $100,000 per claim/ $2,000,000 aggregate
- **Deductibles:** $2,500 to $50,000 or more
- **Coverage extends to independent contractors**
- **Optional:** Claim Expenses in addition to the limit of Liability
- **Optional:** Annual Aggregate deductible cap.
- **Optional:** First Dollar Defense

This is not a Binder of Insurance. All Applications must be approved by the Insurance company

This document has been prepared for illustrative purposes only. In all situations the policy will govern the terms and conditions of the insurance coverage that is provided.

The Herbert H. Landy Insurance Agency has specialized in providing professionals with Malpractice Insurance for more than 50 years

Member of the Professional Liability Underwriting Society

75 Second Ave, Suite 410, Needham, MA 02494
Tel: 1-800-336-5422
Visit our web site @ www.landv.com
Title Industry Assurance Company
Risk Retention Group
7501 Wisconsin Avenue, Suite 1500
Bethesda, MD 20814-6522
800-628-5136 • FAX: 800-TIAC-FAX

NEW APPLICATION

ENDORSED BY THE AMERICAN LAND TITLE ASSOCIATION

NOTICE: A policy may be issued by your risk retention group. Your risk retention group may not be subject to all of the insurance laws and regulations of your state. State guaranty funds are not available for your risk retention group.

The insurance coverage for which you are applying is written on a CLAIMS MADE AND REPORTED policy. Therefore, only claims which are first made against you and reported during the policy period are covered, subject to policy terms, exclusions and conditions including the notice of claim conditions of the policy. "Claim" means any demand received by the Insured for money or services, including the service of suit or institution of arbitration proceedings against the Insured, alleging a wrongful act.

INSTRUCTIONS: Please type or PRINT CLEARLY. Please answer all questions completely. If there is insufficient space to complete an answer, please continue on a separate sheet of your firm's letterhead, indicating the number of the question(s). This form must be completed, signed and currently dated by a principal of the firm applying for coverage.

1. Name of Applicant/Firm (include all firm names, trading names or DBA's under which applicant operates):

2. Address:* ________________________________
City: ____________________________ County: ___________ State: ________ Zip Code: ___________
Phone: ______________________________ Fax: ___________

3. Applicant operates as a: ☐ Sole Proprietor ☐ Corporation ☐ Partnership ☐ Other: ________________

4. Please attach a sample of your firm's letterhead to this application. Please explain any discrepancies between your letterhead and your answer to question 1 on a separate sheet of paper.

5. Year firm established: __________

6. Has the name of the applicant ever changed, or has there been any acquisition, consolidation, dissolution, merger or change in business organization? .............................................................. YES NO
If YES, please provide full particulars on a separate sheet, listing each firm named in chronological order.

7. List all states where applicant operates: ________________________________________________________________

8. Have all applicable state licensing requirements been met? .............................................................. YES NO

9. Applicant's business activities include: ☐ Abstracter ☐ Title Agent ☐ Escrow/Closing ☐ Other: ________________

10. If the applicant's activities include acting as a title agent, list the title insurer(s) with whom the firm has agency contracts and the approximate percent of title insurance premium written with each insurer:

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<tr>
<th>TITLE INSURER</th>
<th>PERCENT OF PREMIUM</th>
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11. OWNERS AND STAFF: (indicate numbers; count each person only once):
   a. All owners, officers and employees engaged on a full or part-time basis in one or more of the following activities: abstracting, searching, title underwriting, title opinion, escrow/closing services, commitment or policy preparation/production:

   b. On a separate sheet, state the name, activities and years of title industry experience for each individual in 11.a

   c. Of the number in 11.a, how many are part-time (i.e., less than 20 hours per week)?

   d. Are independent contractors hired to search titles, perform closings, or provide other services? [YES] [NO]

   e. If YES to 11.d, do independent contractors maintain their own E&O insurance? [YES] [NO]

   f. What percent of the applicant’s business is performed by independent contractors? ________%

   (i) Describe service(s) provided:________________________________________________________________________

*Please provide evidence that all independent contractors maintain their own E&O insurance by attaching copies of certificates of insurance or declarations pages for each independent contractor. Coverage may be limited or excluded for any claim that relates in any way to services by an independent contractor unless the independent contractor has E&O insurance with at least $250,000 limits of liability.

12. Please include amount of revenue for each activity checked in response to question 9.

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<th>GROSS REVENUE: show all revenue, fees and commissions before deduction of expenses.</th>
<th>Past fiscal year ending _____/<strong><strong>/</strong></strong></th>
<th>Next 12 months (Estimated)</th>
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<tr>
<td>a. Title Agency Commissions (NOT premiums)</td>
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<td>b. Abstracting / Searching Fees</td>
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<td>c. Escrow / Closing Fees</td>
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<td>d. Other Services (please describe service and revenue from each service on a separate sheet)</td>
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<td>e. Total gross revenue from all sources</td>
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13. Is the applicant controlled by or owned by or associated with, or does the applicant control or own, any other firm or business? [YES] [NO]

14. Is the applicant including any owner, partner, member, or employee, any subsidiary, parent or other related or affiliated organization engaged in: title underwriting as an insurer, title agency, abstracting or escrow/closing, real estate brokerage or sales, real estate development or construction, real estate lending, the formation, management or organization of group investments/syndications (including limited partnerships, general partnerships, real estate investment trusts or corporations), the practice of law or any business enterprise or professional practice other than the applicant? [YES] [NO]

(If YES, please explain on a separate sheet. Include name(s), a description of services performed, property values involved and fees received.)

15. Are any principals, owners, partners, officers, directors or professional employees of the applicant personally engaged in any activities described in question 14? [YES] [NO]

If YES, please explain on a separate sheet, identifying the individual, the activity and any relationships or transactions between the activity and the applicant.

16. Is professional liability (E&O) insurance purchased for activities other than title agency, abstracting, escrow agency and closings (such as real estate agents E&O, attorneys E&O)? [YES] [NO]

If YES, please indicate the type, limit of liability per claim, insurance company and current expiration date.

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<th>TYPE OF COVERAGE</th>
<th>LIMIT OF LIABILITY</th>
<th>INSURANCE COMPANY</th>
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IMPORTANT: Answer questions 17, 18, and 19 only after inquiry of each principal, owner, partner, member, officer, director and employee of the applicant. Include data on predecessor firms (see question 5).

17. Have any claims been made during the past six (6) years against the applicant or any person identified in response to question 11? □ YES □ NO

If YES, did any of the claims, whether insured or not, (1) result in payment and/or defense costs totaling $2,500 or more, or (2) is it anticipated that payments and/or expenses will total $2,500 or more? □ YES □ NO

If YES, complete the CLAIM INFORMATION SECTION for each claim with a total cost of $2,500 or more.

18. Is the applicant aware of any wrongful act, error, omission or any other circumstance which might reasonably be expected to be the basis of a claim or suit against the applicant or any person identified in response to question 11?

If YES, describe the circumstance on a separate sheet giving the date, client or title underwriter, the tract of land and a description of the potential claim or suit. □ YES □ NO

19. Has the applicant or any person listed in question 11 had any agency agreement terminated, professional license revoked or suspended, or been formally reprimanded or subject to disciplinary action? □ YES □ NO

NOTE: Any claim arising from any wrongful act, error, omission, circumstance, fact or situation disclosed or required to be disclosed in response to questions 17, 18 and 19 above is EXCLUDED from coverage under the proposed insurance.

20. Please complete the following for the applicant and any predecessor firm(s) with respect to professional liability (E&O) insurance for the past six (6) years. If currently insured, please attach a copy of the Declarations page from your policy that shows your retroactive coverage date. If no past coverage, indicate “NONE” □ NONE

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21. Limits of liability (each claim/annual aggregate) requested:

☐ $250,000/$500,000 ☐ $500,000/$1,000,000 ☐ $1,000,000/$2,000,000 ☐ $250,000/$250,000 ☐ $500,000/$500,000 ☐ $1,000,000/$1,000,000

Deductible (each claim) requested:

☐ $2,500 ☐ $5,000 ☐ $10,000 ☐ $25,000 ☐ $50,000

I/we hereby warrant, after inquiry of all persons identified in response to question 11.a., that the above statements and particulars are true and that I/we have not suppressed or misstated any material facts and I/we agree that this application shall be the basis of the contract with the Company and that coverage, if written, may be affected by suppression or misstatement. It is understood and agreed that this application forms a part of any policy issued by the Company to the applicant and shall be deemed to be attached to and form a part of the Policy. It is understood and agreed that completion of this application does not bind the Company to issue nor the applicant to purchase the insurance.

Name and Title of Applicant (please print) ____________________________________________ Date ________________

(Application must be signed by a principal or owner of the Applicant firm)

Please mail, fax, or email your completed and signed application and any other required materials to:

Title Industry Assurance Company
7501 Wisconsin Avenue, Suite 1500
Bethesda, MD 20814-6522
800-628-5136 • FAX 800-TIAC-FAX • info@cpim.com • www.cpim.com/tiac
CLAIM INFORMATION SECTION
Applicant’s Instructions—Please read carefully

(a) This form is to be completed if the applicant or any predecessor firm has been involved in any claim or suit which has either resulted in payments and/or defense costs totaling $2,500 or more, or if any claim is pending and it is anticipated that payments of $2,500 or more will be made.

(b) Complete a separate form for each claim. Please copy and use this form to report any additional claims.

(c) If space is insufficient to answer any question fully, please attach a separate sheet.

(d) LEAVE NO BLANKS.

(e) Please neatly print or type all answers.

(f) A principal or officer of the applicant firm must sign this page in addition to the last page of the TIAC Professional Liability (E&O) Application.

1. Name of Applicant: ________________________________

2. Full name of individual involved in the claim: ________________________________

3. Full name of claimant(s): ________________________________

4. Date of alleged error: ________________________________

5. Date of claim: ________________________________

6. Was there litigation or arbitration? YES ☐ NO ☐

7. Name of E & O insurer, if any: ________________________________

8. Present status of claim: ☐ CLOSED ☐ PENDING ☐ IN SUIT ☐ IN ARBITRATION

9. If CLOSED: Total loss paid: $_______________ Total expense paid: $_______________

10. If PENDING:
    Amount asked in suit: $_______________ Claimant’s settlement demand: $_______________
    Defendant’s offer for settlement: $_______________
    Insurer’s loss reserve: $_______________ Insurer’s expense reserve: $_______________

8. As of date of application:
    Total loss paid: $_______________ Total expense paid: $_______________

11. Description, including assessment of liability if pending (please provide enough information to allow evaluation):
    a. Description of case and events: ____________________________________________________________
    ____________________________________________________________
    ____________________________________________________________
    ____________________________________________________________

    b. Allegation(s) upon which claimant bases claim: ____________________________________________
    ____________________________________________________________
    ____________________________________________________________
    ____________________________________________________________

12. Explain what action(s) have been taken to prevent a recurrence or similar claim:
    ____________________________________________________________
    ____________________________________________________________
    ____________________________________________________________
    ____________________________________________________________

The information submitted herein becomes a part of the Professional Liability (E&O) Insurance Application and is subject to the same representations and conditions.

Signature of Applicant ________________________________ Date ________________________________

(This form must be signed by a principal or owner of the Applicant firm)