



Insurance Application Errors & Omissions (E&O)

®
UNDERWRITING
FACILITIES

Defending Individuals & Entities From Negligence Claims



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PROFESSIONAL LIABILITY INSURANCE SERVICES, INC. (PLIS®, INC.)



800-761-7547



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INSURANCE AGENTS & BROKERS ERRORS & OMISSIONS INSURANCE CLAIMS MADE & REPORTED POLICY

PROFESSIONAL LIABILITY INSURANCE SERVICES®, INC.
UNDERWRITING FACILITY - SINCE 1983

P: 800.761.7547 | F: 512.327.5834 | E: UNDERWRITING@PLISINC.COM | W: WWW.PLISINC.COM

APPLICANT INFORMATION

1. Applicant's Legal Entity Name: _____
DBA (If applicable): _____

(This Company will be the name identified on the Declaration page as the Named Insured) **NOTE: Complete the Additional Insured Supplement for any additional entities for which coverage is sought.**

2. Address: _____ City: _____ State: _____ Zip: _____
3. Contact Name: _____ Title: _____ Phone: _____ Fax: _____
4. Email: _____ Website: _____
5. Are there other office locations? (If **YES**, please attach details) _____ ☐ Yes ☐ No
6. Type of Entity: ☐ Sole proprietorship ☐ Partnership ☐ Corporation ☐ Limited Liability Company ☐ Individual ☐ Other: _____
7. Date Entity Established: _____

BUSINESS AND E&O POLICY INFORMATION (PLEASE ATTACH A COPY OF CURRENT E&O DECLARATIONS PAGE)

8. Please list all Applicant principal(s) below: (if less than 3 year experience, please provide resume/business experience)

Name:	Date of Insurance Licensure:	Ownership Percentage:

- 9a. Do you control, own, and/or manage any other business entity(ies)? _____ ☐ Yes ☐ No
b. Do you provide any services to such business entity(ies)? _____ ☐ Yes ☐ No
c. Does any employee of the applicant serve on the Board of Directors of any client of the applicant? _____ ☐ Yes ☐ No
Provide detailed explanation to any "YES" Responses

10. Have you had any mergers, acquisitions or cluster arrangements within the past 5 years or plan on having in the next 12 months? _____ ☐ Yes ☐ No
If **YES**, provide details: _____

11. Current E&O Carrier:	Retroactive Date:	Desired Effective Date:
Current Limits:	Deductible:	Premium:
Defense Inside?	Defense Outside?	If Defense Outside, please confirm limit:

12. Please provide the following based on the last 12 months of operation. If new agency, provide next 12 months projection:

- a. Agency P&C Premium Volume: \$ _____ b. Agency P&C Commission Income: \$ _____
c. Agency Life/A & H Premium Volume: \$ _____ d. Agency Life/A & H Commission Income: \$ _____
e. Consulting/Broker Fees: \$ _____ f. Mutual Funds/Variable Products/Annuities: \$ _____
g. Securities: \$ _____ h. Other (please describe): \$ _____

13. Does Applicant provide any premium financing claims adjusting, third party administration, or reinsurance intermediary services? _____ ☐ Yes ☐ No
(outside of the role of an intermediary) If **YES**, please attach details and confirm revenues are listed in "11h. Other" above.

AGENCY INFORMATION

14. Indicate below the number of staff in your agency as follows (Each individual should only be counted once):

Owners, Officers, Partners _____ Licensed Brokers, Agents _____ Licensed CSR's _____ Unlicensed CSR's _____
Other Unlicensed Employees (Include clerical and part-time) _____ Non-employee producers or independent contractors _____ Total: _____

15. If the Applicant is a solo practitioner, identify the person who handles accounts in your absence _____
Is this person a licensed insurance agent? _____ ☐ Yes ☐ No
If **YES**, please attach a copy of the license. If **NO**, please attach details

- 16a. Has the Applicant had any retirements, staff turnover or deaths in the past 12 mos/expect any retirements or staff turnover in the next 12 mos? _____ ☐ Yes ☐ No
If **YES**, provide details: _____

- b. Identify the person who would handle any closing operations of the agency or closure of the book of business including processing any outstanding accounts in the event of retirement or death? _____ Is this person a licensed insurance agent? _____ ☐ Yes ☐ No

- c. If yes to 16a, was there an audit or review of files completed? _____ ☐ Yes ☐ No
If **NO**, why not? _____

- d. If **YES** to 16a, was any corrective action taken? _____ ☐ Yes ☐ No (None needed) ☐ No (Errors were found but not corrected)

- 17a. Does the Applicant give referrals? _____ ☐ Yes ☐ No

- b. Does the Applicant receive fees or commissions for these referrals, or is Applicant involved with a referral contract? _____ ☐ Yes ☐ No

- c. If **YES** to 17a or b above please provide details: _____

18. Has any staff attended an E&O loss control/prevention seminar(s) or class(es) within the past twelve months? _____ ☐ Yes ☐ No
Percentage of management staff attending: _____%

19. Is there any coverage placed, or involvement with or responsibility as an administrator for self-insured trusts, captives or risk retention groups, risk purchasing groups, PEO's Multiple Employer Trusts (MET) or Multiple Employer Welfare Arrangements (MEWA)? (If **YES**, please attach details)..... ☐ Yes ☐ No
20. Percentage of business placed with Admitted Carriers _____% Rated below B+ by A.M. Best _____% Rated above B+ by A.M. Best _____%
 Percentage of business placed with Non-Admitted carriers _____% Rated below A- by A.M. Best _____% Rated above A- by A.M. Best _____%
 Not rated by A.M. Best _____%
21. Percentage of policies that are: Direct Bill: _____% Agency Bill: _____%
22. Percentage of business placed through any State Administered Work Comp Funds: _____%
23. Percentage of business placed as a:
- | | | |
|----------------------|--------------------------------------|--------------------------------------|
| Retail Agent _____% | Wholesaler _____% | Surplus Lines Broker _____% |
| Retail Broker _____% | MGA _____% (if MGA, need supplement) | Coverholder _____% (need supplement) |
24. Percentage of Business Placed: Directly with Carriers _____% Through a Wholesaler or MGA _____%
25. How many Wholesalers or MGAs are you Contracted to Write Business Through: _____
26. Has the Applicant had any contracts with insurance companies terminated within the last five years? If **YES**, please attach details)..... ☐ Yes ☐ No
27. List top 5 insurance carriers business is placed with and the revenues (your commission) derived from this placement:

Insurance Carrier:	Revenues:	% of Business:
1.		
2.		
3.		
4.		
5.		

28. Percentage of total commission income derived from: Personal Lines _____% Commercial Lines _____% Life & Health _____%
29. Please indicate the percentage of the commission derived and number of accounts from each line of business listed below: (% of accounts must equal 100%)

PERSONAL LINES	% of Premium	# of accounts	COMMERCIAL LINES	% of Premium	# of accounts
Auto (Standard)			Property (Valued Under \$3M)		
Auto (Non-Standard/Motorcycles)			Property (Valued Over \$3M)		
Homeowners			SMP/BOP/Package		
Non-Standard Property (Valued Under \$3M)			General Liability		
Non-Standard Property (Valued Over \$3M)			Umbrella/Excess		
Pleasure Boats/Crafts			Auto (Standard)		
Umbrella			Auto (Non-Standard)		
Other (Describe):			Long Haul Trucking		
LIFE, ACCIDENT & HEALTH	% of Premium	# of accounts	Workers Compensation		
Individual Life			Livestock		
Group Life			Crop		
Individual Accident & Health			Medical Malpractice		
Group Accident & Health			Allied Medical		
Fixed Annuities			Professional Liability		
Variable Annuities			Inland Marine		
Mutual Funds			Wet Marine		
Securities			Bonds – Surety		
Other (Describe):			Bonds – All Other		
			Aviation		
			Builder's Risk		
			Other (Describe):		
TOTAL OF ALL LINES OF BUSINESS:					

LOSS CONTROLS

30. Are incoming documents date stamped?.....	<input type="checkbox"/> Yes <input type="checkbox"/> No
31. Does Applicant provide copies of documents to clients and/or the carrier within specified guidelines?.....	<input type="checkbox"/> Yes <input type="checkbox"/> No
32. Does applicant notify in writing when insurance coverage is not able to be bound?.....	<input type="checkbox"/> Yes <input type="checkbox"/> No
33. Does applicant notify in writing when special restrictions and/or endorsements apply?.....	<input type="checkbox"/> Yes <input type="checkbox"/> No
34. Are certificates of insurance issued based on policy terms and conditions?.....	<input type="checkbox"/> Yes <input type="checkbox"/> No
35. Does Applicant maintain a policy expiration list?.....	<input type="checkbox"/> Yes <input type="checkbox"/> No
36. Does Applicant use a coverage checklist on all commercial proposals? (Please attach a copy).....	<input type="checkbox"/> Yes <input type="checkbox"/> No
37. Is there a procedure to maintain written documentation of all rejections, reductions, or eliminations of coverage?.....	<input type="checkbox"/> Yes <input type="checkbox"/> No
38. Is there a procedure to periodically review renewal risks for needed changes in coverage?.....	<input type="checkbox"/> Yes <input type="checkbox"/> No
39. Are all applications, policies and endorsements checked for accuracy?.....	<input type="checkbox"/> Yes <input type="checkbox"/> No
40. Are files marked to ensure certificate holders, regulatory agencies are notified of cancellation or material changes?.....	<input type="checkbox"/> Yes <input type="checkbox"/> No
41. Is there a procedure for documenting files and telephone conversations?.....	<input type="checkbox"/> Yes <input type="checkbox"/> No

42. Does the Applicant maintain separate bank accounts for monies received from clients and for business expenses?	<input type="checkbox"/> Yes <input type="checkbox"/> No				
43. What type of diary/suspense procedure does the agency use? <input type="checkbox"/> AUTOMATED PROCEDURE <input type="checkbox"/> NON-AUTOMATED PROCEDURE <input type="checkbox"/> NONE					
44. Does Applicant have a current office procedure manual?.....	<input type="checkbox"/> Yes <input type="checkbox"/> No				
45. Does Applicant have a specific orientation program for new employees?.....	<input type="checkbox"/> Yes <input type="checkbox"/> No				
46. Does Applicant use an automated management system?.....	<input type="checkbox"/> Yes <input type="checkbox"/> No				
47. Does Applicant utilize a computerized production file system and accounting system?.....	<input type="checkbox"/> Yes <input type="checkbox"/> No				
48. Is there a backup procedure for computerized production?.....	<input type="checkbox"/> Yes <input type="checkbox"/> No				
49. Desired Limit of Liability (each claim/aggregate limit applies):	<input type="checkbox"/> \$1M/\$1M	<input type="checkbox"/> \$1M/\$2M	<input type="checkbox"/> \$2M/\$4M	<input type="checkbox"/> \$5M/5M	<input type="checkbox"/> Other _____
50. Desired Deductible (each claim/aggregate deductible applies):	<input type="checkbox"/> \$2,500	<input type="checkbox"/> \$5,000	<input type="checkbox"/> \$7,500	<input type="checkbox"/> \$10,000	<input type="checkbox"/> Other _____
Aggregate Deductible Desired? <input type="checkbox"/> Yes <input type="checkbox"/> No					

CLAIMS HISTORY/EXPERIENCE

(For questions 51-57 answered yes, please complete the SBE E & O Claim Supplement for each claim, fact, situation, act, error or omission.)

To avoid loss of coverage, it is imperative that all known facts, situations, acts, errors or omissions which could result in a professional liability claim against the Applicant, or any of its predecessor companies, be reported to your current insurer within the time period specified in your **current policy**.

As used in the questions below, the term "claim" shall mean a demand received by the Applicant for money or services, including the service of suit or institution of arbitration proceedings against the Applicant.

51. Have any claims or suits been made during the past five years against the Applicant or any of its predecessors in business, subsidiaries or affiliates or against any of the past or present partners, owners, officers, salespersons, or employees?..... ☐ Yes ☐ No
52. During the last five years has the Applicant or any of its predecessors in business, subsidiaries or affiliates received a subpoena for documents or testimony or tolling agreement? ☐ Yes ☐ No
53. Is the Applicant aware of any facts, situations, alleged acts, errors or omissions, or of any offenses which may reasonably be expected to result in a claim being made against the Applicant or any of its predecessors in business, subsidiaries or affiliates or against any of the past or present partners, owners, officers, salespersons, or employees? ☐ Yes ☐ No
54. Has any carrier sought subrogation during the past five years against the Applicant or any of its predecessors in business, subsidiaries or affiliates or against any of the past or present partners, members, owners, officers, salespersons, or employees? ☐ Yes ☐ No
55. Has the Applicant or any of its predecessors in business or subsidiaries or affiliates or any of the past or present partners, members, owners, officers, salespersons or employees been investigated and/or cited and/or been the subject of a disciplinary action/investigation by any administrative or regulatory agency for violations arising out of their activities? ☐ Yes ☐ No
56. Has the Applicant made a "goodwill payment" or "adjustment" to settle any dispute in the past 5 years? ☐ Yes ☐ No
57. Has the Applicant ever had E&O coverage declined, cancelled or refused renewal?..... ☐ Yes ☐ No

It is agreed that if any Owner, Principal, Partner, Officer or Director has knowledge, or if it is reasonable that the person have knowledge, of any such claim(s), potential claim(s), alleged acts, errors or omissions requested in the Claims History/Experience section of this Application, any lawsuit or Claim subsequently made arising from such claim(s), potential claim(s), alleged acts, errors or omissions is not covered under the insurance being applied for by this Application.

▲ Initials▲

The Applicant should review and reference the Policy wording for the complete terms, conditions and exclusions of the Policy.

NOTICE

The Applicant represents to the best of its knowledge and belief that the statements set forth are true and include all material information, and that there has been no attempt at suppression or misstatement of any material facts known, or which should be known, which might affect the judgment of the Insurer in its rating and/or acceptance of this risk.

The Applicant agrees that if a contract of insurance is provided by the Insurer, this Application and any other previous Applications, along with any additional supplemental applications, any attachments and supplied information shall be the basis for the formation of such contract and shall be a material and integral part of the Policy, whether or not they are attached to the Policy and/or signed by the Applicant.

Any representations made in the application process for any Policy that may be issued by the Insurer, and the statements made within this Application, any additional supplemental applications, any attachments and supplied information shall be construed as representations of the Applicant.

The Applicant represents that the person signing and initializing this Application and any additional supplemental applications has been authorized to do so by the Applicant.

Signing of this Application does not bind the Insurer to an offer nor the Applicant to accept insurance.

The Applicant further agrees that if the information supplied on this Application, any additional supplemental applications, any attachments and supplied information changes between the date of this Application and the inception date of the Policy, the Applicant will immediately notify the Insurer of such change prior to inception of the Policy.

▲ Initials▲

Applicant further understands and agrees that no person or entity other than the Insurer has the right to waive or change any part of the Policy. Furthermore, notice to any agent or knowledge possessed by any agent or other persons acting on behalf of the Applicant shall not effect a waiver or a change in any part of the Policy nor estop Insurer from asserting any right under the terms of the Policy.

This Application, any additional supplemental applications, any attachments and supplied information is for a "CLAIMS MADE AND REPORTED" BASIS POLICY which limits coverage to Claims first made against an Applicant during the Policy Period and reported to the Insurer within the required time period. Coverage, if mutually accepted by the Insurer and the Applicant, will not apply to any known facts, situations, acts, error or omissions that occurred before inception of the Policy Period. The Applicant agrees that in the event of covered Claims, the Applicant will be required to be defended by the Insurer's appointed attorneys and that the deductible under the Policy shall apply to Claims including but not limited to Defense Costs. If, however, the Applicant elects to handle a Claim without in any way involving the Insurer, then no coverage for such Claim is afforded to the Applicant under the Policy.

By signing this Application, and any additional supplemental applications, the Applicant confirms that they have been provided with and inspected a specimen of the Small Business Essentials – Miscellaneous Errors & Omissions wording and any applicable endorsements. The Insurer expects that the Applicant will take time to review the Policy to ensure that they fully understand the coverages provided. The Applicant should feel free to consult with any source, including legal advisors, regarding coverage.

Risk Management: The proposed insurance Policy is for Applicants that maintain loss control procedures represented on the original application for insurance. Should a Policy be issued, the Applicant agrees to maintain these loss control procedures throughout the policy period.

In addition to all other terms and conditions: Applicable in Kentucky. 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.

SIGNATURES – MUST BE SIGNED & DATED BY OWNER, PARTNER OR DIRECTOR OF THE AGENCY APPLYING FOR COVERAGE

_____	_____	_____
Date	Applicant's authorized signature of a Partner, Officer or Director	Title

	Printed Name of Partner, Officer or Director	



MISCELLANEOUS ERRORS & OMISSIONS INSURANCE CLAIM / INCIDENT SUPPLEMENT

PROFESSIONAL LIABILITY INSURANCE SERVICES®, INC.
UNDERWRITING FACILITY - SINCE 1983

P: 800.761.7547 | F: 512.327.5834 | E: UNDERWRITING@PLISINC.COM | W: WWW.PLISINC.COM

APPLICANT: _____

DATE OF CLAIM	DATE OF REPORT	AMOUNT PAID	TOTAL PAID / RES.	OPEN / CLOSED	CLAIM / INCIDENT

Insurance Carrier: _____ Attorney involved: _____

Attorney designated by carrier? YES ☐ NO ☐

Claimant: _____ Claimant's Demand: (\$ + other) _____ (please estimate if unknown)

Analysis:

1. Was there a contractual relationship? YES ☐ NO ☐

2. Was there an alleged breach of that contract? YES ☐ NO ☐

If **YES**, please attach a copy of the signed and dated contract If **NO**, was the contract fulfilled? YES ☐ NO ☐

What is the current status of the claim? _____

3. Please provide description of claim / complaint: _____

Please attach any documentation related to this claim, including any demand letter, lawsuit, written complaint from customer, etc.

The unqualified word "**Claim**" wherever used in the Policy and this form shall mean a demand received by the **Insured** for money or services, including the service of suit or institution of arbitration proceedings or subpoena against the **Insured**.

4. Has there been a procedure implemented to avoid a similar claim? YES ☐ NO ☐

If **YES**, describe procedure: _____

5. Please provide details regarding any known facts, situations, alleged acts or errors or omissions that could give rise to a claim:

For example, but not by way of limitation, we consider it reasonable for you to foresee that a claim and/or allegation may be brought against you if a current or former customer has expressed dissatisfaction with the professional services rendered, by:

- i) Making frequent or formal complaints to an employee of the applicant regarding quality of goods or service;
- ii) Threatening to hire an attorney or submission of a demand letter;
- iii) Asking for a full refund; remedies other than those that are contractually provided.

NOTICE

The Applicant represents to the best of its knowledge and belief that the statements set forth are true and include all material information, and that there has been no attempt at suppression or misstatement of any material facts known, or which should be known, which might affect the judgment of the Insurer in its rating and/or acceptance of this risk.

In addition to all other terms and conditions: **Applicable in Kentucky.** 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.

Date

Signed by Partner, Officer, or Director

Title

Printed name of Partner, Officer or Director



SBE MISCELLANEOUS ERRORS & OMISSIONS INSURANCE ADDITIONAL INSURED(S) SUPPLEMENT

PROFESSIONAL LIABILITY INSURANCE SERVICES®, INC.
UNDERWRITING FACILITY - SINCE 1983

P: 800.761.7547 | F: 512.327.5834 | E: UNDERWRITING@PLISINC.COM | W: WWW.PLISINC.COM

If any Additional Insured is requested to be covered by this Policy, this Supplemental Questionnaire must be completed for each proposed Additional Insured.

1. Name of Applicant applying for coverage: _____
2. Name of requested Additional Insured(s) (include dba if applicable): _____
3. Relationship to Applicant: _____
4. Reason to be added (Include copy of contract if applicable): _____
5. Will the gross revenues / projected gross revenues change based on the addition of any Additional Insured(s)? YES ☐ NO ☐
If YES, please provide the projected additional Revenues: \$ _____ (Est.) Insurance Agents/Brokers, please list your COMMISSIONS.
6. Are the services rendered by the Additional Insured the same as the Applicant Company? YES ☐ NO ☐
a. If NO, please list the differences here: _____
b. If the Additional Insured is an Insurance entity, you must attach a breakdown of all lines placed ATTACHED ☐ N/A ☐
7. Does the Company as stated on question 1 above, hold the majority ownership interest in the Additional Insured? YES ☐ NO ☐
8. List the date the Additional Insured was acquired or formed: _____
9. Does the responsibility for each Additional Insured(s) above rest with management at the Applicant Company? YES ☐ NO ☐
If NO, please provide details: _____
10. Will there be any new locations added? If YES, how many? _____ (Also complete a. & b. below) YES ☐ NO ☐
a. Address of new location(s): _____
b. Does each additional location follow the same loss control policies and procedures as the Company as stated in question 1 above? YES ☐ NO ☐
If NO, please provide details regarding the different loss controls: _____

CLAIMS HISTORY/EXPERIENCE:

(For questions 11-13 answered yes, please complete the SBE E&O Claim Supplement for each claim, fact, situation, act, error or omission.)

11. Have any claims or suits been made during the past five years against the proposed Additional Insured or any of its predecessors in business, subsidiaries or affiliates or against any of the past or present partners, owners, officers, salespersons or employees? YES ☐ NO ☐
If YES, how many? _____ Please complete the Claim Supplement for each
12. Is the proposed Additional Insured aware of any facts, situations, alleged acts, errors or omissions, or of any offenses which may reasonably be expected to result in a claim being made against the proposed Additional Insured or any of its predecessors in business, subsidiaries or affiliates or against any of the or present partners, owners, officers, salespersons, or employees? YES ☐ NO ☐
If YES, how many? _____ Please complete the Claim Supplement for each.
If YES, have you reported such fact(s), situation(s), alleged acts(s), errors or omissions, lawsuit(s) or claim(s) to your current or prior carrier? YES ☐ NO ☐
13. Has the proposed Additional Insured or any of its predecessors in business or subsidiaries or affiliates or any of the past or present partners, owners, officers, salespersons or employees been investigated and/or cited by any administrative or regulatory agency for violations arising out of their activities? YES ☐ NO ☐
If YES, how many? _____ Please complete the Claim Supplement for each

It is agreed that if any Owner, Principal, Partner, Officer or Director has knowledge, or if it is reasonable that the person have knowledge, of any such claim(s), potential claim(s), alleged acts, errors or omissions requested in the Claims History/Experience section of this Supplemental Questionnaire, any lawsuit or Claim subsequently made arising from such claim(s), potential claim(s), alleged acts, errors or omissions is not covered under the insurance being applied for by this Supplemental Questionnaire.

▲ Initials ▲

NOTICE

Please be aware that newly formed or acquired organization(s) are not covered for any claim that results from any event that happened or first commenced before the Applicant acquired or formed it; nor for any claim covered under any other insurance. Also, once the information requested on this Supplement Questionnaire has been received and reviewed by the Insurer, terms may change and/or additional subjectivities may be required to secure coverage for that newly formed or acquired organizations.

The Applicant, represents on behalf of each and every proposed insured under the Policy, to the best of its knowledge and belief that the statements set forth are true and include all material information and that there has been no attempt at suppression or misstatement of any material facts known, or which should be known, which might affect the judgement of the Insurer in its rating and/or acceptance of this risk.

In addition to all other terms and conditions: **Applicable in Kentucky.** 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.

Date

Applicant's authorized signature of a Partner, Officer or Director

Title

Printed Name of Partner, Officer or Director