

Westport Insurance Corporation

5200 Metcalf • P.O. Box 2991 • Overland Park, KS 66201-1391
913 676-5200

**APPLICATION FOR "CLAIMS MADE" INSURANCE POLICY
FOR INSURANCE AGENCY PROFESSIONAL LIABILITY (E&O)**

NEW BUSINESS: Please provide 5-year loss runs and completed application along with all applicable supplements.

1. a. Agency's **Legal Entity Name:** *(proposed First Named Insured)*

b. Organization Type: Individual Partnership Corporation LLC Other: _____

c. Federal Employer/Tax ID No.: _____

d. Is the agency a member of the state independent insurance agents' association? Yes No
If Yes, provide agency active directory ID No.: _____

e. Date entity established*: ____/____/____ *(month/day/year)*

***If less than 3 years, attach resume and business plan**

f. Is coverage requested for any majority owned additional insurance agency entities or trade names (DBA entities) that should be listed on the policy? Yes No
If Yes, complete the **Additional Entity Supplement** for all entities not currently listed on your current Westport policy.

2. a. **Street Address** (Primary Location):

City: _____ County: _____ State: _____ Zip: _____ - _____

b. **Mailing Address** *(if different from 2.a.):*

City: _____ State: _____ Zip: _____ - _____

c. (1) Additional locations? Yes No

If Yes, number of additional locations? 1 2 3 4 or more?

(2) Any locations outside your primary state of domicile? Yes No

3. a. Name of individual designated as agency E&O contact: _____

b. Phone: (____) _____ c. Fax: (____) _____ d. E-Mail Address: _____

e. Website Address: _____ f. Does website contain a privacy statement? Yes No

g. Does website collect personal data (i.e. SSN, DOB) of others? Yes No

4. During the last 5 years, has there been:

a. **Change in agency name?** Yes No **If Yes**, previously reported to us? Yes No

b. **Change in agency ownership?** Yes No **If Yes**, previously reported to us? Yes No

c. **Cluster/alliance participation?** Yes No **If Yes**, previously reported to us? Yes No

d. **Acquisition/merger of book or agency?** .. Yes No **If Yes**, previously reported to us? Yes No

A supplement is needed for all changes not previously reported.

5. License(s) held by Agency or Agency Personnel:

Agent/Agency MGA Broker Surplus Lines Broker Consultant Third-Party Administrator

Other professional licenses: _____

| | Last 12 Months | Next 12 Months (Estimated) |
|--|-----------------------|-----------------------------------|
| 6. a. Total P&C new & renewal premiums written annually | \$ _____ | \$ _____ |
| b. Total P&C new & renewal annual commissions | \$ _____ | \$ _____ |
| c. Total Life and A&H new & renewal annual commissions | \$ _____ | \$ _____ |

7. a. Number of Personnel: **(each individual should be counted only once)**

| | Full-Time | Part-Time |
|---|-----------|-----------|
| Active Owners, Officers, Partners | | |
| Licensed Employee Solicitors, Brokers, Agents | | |
| Licensed CSR's | | |
| Non-Licensed CSR's | | |
| Other Licensed Employees (Including Clerical) | | |
| Non-Licensed Employees (Including Clerical) | | |
| Exclusive, Non-Employee Producers | | |
| Non-Exclusive, Non-Employee Producers | | |
| TOTAL STAFF: | | |

- b. What % of licensed staff have agency experience? Less than 3 yrs. _____% 3-5 yrs. _____% >5 yrs. _____%
- c. What was the average turnover rate for the last three years? _____%
- d. What percent of agency personnel have insurance designations (i.e. CPCU, ARM, CIC)? _____%

8. a. Type and Percentage of Insurance Placed (complete Current Year if different from Prior Year):

| Commercial Lines (% of Total P&C Premiums) | Current Year | Prior Year | Life Insurance & Annuities (% of Total Life/A&H Commissions) | Current Year | Prior Year |
|---|--------------|------------|---|--------------|------------------|
| Commercial Auto | % | | Annuities - non-variable | % | |
| BOP/CGL/Package | % | | Annuities - variable | % | |
| Umbrellas/Excess | % | | Credit Life | % | |
| Property Coverage | % | | Group | % | |
| Crop Coverage | % | | Individual | % | Company Use Only |
| Workers Compensation | % | | Other (List): | % | |
| Flood | % | | | % | |
| Wet Marine | % | | | % | |
| Livestock Mortality | % | | A & H Insurance | | |
| Medical Malpractice | % | | Group – Carrier Insured | % | |
| Professional Liability Non-Medical | % | | Group – Self-Insured | % | |
| Aviation | % | | HMO/PPO/DSP | % | |
| Bonds - Surety/Contract | % | | Individual | % | |
| Bonds - other | % | | Disability – Individual | % | |
| Long-Haul Trucking | % | | Disability – Group | % | |
| Other (List): | % | | Other (List): | % | |
| | % | | | % | |
| | % | | | % | |
| TOTAL COMMERCIAL LINES: | % | | TOTAL Life, Annuities, A&H | 100% | |
| Personal Lines | | | | | |
| Auto-Standard | % | | | | |
| Auto-Non-Standard | % | | | | |
| Auto-Assigned Risk | % | | | | |
| Homeowners & Standard Fire | % | | | | |
| Non-Standard Fire/FAIR Plan | % | | | | |
| Watercraft | % | | | | |
| Umbrella | % | | | | |
| Flood | % | | | | |
| Farmowners | % | | | | |
| Other (List): | % | | | | |
| | % | | | | |
| TOTAL PERSONAL LINES: | % | | | | |
| COMMERCIAL + PERSONAL | 100% | | | | |

b. Does the agency place insurance in more than 3 non-resident states? Yes No

If Yes, do the agency personnel have more than 3 years experience placing coverages in those states? Yes No

c. For all lines of business, what is the approximate number of policies in force? _____

9. a. List the top 5 agency-contracted **Property & Casualty Insurance Carriers** by annual premium:

| Complete Name of Insurance Carrier | Years Represented | Annual Premium |
|------------------------------------|-------------------|----------------|
| | | \$ |
| | | \$ |
| | | \$ |
| | | \$ |
| | | \$ |

- b. (1) Indicate approximate amount of business agency places with carriers that are:

Rated less than B+ by AM Best: _____% Non-Admitted: _____%
 Not Rated (NR) by AM Best: _____% if "Not Applicable"

- (2) Does the agency have a procedure to notify policyholders of carrier's rating or adverse change? Yes No

- c. Have any carriers terminated your contract for reasons **other** than for lack of production or market withdrawal in the last 5 years? Yes No
If Yes, attach a full explanation for each.

10. a. Percentage of **Property & Casualty** business placed:

(1) **Directly with carriers** (other than as a broker, MGA, or surplus lines broker) _____%
 (2) **Through any other third party** (i.e. a wholesaler, surplus lines broker, other retail agencies) _____%
 (3) **As a broker** (including surplus lines) _____%
 (4) **As an MGA** _____%
 Number of sub-producers? _____ **TOTAL: 100%**
 Are E&O Certificates of Insurance required from all sub-producers? Yes No

- b. List agency's top 5 **Property & Casualty Brokers, MGA's or Intermediaries** by annual premium: (if "None")

| Name of Broker, MGA or Intermediary Through | Annual Premium |
|---|----------------|
| | \$ |
| | \$ |
| | \$ |
| | \$ |
| | \$ |

11. In the past 5 years, has the agency placed coverage for any petroleum exposures, including, but not limited to, service, extraction, exploration, development, production, transportation, delivery, or storage thereof? Yes No
If Yes, Number of Accounts: _____ Annual Premium: \$ _____

12. In the past 5 years, has the agency placed coverage for hazardous waste removal, storage or treatment? Yes No
If Yes, Number of Accounts: _____ Annual Premium: \$ _____

13. In the past 5 years, has the agency placed reinsurance? Yes No
 If Yes, latest 12 months premium? \$ _____

14. In the past 5 years, has the agency provided or been involved in any of the following?

| | Yes* | No | Annual Income |
|--|--------------------------|--------------------------|---------------|
| Captive Management services | <input type="checkbox"/> | <input type="checkbox"/> | \$ |
| Self-Insured Captives or Funds design or formation | <input type="checkbox"/> | <input type="checkbox"/> | \$ |
| Risk Retention Groups (RRG) services, design or formation | <input type="checkbox"/> | <input type="checkbox"/> | \$ |
| Multiple Employer Trusts (MET) or Multiple Employer Welfare Arrangements (MEWA) design, formation or administration? | <input type="checkbox"/> | <input type="checkbox"/> | \$ |

* For each "Yes" answer, attach a detailed explanation to include: full information on the facility names, the relationship with the agency, any services or administrative duties provided by the agency, and the insurance coverages provided. Include copies of any promotional literature.

15. Does the agency perform any of the following?

| | Yes | No | Revenue | <input type="checkbox"/> <input checked="" type="checkbox"/> If Coverage Desired |
|---|--------------------------|--------------------------|---------|--|
| Actuarial Services | <input type="checkbox"/> | <input type="checkbox"/> | \$ | |
| Claims Adjustment Services outside carrier draft authority | <input type="checkbox"/> | <input type="checkbox"/> | \$ | <input type="checkbox"/> |
| Human Resources Consulting Services | <input type="checkbox"/> | <input type="checkbox"/> | \$ | <input type="checkbox"/> |
| Legal Services | <input type="checkbox"/> | <input type="checkbox"/> | \$ | |
| Tax Consulting | <input type="checkbox"/> | <input type="checkbox"/> | \$ | |
| Title Agency Services | <input type="checkbox"/> | <input type="checkbox"/> | \$ | |
| Premium Finance Company Services provided for agency policyholders | <input type="checkbox"/> | <input type="checkbox"/> | \$ | |
| Premium Finance Company Services (other than for agency policyholders) | <input type="checkbox"/> | <input type="checkbox"/> | \$ | |
| Fee-Based Services To Other Insurance Agencies | <input type="checkbox"/> | <input type="checkbox"/> | \$ | |
| Wellness Provider Services | <input type="checkbox"/> | <input type="checkbox"/> | \$ | <input type="checkbox"/> |
| Wellness Program Referrals Name of Wellness Provider: | <input type="checkbox"/> | <input type="checkbox"/> | \$ | <input type="checkbox"/> |
| COBRA Administration | <input type="checkbox"/> | <input type="checkbox"/> | \$ | <input type="checkbox"/> |
| Fee-Based Insurance Consulting | <input type="checkbox"/> | <input type="checkbox"/> | \$ | |
| Fee-Based Loss Control/Risk Management with Insurance Placed | <input type="checkbox"/> | <input type="checkbox"/> | \$ | |
| Fee-Based Loss Control/Risk Management without Insurance Placed | <input type="checkbox"/> | <input type="checkbox"/> | \$ | <input type="checkbox"/> |
| Loan Origination Name of Lending Institution: | <input type="checkbox"/> | <input type="checkbox"/> | \$ | <input type="checkbox"/> |
| Pre-Paid Legal (PPL) Services Name of PPL Services Provider: | <input type="checkbox"/> | <input type="checkbox"/> | \$ | <input type="checkbox"/> |
| Mutual Fund Sales* | <input type="checkbox"/> | <input type="checkbox"/> | \$ | <input type="checkbox"/> |
| Investment/Securities Sales* | <input type="checkbox"/> | <input type="checkbox"/> | \$ | <input type="checkbox"/> |
| Real Estate Sales* | <input type="checkbox"/> | <input type="checkbox"/> | \$ | <input type="checkbox"/> |
| Safety Consultant (attach a copy of Safety Consulting contract) | <input type="checkbox"/> | <input type="checkbox"/> | \$ | <input type="checkbox"/> |
| Third-Party Administrator (attach a copy of TPA contract) | <input type="checkbox"/> | <input type="checkbox"/> | \$ | <input type="checkbox"/> |
| Motor Vehicle Title (MVTs) Services Name of MVTs Provider: | <input type="checkbox"/> | <input type="checkbox"/> | \$ | <input type="checkbox"/> |
| Professional Employer Organization (PEO) Marketing Name of PEO's: | <input type="checkbox"/> | <input type="checkbox"/> | \$ | <input type="checkbox"/> |
| Other: (describe) | <input type="checkbox"/> | <input type="checkbox"/> | \$ | <input type="checkbox"/> |

* If coverage requested, a separate supplement/application is needed for coverage consideration.

16. a. Is there any entity having a 10% or more ownership interest in the agency or any subsidiary or affiliate of the agency? **If yes, attach organization chart and complete 16. b.-f.** Yes No
If Yes, is coverage desired for insurance placement on this entity? Yes No
 (Note: If coverage is not desired for this placement, do not include the premium for such placement in 6a.)
If Yes, and if coverage is desired for placement on this entity, please complete an Insured vs Insured supplement.
- b. Entity's Name: _____ c. Ownership: _____%
- d. Entity's Operations: Bank Insurance Real Estate/Mortgage Other: _____
- e. Affiliation: Parent Company Sister Company Holding Company Joint Venture
- f. What percent of agency revenue is derived from insurance placement for affiliated companies? _____%
17. a. Does agency place insurance for any entity (**other than the agency**) which the agency or agency personnel operates, controls or manages or have 10% or more ownership interest? Yes No
- b. Does agency place insurance for any entity (**other than the agency**) in which agency personnel is an officer or director? Yes No

18. Office Procedures for all locations:

| | | Yes | No |
|---|------------------------------|--------------------------|--------------------------|
| a. Are incoming documents date-identified? | | <input type="checkbox"/> | <input type="checkbox"/> |
| b. Does the agency maintain a policy expiration list? | | <input type="checkbox"/> | <input type="checkbox"/> |
| c. Is there a procedure to use a coverage checklist on commercial proposals? | | <input type="checkbox"/> | <input type="checkbox"/> |
| d. Is there a procedure to maintain written documentation of all rejections of coverage? | | <input type="checkbox"/> | <input type="checkbox"/> |
| e. Is there a procedure to periodically review renewal risks for needed changes in coverage? | | <input type="checkbox"/> | <input type="checkbox"/> |
| f. Is there a procedure to document that policies and endorsements are checked for accuracy prior to delivery? | | <input type="checkbox"/> | <input type="checkbox"/> |
| g. Is there a procedure for documenting telephone conversations? | | <input type="checkbox"/> | <input type="checkbox"/> |
| h. Does agency use a diary/suspense/follow-up procedure? If Yes, confirm type: <input type="checkbox"/> Automated Procedure <input type="checkbox"/> Non-Automated Procedure | | <input type="checkbox"/> | <input type="checkbox"/> |
| i. Does applicant have a specific orientation program for new employees? | | <input type="checkbox"/> | <input type="checkbox"/> |
| j. If multiple office locations, do all locations use a centralized agency management system? | <input type="checkbox"/> n/a | <input type="checkbox"/> | <input type="checkbox"/> |
| k. If multiple office locations, do all locations use same workflow procedures? | <input type="checkbox"/> n/a | <input type="checkbox"/> | <input type="checkbox"/> |
| l. Do you encrypt or use other measures to protect personal data when transmitted? | | <input type="checkbox"/> | <input type="checkbox"/> |

19. Have required agency personnel participated in a Westport/IIABA state-sponsored Errors and Omissions Loss Control Seminar in the past 3 annual policy terms? Yes No

20. a. Has agency had an Errors and Omissions Audit? Yes No

b. If Yes, were all recommendations implemented? Yes No

c. Name of audit firm: _____ d. Date of audit: ____/____/____

21. **Potential claims:** If this is a new business application, after inquiry of each agency personnel, are there any known circumstances or incidents which may result in a breach of privacy claim or an errors and omissions claim being made against the agency and/or the agency's personnel? n/a Yes No

If Yes, complete a Claim Supplement for each potential claim.

22. **Actual claims:** Have any breach of privacy claims or errors and omissions claims or incidents been made against the agency or any of its past or present personnel or predecessor agency, within the last 5 years? Yes No

If Yes, what is the total number of these claims not previously reported to Westport? _____

Complete a Claim Supplement for each claim/incident. (Claim supplement not required for claims or incidents previously reported to Westport Insurance Corporation's Claims Dept.)

23. Has the agency paid an uninsured loss out of agency funds within the last 5 years? Yes No

If Yes, what is the total number of losses? _____

Complete a Claim Supplement for each incident. (Claim supplement not required for claims or incidents previously reported to Westport Insurance Corporation's Claims Dept.)

24. Has any policy or application for Errors and Omissions insurance on behalf of the applicant or any of its past or present owners, officers, partners or employees or solicitors, or to the knowledge of the applicant, on behalf of its predecessors in business, ever been declined, canceled or renewal refused within the last 5 years? Yes No

If Yes, please indicate: Year(s): _____

Reason: Claim Experience Carrier Withdrew From Market Agency Operations Non-Payment
 Other (Describe): _____

25. In the last 5 years, have any past or present agency personnel been the subject of complaints filed, investigations and/or disciplinary action by any insurance or other regulatory authority or convicted of a criminal activity? Yes No

If Yes, provide a copy of the action pending or taken by the disciplinary body or judicial system.

26. Please provide the following on the agency's prior 5 years of professional liability insurance: (✓ if "None")

| Name of Carrier | Expiration Date | Limit Each Claim | Deductible Each Claim | Premium | Policy Retro Date (if "Full Prior Acts", ✓ box) |
|-----------------|-----------------|------------------|-----------------------|---------|---|
| | / / | \$ | \$ | \$ | / / <input type="checkbox"/> |
| | / / | \$ | \$ | \$ | / / <input type="checkbox"/> |
| | / / | \$ | \$ | \$ | / / <input type="checkbox"/> |
| | / / | \$ | \$ | \$ | / / <input type="checkbox"/> |
| | / / | \$ | \$ | \$ | / / <input type="checkbox"/> |

27. Requested Effective Date: ____/____/____

28. Requested Limit of Liability: Each Claim: \$ _____ Annual Aggregate: \$ _____

29. Requested Deductible: \$2,500 \$5,000 \$7,500 \$10,000 \$15,000 \$25,000 \$50,000

30. Optional Coverage: Employment Practices Liability requested (*separate application required.*)

31. **REMARKS:**

NOTICE TO APPLICANT

I hereby authorize the release of claim information from any prior insurer to us.

I understand and accept that the policy applied for provides coverage on a claims-made basis for only those claims that are made against the insured while the policy is in force and that coverage ceases with the termination of the policy. All claims will be excluded that result from any acts, circumstances or situations known prior to the inception of coverage being applied for, that could reasonably be expected to result in a claim.

For your protection, the following Fraud Warnings are required to appear on this application.

Applicable in Arkansas

Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

Applicable in Colorado

It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance, and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado division of insurance within the department of regulatory agencies

Applicable in District of Columbia

It is a crime to provide false or misleading information to an insurer for the purpose of defrauding the insurer or any other person. Penalties include imprisonment and/or fines. In addition, an insurer may deny insurance benefits if false information materially related to a claim was provided by the applicant.

Applicable in Florida

Any person who knowingly and with intent to injure, defraud or deceive any insurer, files a statement of claim or an application containing any false, incomplete or misleading information is guilty of a felony of the third degree.

Applicable in Hawaii

For your protection, Hawaii law requires you to be informed that presenting a fraudulent claim for payment of a loss or benefit is a crime punishable by fines or imprisonment, or both.

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.

Applicable in Louisiana

Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

Applicable to New Jersey

Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties.

Applicable to New Mexico

Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to civil fines and criminal penalties.

Applicable to Ohio

Any person who, with intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud.

Applicable in Oklahoma

Any person who knowingly, and with intent to injure, defraud or deceive any insurer, makes any claim for the proceeds of an insurance policy containing any false, incomplete or misleading information is guilty of a felony.

Applicable in Oregon

Any person who, with intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement may be guilty of insurance fraud.

Applicable in Pennsylvania

Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim 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 and subjects such person to criminal and civil penalties.

Applicable in Maine/Tennessee/Virginia

It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines and denial of insurance benefits.

Applicable in all Other States

Any person who knowingly files an application for insurance or statement of claim 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 and also punishable by criminal and/or civil penalties in certain jurisdictions.

Applicant understands and agrees that the completion of the application does not bind Westport Insurance Corporation to issuance of an insurance policy.

THE APPLICATION MUST BE SIGNED AND DATED BY AN OWNER, OFFICER OR PARTNER.

By checking this block I affirm that all changes and entries made to the application, unless otherwise noted, were approved by the undersigned on the date of signature below.

Signature: _____

Date: ____/____/____

Name: _____
(Please Print)

Title: _____

The applicant understands and agrees that she or he is obligated to report any changes in the information provided in this application which occur after the date of the application.

Agency Questionnaire

This questionnaire is to make you aware of additional services available to IIAI members.

- **Agents Umbrella:** Do you currently have an umbrella policy? Yes No
Would you like information on our umbrella market(s)? Yes No
- **Employment Practices Liability:** Do you currently carry EPL coverage? Yes No
Would you like information on EPL coverage with Westport or Fireman's Fund? Yes No
- **Life & Health Products:** Did you know that IIAI offers a variety of products such as Dental, Life, LTD, STD, and Retirement Planning? Yes No
Would you like more information? Yes No **MEMBER-ONLY BENEFIT**
- **Big I Markets:** Have you ever accessed Big I Markets to find markets for your clients? Yes No
If no, would you like to find out more about this exclusive FREE member benefit? Yes No
MEMBER-ONLY PRODUCT
- **E&O Loss Control:** Does your agency take advantage of the Loss Control Seminar Attendance Credit through Westport or Fireman's Fund? Yes No
If yes, did you know that the attendance requirements changed as of 9/1/09? Yes No
Please check your records – if you are due to renew your credit, please contact IIAI to find out what the attendance requirements will be for your agency. **MEMBER-ONLY DISCOUNT**
- **E&O Risk Management Website:** Have you accessed this valuable website? Yes No
This website is exclusive to IIAI member Westport/Swiss Re policyholders. This portal is designed to help your agency avoid costly E&O claims and improve agency operations. It includes practical agency E&O claims prevention information and tools. Go to [.independentagent/](#) and use your IIAI login to enter. **MEMBER-ONLY BENEFIT**
- **Producer Online:** Have you purchased a discounted IIAI member subscription for this coverage recommendation and checklist product? Yes No
Visit [.bigi.](#) and learn more about Producer Online access to industry and coverage narratives, coverage and exposure checklists and analysis, sample correspondence, and more.
MEMBER-ONLY DISCOUNT

Thank you very much for completing this questionnaire. **Please return with your submission.**

Your name: _____

Agency Name: _____

Date: _____