SBE - MISCELLANEOUS ERRORS & OMISSIONS INSURANCE

(Claims First Made & Reported Basis)

*****PREMIUM FINANCING AVAILABLE*****

Answer all questions. Explain if the question does not apply. If space is insufficient, please attach an additional explanation sheet. The Application must be signed and dated by a partner, officer or director of the Applicant.

1. Name of Applicant:_____ Requested effective date of policy: _____
2. Requested Limit of Liability: $ _____ Deductible: $_____ (minimum $1000)
3. Contact Person: _____ Title: _____ Website: _____
4. Telephone Number:_____ Fax Number: _____ Email: _____
5. Street Address: _____City: _____ State: _____ Zip Code:_____
6. ❑ Sole Proprietor ❑ Corporation ❑ Partnership ❑ Joint Venture ❑ Individual ❑ Other _____
7. Are there other office locations? *If yes, provide details.*..... YES ❑ NO ❑
8. Date company was established:_____ Where is Company licensed or registered? _____
9. Average number of years of experience of key personnel in this field: _____
10. In the past five years has the name of the Company been changed or has any other business been purchased, or has any merger or consolidation taken place? *If yes, provide details.*..... YES ❑ NO ❑
11. Describe nature of your business (mode or method of operation, type of services performed. where such operations are performed, etc.)

    _____

    _____

    _____

    (*You are being asked to describe the services, types of claims, exposures, or risks you want to insure. This information may be used to create "Named Insured's Professional Services" as it appears on the policy. Your suggested wording will be considered by the underwriters but is subject to change based on underwriting requirements or may be further negotiated.* ***Your proposed wording is not an insuring agreement.)***

12. Do you control, own, and/or manage any other business entity(ies)?..... YES ❑ NO ❑
    Do you provide any services to such business entity(ies)? ..... YES ❑ NO ❑
    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
13. Do you require a written contract or agreement for services with your clients? (*If yes, answer 13a-13d)*..... YES ❑ NO ❑
    a. Hold harmless or indemnity agreements insuring to your benefit?..... YES ❑ NO ❑
    b. Hold harmless or indemnity agreements insuring to your client's benefit? ..... YES ❑ NO ❑
    c. Guarantees or warranties? **(Guarantees or warranties will not be covered under the SBE Miscellaneous E&O Policy)**..... YES ❑ NO ❑
    d. Specific description of the services you will provide?..... YES ❑ NO ❑
14. **Gross Income**: Present Financial Year $_____ (Est.) Next Financial Year $_____ (Est.)
    ***Insurance Agents/Brokers and Real Estate Agents, please list your COMMISSIONS.**
15. Loss Control (all locations) – Do you utilize a procedures manual?..... YES ❑ NO ❑
16. What additional safeguards or procedures do you employ to avoid liabilities or losses? _____

    _____
17. Number of employees who are: Full Time:_____ Part Time: _____ Sub Contractors*: _____
    ***Sub-contractors who work for others will not be covered under the SBE Miscellaneous E&O Policy.**

CLAIMS HISTORY/EXPERIENCE:

(For questions 18-20 answered yes, please complete the SBE E& O Claim Supplement for each claim, circumstance, act, error or omission.)

To avoid loss of coverage, it is imperative that all known circumstances, acts, errors, 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.

18. 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 ❑

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It is agreed that if there is knowledge of any such circumstance, acts, errors, omissions or any claim subsequently emanating therefrom shall be excluded from coverage under the insurance being applied for.

19. Is the Applicant aware of any circumstances, alleged acts, errors or omissions, or of any offenses which may reasonably be expected to result in a claim being made against the persons or entities described above? ..... YES ❑ NO ❑

20. Has the Applicant 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 ❑

21. Please provide the following information for similar insurance, if any, carried during the last five years. If none carried, state so. Include any coverage which may be directly related or may respond in part to the exposure.

Policy Period	Renewal Date	Carrier	Limit	Deductible	Premium

22. Has any application for insurance similar to the insurance sought by this application been made by or on behalf of the Applicant or any of its predecessors in business or present partners, owners, officers, sales personnel or employees ever been declined or has any such insurance ever been canceled or renewal refused? *If yes, provide details*..... YES ❑ NO ❑

23. a. Please provide the following information for your **general liability coverage (CGL)** currently in force and for the immediate past 3 years.

Policy Period	Renewal Date	Carrier	Limit	Deductible	Premium

b. Does it include coverage for products and completed operations hazards? ..... YES ❑ NO ❑

CHECKLIST: Have you attached the following?

Any additional details ..... YES ❑ NO ❑ N/A ❑
Copies of standard contract with clients? ..... YES ❑ NO ❑
Copies of resumes of key personnel including any applicable continuing education and/or training completed? ..... YES ❑ NO ❑
Any marketing materials providing information about the services you perform? ..... YES ❑ NO ❑

NOTICE

All Policies, if issued, include a deductible applying to the cost of defense, judgment and settlement or any combination thereof and, as stated in the Policy, the costs of legal defense are included within the limits of liability except as otherwise endorsed. The limits of liability shall be reduced, and may be completely exhausted, by costs, charges and expenses and, in such event, the insurers shall not be liable for costs, charges and expenses or for Damages to the extent that costs, charges and expenses or Damages exceed the limits of liability stated in the Declarations of the Policy.

The Applicant warrants to the best of its knowledge and belief that the statements set forth herein are true and include all material information. The Applicant further warrants that if the information supplied on this Application changes between the date of this Application and the inception date of the Policy, the Applicant will immediately notify underwriters of such change prior to inception of the Policy. Signing of this Application does not bind the Insurer to an offer nor the Applicant to accept insurance. The Applicant understands and agrees that this Application and any other previous applications, along with any attachments and supplied information thereto shall be a material and integral part of the Policy and any part of any Policy that may be issued by the Insurer, and the statements made herein shall be construed as representations and warranties of the Applicant.

This Application is for a "CLAIMS MADE AND REPORTED" BASIS POLICY which limits liability to claims first made and reported against the Applicant during the Policy Period. Coverage, if completed, will not apply to any known circumstance, act, error or omission that occurred before the 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 and including (whether or not indemnity payment is made) expenses, investigations costs, and legal fees. If however, the Applicant elects to handle a claim without in any way involving the Insurer's Attorneys, then no coverage for such a claim is afforded the Applicant under the Policy.

By signing this Application form, the Applicant confirms that they have been provided with and inspected a specimen of the Small Business Essentials – Miscellaneous Errors & Omissions wording. It is recommended that the Applicant take time to review the policy to ensure that they fully understand the Coverage provided. The Applicant should feel free to consult with any source, including legal advisors, regarding coverage.

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.

WARNING

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 WHO CONCEALS, FOR THE PURPOSE OF MISLEADING INFORMATION ANY FACT MATERIAL THERETO, COMMITS A FRAUDULENT INSURANCE ACT, WHICH IS A CRIME.

Date	Signed by Partner, Officer, or Director	Title

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MISCELLANEOUS ERRORS & OMISSIONS INSURANCE CLAIM / INCIDENT SUPPLEMENT

APPLICANT:_____

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

Insurance Carrier: _____

Claimant: _____

Attorney involved:_____

Attorney designated by carrier? ..... YES ❑ NO ❑

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

Analysis:

Was there a contractual relationship? YES ❑ NO ❑ 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? _____

Has there been a procedure implemented to avoid a similar claim? ..... YES ❑ NO ❑
If yes, describe procedure: _____

Please provide description of claim / complaint:

_____

_____

_____

Please attach any documentation related to this claim: Demand letter, Lawsuit, Written complaint from customer, etc.

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

Please provide details regarding any known Circumstance 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.

The undersigned agrees that this Warranty Statement shall become part of the Application for Small Business Essentials Miscellaneous Errors and Omissions Liability Insurance. The submission of an application and agreement to this Warranty statement does not obligate either PLIS, Inc. (on behalf of Lloyd's of London) or the APPLICANT EMPLOYER to bind coverage or issue a policy.

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.

_____ _____
Authorized Applicant's Signature Date