


HOUSTON SPECIALTY INSURANCE COMPANY

Home Inspectors Errors and omissions application

Application for Coverage

APPLICATION FOR INSPECTION SERVICES ERRORS & OMISSIONS INSURANCE APPLICATION INSURANCE THE COVERAGE AFFORDED BY A POLICY, IF ISSUED, WILL BE ON A "CLAIMS MADE" BASIS.

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

Company Name _____
 Contact Person _____
 Street Address _____
 City _____ State _____ Zip _____
 Telephone _____ Fax _____
 Web Address _____
 E-mail _____

Year Established _____ How many Inspectors are to be _____ covered by this policy? (not support staff)

Form Of Business _____ Proposed Effective Date of Policy _____

2) Is your Business a Franchise? _____ If Yes, Franchise company _____

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 ___

If Yes, Explain on a separate document

b) engaged in any other business or employed by any other business or organization? Yes ___ No ___

If Yes, Explain on a separate document

If YES, what percentage of inspection services are performed for such Please explain 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?

If Yes, Explain on a separate document

5) Please detail the number of partners and staff

	Full Time	Part Time
Principals/Partners/Inspectors (owners)	_____	_____
Professional Staff /Inspectors (non-owners)	_____	_____
Other Employees (helper/apprentices)	_____	_____

6) Please detail the following for all owners, officers, directors, partners and inspectors:

O=Owner E=Employee IC= Independent Contractor

7) NEXT 12 Months	Gross Revenue	# of Inspector	Total Inspections
	_____	_____	_____
	_____	_____	_____
	_____	_____	_____

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) Do you take pictures during your inspection? Yes ___ No ___ How many _____

10) What type of inspection report does the Applicant use? (Select all that apply)

NARRATIVE _____ VERBAL _____ CHECKLIST _____ Computer Program _____ All Apply _____

10b) If yes to a computer, which program do you use _____

10c) Do you have a customer service follow up program in place Yes ___ No ___

11) What inspection standards are used _____

12) Is the Applicant affiliated with any professional home inspection organizations? Yes ___ No ___
 If yes, please list _____

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-

<u>Type</u>	<u>%</u>
Residential home inspection – less than 4 units	
Residential home inspection – over 4 units	
Industrial/Restaurant	
Soft Commercial (retail, business parks, office buildings)	
Wind Mitigation	
Bank/Draw Inspections	
Radon	
Pest/WDO/WDI/Termite	
Lead	
Code	
Mold/Indoor Air Quality	
Septic/Sewer	
Pools/Spa's	
Green Certification	
Energy Audits	
Water Quality Testing	
Other (Please explain below)	
Other (Please explain below)	
Total	100%

15) Indicate the percentage of inspections performed for the following types of clients

<u>Type of Client</u>	<u>% of Inspections</u>
Individual purchasers	
Mortgage lenders	
Municipalities	
Governmental agencies including, but not limited to HUD and FHA	
Other (please specify)	

- 16) Is the Applicant a licensed real estate agent? Yes___No___
 If Yes, Do you inspect any homes that you have listed as a real estate agent?
 Does the real estate operation carry separate professional liability coverage? Yes___No___
- 17) Is the Applicant an exclusive home inspector for any one Realtor or real estate company: Yes___No___
 If Yes, please explain _____
- 18) Does the Applicant currently offer estimates or do repair work on properties Yes___No___
 you have inspected? Please explain If Yes, please explain
- 19) Does the Applicant 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 include a copy with your application
- 20) Does the Applicant offer warranties or guarantees of any type? Yes___No___
 If Yes, Please furnish details. _____
- 21) Does the Applicant: Yes
- 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? Please explain Yes___No___
 If YES, how often?
- 22) 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?
 - 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___
- 23) Has the Applicant or any other proposed insured been involved in or have knowledge Yes___No___
 of any disciplinary or investigative action or license revocation by any local, state or
 federal licensing board, court, regulatory authority or professional association?
 If YES, please give full details
- 24) Has the Applicant carried Professional Liability Insurance previously under the Yes___No___
 existing name or any predecessor in business? Include current Declarations page with your application)
- | | | | | |
|----------------|---------------|------------|-------------|---------------|
| Insurer | Limits | Ded | Prem | Period |
| _____ | _____ | _____ | _____ | _____ |
| Insurer | Limits | Ded | Prem | Period |
| _____ | _____ | _____ | _____ | _____ |
| Insurer | Limits | Ded | Prem | 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. _____
 Not the current years start date, Retro-active date is the start date that you started continuous
 and unbroken e and o coverage from then until now

25a) 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? Yes___No___
 Or has any insurance of this type been cancelled, non-renewed, or refused?
 If yes, please explain on a separate Sheet for each incident or circumstance

25b) 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 Claim/Incident/Circumstance Information Sheet for each claim

25c) 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 Claim/Incident/Circumstance Information Sheet for each claim

26) Limit Options: Professional Liability (Errors & Omissions) Coverage:

_____ \$100,000/\$300,000	_____ \$250,000/\$500,00	_____ \$300,000/\$300,000	_____ \$300,000/\$600,000
_____ \$500,000/\$500,000	_____ \$500,000/\$1,000,000	_____ \$1,000,000/\$1,000,000	
_____ \$.1,000	_____ \$2,500	_____ \$5,000	_____ \$10,000
_____ \$15,000	_____ \$25,000	_____ \$50,000	

28) Please select any additional coverages that you might want.

Referral	_____	septic/sewer	_____
Pool and Spa	_____	Industrial	_____
Washington State 2-Year ERP	_____	Thermography	_____
GL/Premises Liability	_____	WDO/WDI/Pest	_____
Detection of Water and Moisture	_____	Mold	_____
Additional Insured for Franchises	_____	Radon	_____
Lead	_____	Code	_____

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.

Signed _____

Title _____ Date _____

Before submitting, please print this document for your records.

Thank you for the chance to earn your business. If you have any questions, please call John Remark at 202-465-4306 or e-mail him at john@homeinspectorliability.com.

Also, please do not forget to Fax/E-mail a copy of your pre-inspection agreement and Declarations Page of your current policy (if applicable). The Fax number is 202-478-0856

Thanks again, you will be hearing from us shortly.

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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 _____
 - 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 _____
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: _____ Title: _____ Date: _____