

ROBERT W. SCHMIDT & COMPANY
3505 North 124th Street
Brookfield, WI 53005-2489

APPLICATION FOR INSPECTION SERVICES ERRORS & OMISSIONS INSURANCE

THE COVERAGE AFFORDED BY A POLICY, IF ISSUED, WILL BE ON A "CLAIMS MADE" BASIS. THE LIMIT OF LIABILITY CAN BE EXHAUSTED BY PAYMENT OF COVERED DAMAGES OR CLAIM EXPENSES. ANY CLAIM EXPENSES WILL BE APPLIED AGAINST THE DEDUCTIBLE AMOUNT. IF YOU HAVE ANY QUESTIONS, PLEASE CONSULT WITH YOUR AGENT, BROKER OR ATTORNEY.

PLEASE FULLY COMPLETE EACH QUESTION, CIRCLE THE CORRECT RESPONSE WHEN A QUESTION ASKS "YES" OR "NO" AND ATTACH THE INFORMATION REQUIRED. PLEASE ALSO ATTACH:

- 1) A SAMPLE PRE-INSPECTION AGREEMENT BETWEEN THE APPLICANT AND ITS CLIENTS;
- 2) A SAMPLE BROCHURE OR ADVERTISEMENT; AND
- 3) RESUMES OF ALL PRINCIPALS AND INSPECTORS.

1. Applicant Information:

Name of Applicant:	
Contact Person:	
Street Address:	
City, County, State, Zip:	
Telephone Number:	Facsimile Number:
Website Address:	E-mail address:
Year Established:	
Form of Business (circle one): Individual Partnership Corporation LLC Other (explain)	

2. Please list addresses of all branch offices: _____

3. Is the Applicant or any other proposed insured:

a) owned by, controlled by or act as a Director or Officer of any other business or organization? YES/NO

b) engaged in any other business or employed by any other business or organization? YES/NO

If YES, please explain:

If YES, what percentage of inspection services are performed for such business(es)? _____%

4. In the past FIVE 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 explain: _____

5. Please detail the number of partners and staff:

	Full Time	Part Time
Principals/Partners:		
Professional Staff:		
Other Employees:		
TOTAL		

6. Please detail the following for all owners, officers, directors, partners and professional employees:

Attach a separate sheet if necessary

Name	% of ownership (must total 100%)	Professional Qualifications	Years of experience	Years with applicant

7. Please detail annual gross income: Estimate for next year (20): _____

This year (20): _____ Last Year (20): _____

8. What was the Applicant's largest fee for an individual inspection job ever done? _____

What type of inspection was it? _____ What is your average fee? _____

9. How many inspections does the Applicant perform annually? _____

10. What type of inspection report does the Applicant use? Circle: NARRATIVE CHECKLIST VERBAL

11. What inspection standards are used? Circle: ASHI NAHI FABI GAHI CREIA OTHER _____

12. Is the Applicant affiliated with any of these professional home inspection organizations:

Circle All That Apply: ASHI NAHI FABI GAHI CREIA OTHER _____

13. Please list the states where the Applicant performs inspection services: _____

14. Indicate the types of inspections performed and the percentage of gross income derived from each:

Type of Inspection Performed:	%
Residential home inspection – less than 4 units	
Residential home inspection – over 4 units	
Commercial / industrial inspection	
Insurance inspection – personal lines:	
Insurance inspection – commercial lines:	
Other – please specify:	
TOTAL	100%

15. Do any of your inspections include the following? *If YES, please explain on a separate sheet and give percentages of total services:*
- | | | | |
|--------------------------------------|--------|---|--------|
| a. Building code inspection | YES/NO | g. Soil compaction inspections | YES/NO |
| b. Permit searches | YES/NO | h. Environmental assessments (land, air or water contamination) | YES/NO |
| c. Lead paint inspections | YES/NO | i. Pest inspection, including termites or other wood destroying organisms | YES/NO |
| d. Home Warranty Inspections | YES/NO | j. New construction or construction in progress inspections | YES/NO |
| e. Asbestos/formaldehyde inspections | YES/NO | | |
| f. Sewer/septic inspections | YES/NO | | |

PLEASE BE ADVISED THERE WOULD BE NO COVERAGE PROVIDED FOR ANY OF THE SERVICES LISTED IN QUESTION #15.

16. Indicate the percentage of inspections performed for the following types of clients:

Type of Client	%
Individual purchasers	
Mortgage lenders	
Municipalities	
Governmental agencies including, but not limited to HUD and FHA	
Other (please specify)	
TOTAL	100%

17. Is the Applicant a licensed real estate agent: YES/NO
 If YES:
 b. Do you inspect any homes that you have listed as a real estate agent? YES/NO
 a. Does the real estate operation carry separate professional liability coverage? YES/NO
18. Is the Applicant an exclusive home inspector for any one realtor or real estate company: YES/NO
 If YES, explain: _____
19. Does the Applicant currently offer estimates or do repair work on properties you have inspected? YES/NO
 If Yes, please explain: _____
20. Does the Applicant currently use a pre-inspection agreement when performing home inspection YES/NO
 If Yes, is the agreement signed in advance by your customer? YES/NO

PLEASE ATTACH A COPY OF YOUR PRE-INSPECTION AGREEMENT.

21. Does the Applicant offer warranties or guarantees of any type? YES/NO

If Yes, please furnish full details: _____

PLEASE BE ADVISED THERE WOULD BE NO COVERAGE PROVIDED FOR ANY REAL ESTATE SALES, REAL ESTATE APPRAISALS OR WARRANTIES OR GUARANTEES OF ANY TYPE.

22. Does the Applicant:

a) Have an in-house office policy/procedures manual in place? YES/NO

b) Use a contract for services or letter of engagement for all clients? YES/NO

c) Require professionals to attend continuing education classes? YES/NO

d) Use an in-house counsel, counsel on retainer and/or risk manager? YES/NO

e) Perform audits of work performed by each professional? YES/NO

If YES, how often? _____

23. Does the Applicant hire subcontractors? YES/NO

If YES:

a. What percentage of gross income is performed by subcontractors: _____ %

b. What type of work do subcontractors perform? _____

c. Do you review the work performed by subcontractors? YES/NO

d. Do you verify the qualifications of subcontractors? YES/NO

e. Are any services performed by subcontractors outside of the U.S.A.? YES/NO

f. Are subcontractors required to have their own E&O insurance? YES/NO

24. Has the Applicant or any other proposed insured been involved in or have knowledge of any disciplinary or investigative action or license revocation by any local, state or federal licensing board, court, regulatory authority or professional association? YES/NO

If YES, please give full details on a separate sheet.

25. Is General Liability Insurance now in force? YES/NO

If yes, provide current company: _____

Policy Term _____ Limit \$ _____

Deductible \$ _____ Premium \$ _____

Does the General Liability Insurance include Personal Injury coverage? YES/NO

Does the General Liability Insurance include Products/Completed Operations coverage? YES/NO

26. Has the Applicant carried Professional Liability Insurance previously under the existing name or any predecessor in business? **YES/NO** If YES, please detail the past three years:

Insurer	Limits of Liability	Deductible	Premium	Policy Period

Is the Applicant's expiring policy issued on a CLAIMS MADE basis? **YES/NO**

If YES, please provide the Retroactive Date of the expiring policy _____

27. In the past 5 years, has any application for this type of insurance completed by the Applicant or any other predecessor in business been declined? Or has any insurance of this type been cancelled, nonrenewed, or refused? **YES/NO** If yes, please explain on a separate sheet.

28. In the past 5 years, has any CLAIM been made against the Applicant or any of their past or present owners, officers, partners, directors or employees either individually or otherwise for professional services? **YES/NO** If YES, please complete the attached Claim/Incident/Circumstance Information Sheet for each claim.

29. Is the Applicant or any other person proposed for insurance aware of any incident or circumstance which may result in a CLAIM being made against the Applicant or any past or present owners, partners, officers, directors, employees or predecessors in business? **YES/NO** If YES, please complete the attached Claim/Incident/Circumstance Information Sheet for each incident or circumstance.

30. Limit(s) of Liability requested _____

31. Deductible(s) requested _____

Signed _____
 Must be signed by Owner, Partner or a Senior Officer)

Title _____ Date _____

The signer of this application, authorized and acting on behalf of all Insureds, declares that all statements and information provided by the Insureds is true, complete and accurate. It is agreed that this application is the basis of and becomes a part of the policy, should a policy be issued.

The signing of this application does not require the signer to purchase insurance, nor does the review of this application require the Insurer to issue a policy.

CLAIM/INCIDENT/CIRCUMSTANCE INFORMATION SHEET

This sheet is to be completed by an Applicant who has been involved in: a) any claim or suit in the past 5 years or b) who is aware of any incident or circumstance which may result in a claim. Please complete a separate sheet for each. Answer all questions fully. An Owner, Partner or Senior Officer must sign and date each sheet in addition to the application.

- 1) Is this a: CLAIM INCIDENT CIRCUMSTANCE (CIRCLE ONE)
- 2) Name of firm:
- 3) Name(s) of individual(s) of firm involved in claim/incident/circumstance:
- 4) Name of Claimant:
- 5) Date of alleged claim/incident/circumstance:
- 6) Date claim made (if applicable):
- 7) Name of Insurer (if applicable):
- 8) Present status of claim (if applicable): PENDING IN SUIT CLOSED (CIRCLE ONE)
- 9) If closed: Total indemnity paid: _____ Total expenses paid: _____
- 10) If pending: Amount asked in summons: _____
Claimant's settlement demand: _____
Defendant's settlement offer: _____
Insurer's loss reserve: _____
Expenses paid to date: _____
- 11) Detailed description of claim/incident/circumstance: _____

- 12) Allegations upon which the claim/incident/circumstance is based: _____

- 13) Actions taken to prevent a reoccurrence or similar claim/incident/circumstance: _____

Signed: _____
(must be signed by an Owner, Partner or Senior Officer)

Title: _____ Date: _____