



PAVESE - McCORMICK COMPANIES

COMPLETE INSURANCE SERVICES

PAVESE-McCORMICK AGENCY, INC. BUILT ENVIRONMENT ASSURANCE GROUP, LLC CUSTOMIZED EMPLOYEE BENEFITS, LLC

3759 US Highway 1 • Monmouth Junction, NJ 08852 • Phone: (732) 247-9800 Fax: (732) 875-1278

APPLICATION

TITLE INSURANCE AGENTS, ABSTRACTORS, & ESCROW AGENTS ERRORS AND OMISSIONS LIABILITY

NOTICE: This application is for a CLAIMS MADE POLICY. Except as may be otherwise provided herein, this coverage is limited to liability for only those claims which are first made against the insured and reported to the Company during the policy period.

TITLE AGENTS, ABSTRACTORS & ESCROW AGENTS ANSWER QUESTIONS 1 - 14

1. Name of Firm _____
 Street Address _____
 City _____ State _____ Zip _____
 Website Address _____

2. Please list the states in which the Applicant provides services: _____

3. Date Established _____

4. Is applicant firm a Corporation LLC Partnership Sole Proprietorship

5. How long have you been engaged in your current occupation or business? _____ Years

6. Is the Applicant owned by, controlled by or associated with any other organization, including but not limited to a law firm, real estate agency, real estate development or investment firm, construction firm, mortgage or financial institution or title insurance company? Yes No

If yes, please provide details: _____

7. In the past 5 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, give details below or attach an information sheet. _____

8. Please indicate if the applicant is licensed as a: Title Agent Abstractor Escrow Agent Lawyer

*Has anyone had their license suspended, revoked or been subject to any disciplinary proceeding? Yes No

*Please attach written explanation.

9. Current staff (including owners). Please list names of staff, other than clerical, and assign activity codes and years of experience:

Activity Codes	Owner/Partner/Officer	O	Title Agent	T	Closing Agent	C
	Abstractor/Searcher	A	Escrow Agent	E	Lawyer	L
Name			Activity Code(s)		Years of Experience	

10. Provide the number of your staff: _____ Total Gross Annual Payroll \$ _____

11. Gross Revenue: Show all revenue, fees and commissions before deduction of expenses.

	Previous Year	Past Fiscal Year Ending	Next 12 Months (Estimated)
a. Title Agency Commissions	\$ _____	\$ _____	\$ _____
b. Abstracting / Searching Fees	\$ _____	\$ _____	\$ _____
c. Escrow / Closing Fees	\$ _____	\$ _____	\$ _____
d. Other:	\$ _____	\$ _____	\$ _____
e. Total gross revenue from all sources	\$ _____	\$ _____	\$ _____

12. Are you engaged in any other profession or business, including but not limited to a practicing lawyer? Yes No

If Yes, explain: _____

13. Is the applicant a member in good standing of the American Land Title Association, or any state title association? Yes No

If No, explain: _____

14. Are any changes in the nature or size of the applicant's business anticipated over the next 24 months? Yes No

If Yes, give details below or attach an information sheet. _____

***ONLY TITLE AGENTS & ABSTRACTORS ANSWER QUESTIONS 15 – 27
(ESCROW/CLOSING AGENTS PROCEED TO QUESTION 28)**

15. Estimate the percentage of the Applicant's total revenue generated from the following categories:

Type of Client	% of Income
Residential	%
Commercial	%
Agricultural	%
Oil / Gas	%

Type of Client	% of Income
Mining / Mineral	%
Other:	%
Other:	%
Total	100 %

16. Please list the title insurance companies you represent and the percentage of title premium volume from each:

Title Insurance Company	% Premium Volume
_____	%
_____	%
_____	%
_____	%

17. Has any Title Insurance Company canceled/non-renewed their contract with the Applicant? Yes No

If yes, please provide details including the company(ies) and the reason for the cancelation/non-renewal:

18. Does the applicant perform or handle any tax-deferred real estate exchanges? Yes No

If yes, how many have you performed in the past 12 months? _____

19. Does the Applicant have a policy regarding transactions that involve properties that have been conveyed more than once within a certain period of time? Yes No

If yes, please provide details: _____

20. Does the Applicant have any procedures/policies in place designed to protect against fraud committed by parties involved in the Applicant's transactions? Yes No

If yes, please provide details: _____

21. Does the Applicant obtain "Insured Closing Letters" (Closing Protection Letters), from its Title Underwriters? Yes No

22. Has the applicant's records been audited by outside auditors? Yes No

23. Has the applicant's records been audited by Title Underwriters? Yes No

24. Does the Applicant perform an updated search and verification of title (run down) immediately prior to closing to ensure no gap period? Yes No

25. Does the applicant perform a post closing title search to ensure that all filings made by the Applicant have been officially recorded and appear on public record? Yes No

If no, please indicate how the Applicant ensures that all filings have been officially recorded and appear on public record. If Yes, give details below or attach an information sheet.

26. Is the Applicant, or any other individual proposed for coverage under this policy, licensed as a Real Estate Agent/Broker or Mortgage Broker? Yes No

If Yes, please explain: _____

If Yes, has any one had their license suspended, revoked or been subject to any disciplinary proceeding? Yes No

*Please attach written explanation.

27. Please list the percentage of data compiled for Abstracting/Search:

In House Title Plant	%	Title Company/Underwriter	%
Title Plant Maintained by Others	%	Other:	%
Courthouse Records	%	Total must equal 100%	%

ONLY ESCROW/CLOSING AGENTS ANSWER QUESTIONS 28 a- j
(TITLE AGENTS AND ABSTRACTORS PROCEED TO QUESTION 29)

28. Please answer the following with regard to the Applicant's Escrow/Closing Services:

a. Number of escrows/closings/settlements conducted per year _____

b. Does the applicant require a written contract/instructions for each escrow closing? Yes No

c. Does the applicant require one employee's work be reviewed by another? Yes No

d. Does the applicant ever close without title insurance, a title insurance commitment or title opinion? Yes No

e. Does the applicant ever hold Escrow funds for over one year? Yes No

If yes, under what circumstance? _____

f. Does the applicant require initials or signatures from all parties when a change has been made from the original escrow contract? Yes No

28. (Continued)

- g. Does the applicant require "Good Funds" for closing? Yes No
- h. Does the applicant balance escrow accounts monthly or more frequently? Yes No
- i. Does the applicant perform any closing services for tax-deferred real estate exchanges? Yes No
 If yes, how many per year? _____
 If yes, are the Applicant's services limited to the duties of an escrow agent? Yes No
- j. Does the applicant allow another party to remit any closing proceeds to a lender or any other creditor on its behalf? Yes No

TITLE AGENTS /ABSTRACTORS/ESCROW AGENTS ANSWER QUESTIONS 29 – 35

29. Do you hire subcontractors? Yes No

a. If Yes, what is the percentage of business generated by these subcontractors for each service?

Witness Closers/Signers _____ %

Escrow/Closing Services _____ %

Title Abstractors/Search Services _____ %

Other: _____ %

If yes, please describe: _____

- b. Do you require these subcontractors to maintain their own E&O Insurance? Yes No
- c. Do you review the work performed by these subcontractors? Yes No
- d. Do you verify the qualifications of these subcontractors? Yes No
- e. Do you want to provide coverage for these subcontractors? Yes No

If Yes, please provide resumes and certificates of insurance.

30. Provide details of General Liability Insurance and Fidelity Bond in force.

Company	Limit	Deductible	Policy Term
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Does the policy detailed above include coverage for Products/Completed Operation Hazard? Yes No

31. Please provide details of Errors and Omissions insurance carried during the last three years.

Company	Limit	Deductible	Premium	Policy Term
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Is your expiring policy a CLAIMS MADE POLICY? Yes No

If Yes, advise Retroactive Date. _____

32. Has any application for Errors & Omissions or similar insurance made on behalf of you and your firm, or present partners, owners, officers or employees ever been declined, or has any such insurance ever been canceled or refused renewal? Yes No

If Yes, give details below or attach an information sheet.

33. Have any claims, suits or proceedings been made during the past five years against any of you or your firm, your predecessors in business or against any present partners, owners, officers or employees? Yes No

If Yes, give details below or attach an information sheet.

34. Is the applicant or any person to be covered by this insurance aware of any alleged act, circumstance, situation, error or omission which may result in a claim being made against you or any of the persons or firm described? Yes No

If Yes, attach a separate sheet if necessary.

35. Limit of Liability requested _____ Deductible _____

ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR OTHER PERSON FILES AN APPLICATION FOR INSURANCE CONTAINING ANY FALSE INFORMATION, OR CONCEALS FOR THE PURPOSE OF MISLEADING, INFORMATION CONCERNING ANY FACT MATERIAL THERETO, COMMITS A FRAUDULENT INSURANCE ACT, WHICH IS A CRIME.

I/WE HEREBY DECLARE 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 sole basis of any subsequent contract or insurance with the company. Signature of the application does not bind the Firm or Company to complete the insurance.

Application must be signed and dated by principal, partner, officer or director of the firm.

Date

Signature of Applicant

Title

PLEASE NOTE: COMPLETION AND SUBMISSION OF THIS APPLICATION IS FOR THE PURPOSE OF SECURING A PREMIUM QUOTATION ONLY. NO COVERAGE WILL BE EFFECTED UNTIL RECEIPT OF WRITTEN INSTRUCTIONS AND PREMIUM PAYMENT. ANY SUBSEQUENT CONTRACT ISSUED WILL BE IN FULL RELIANCE UPON THE STATEMENTS AND REPRESENTATIONS MADE IN THIS APPLICATION AND THIS APPLICATION WILL BE MADE A PART OF THE POLICY. A SIGNED APPLICATION DATED NOT MORE THAN 45 DAYS PRIOR TO THE INCEPTION DATE WILL BE REQUIRED IN THE EVENT COVERAGE IS EFFECTED.