

Pro-Form Insurance Services (B.C.) Inc.

APPLICATION FOR INSURANCE AGENTS/BROKERS ERRORS & OMISSIONS INSURANCE

1. Full Name of Applicant: _____

In the existence of more than one legal entity, please specify the relationship amongst each (please be aware that the policy cannot be shared without any financial interest):

(Please be aware that the policy cannot be shared without any financial interest.)

Mailing Address: _____

Contact Person: _____

Website (if applicable): _____

Business Phone: _____ Business Fax: _____

2. Date Firm Established: _____
Year Month Day

3. Address of Branch(es): *Please specify in each case whether the branch office holds an individual license.*

- | | |
|------------------------------------|------------------------------|
| a) Name / Address / Contact Person | Individual license: Yes / No |
| b) Name / Address / Contact Person | Individual license: Yes / No |
| c) Name / Address / Contact Person | Individual license: Yes / No |
| d) Name / Address / Contact Person | Individual license: Yes / No |

4. Predecessor Firms

List all predecessor names, firms, businesses purchased or dissolved where the Applicant is responsible for and providing coverage for professional liability insurance.

Note - Predecessor firms must be listed herein in order for coverage to be available to these entities.

Name of Firm	Date Established	Date Operations Ceased

5. During the last two years, has the Insured Organization or any subsidiary been involved with, or in the next twelve months, is the Insured Organization or any Subsidiary contemplating or anticipating:

- a) Any actual or proposed merger, acquisition or divestment? Yes No
- b) Any redundancies, staff reductions or facility closings? Yes No

6. (a) Has the Applicant purchased errors and omissions liability insurance in the past?
Yes No

(b) If yes, please provide the following specifics for the past three years:

Insurer	Policy Period	Expiring Premium	Limit	Deductible
		\$	\$	\$
		\$	\$	\$
		\$	\$	\$

7. Has any application for similar insurance on your firm's behalf or any of its partners, executive officers, director, agents or brokers (whether employees or independent contractors) or on behalf of any predecessors in business ever been declined, cancelled or renewal refused?
Yes No

8. (a) Has the Applicant or any staff member /employee of any of the licensed entities declared above, ever been the recipient of any allegation of professional negligence in writing or verbally?
Yes No

(b) Is the Applicant or any staff member / employee of any of the licensed entities declared above, aware of any facts, circumstances or situations which could possibly give rise to a claim, other than as declared in 8(a) ?
Note, Should there be knowledge of any fact, circumstance, or situation of any claim not disclosed herein, coverage for that particular claim will be excluded.
Yes No

(c) Has the Insured Organization experienced any formal employee complaints or employment related litigation in the past two years?
Yes No

(d) Is the Insured Organization, its directors, officers or employees presently subject to any judicial or administrative order, decree, judgement or conciliation agreement relating to employment?
(Describe the type of allegation, the court or agency involved and any determination, judgment, defense cost or settlement in each case.)
Yes No

Note, Should there be knowledge of any fact, circumstance, or situation of any claim not disclosed herein, coverage for that particular claim will be excluded.

9. Has any owner, officer, director, partner, employee or producer of the firm been the subject of disciplinary action by any insurance authority?

Yes No

10. (a) Please specify on Schedule A (attached herein) all particulars for all licensed individuals excluding those solely engaged in life insurance

- (b)
- (i) Provide the names of agents engaged solely in life insurance;
 - (ii) Provide the names of agents who carry both a life and general insurance license;
 - (iii) Do they carry other E&O coverage elsewhere?
 - (iv) If yes, please advise with which Insurer?

(e) State the number of all other full-time or part-time employees [not already included in 9 (a) or (b)]: _____

(f) Total staff: _____

11. Provide the following information for Brokers or other intermediaries with whom you do business:

Broker	Licensed in all Provinces where you do business?	Insurance Company	Licensed Carrier?	Annual Premium
	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>	\$
	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>	\$
	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>	\$
	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>	\$

12. List all insurance companies with which the Applicant maintains an agency contract:

13. Does Applicant do business with other insurance companies, brokers or specialty markets? If yes list below.

14. List insurance carriers with whom brokerage contracts have been terminated in the last five years, and provide the reason why such contracts have been terminated:

15. Please provide your current and estimated revenues:

	Present Year	Estimated Next Year
(a) Total gross annual premium volume (excluding Life & A&H)	\$	\$
(b) P/C Commission	\$	\$
(c) Total gross annual Life/A&H Commissions	\$	\$
(d) Government Auto Plans Commission (BC, MB, SK)	\$	\$
(e) Income from other sources*	\$	\$

* Please specify: _____

16. (a) Percentage of Brokerage Business by Premium Volume:

Personal Lines ____%		Commercial Lines ____%	
Automobile	%	Property/Casualty	%
Property	%	Automobile	%
Marine Pleasure Craft:	%	Surety	%
Other *Please Specify:	%	Wet Marine	%
		Farms	%
		Aviation	%
		Other * Please Specify:	%

(b) Total number of policies: _____

17. Please specify percentage of business placed as:

Agent ____% Managing General Agent ____% Broker ____%

Surplus Lines Broker ____% Reinsurance ____%

18. What percentage of brokerage business is received from non-employee producers? ____%

19. Are there other programs managed by the Applicant?

Yes No

20. Provide a detailed explanation if the applicant is/or has been affiliated with or engaged in any of the following business or professions:

Reinsurance Intermediary	Yes <input type="checkbox"/> No <input type="checkbox"/>	Adjustment Service	Yes <input type="checkbox"/> No <input type="checkbox"/>
Third Party Administration	Yes <input type="checkbox"/> No <input type="checkbox"/>	Insurance Company	Yes <input type="checkbox"/> No <input type="checkbox"/>
Safety & Engineering Service	Yes <input type="checkbox"/> No <input type="checkbox"/>	Actuarial Services	Yes <input type="checkbox"/> No <input type="checkbox"/>
Premium Financing Company	Yes <input type="checkbox"/> No <input type="checkbox"/>	Financial Planning	Yes <input type="checkbox"/> No <input type="checkbox"/>
Real Estate Appraisal Firm	Yes <input type="checkbox"/> No <input type="checkbox"/>	Real Estate Agency	Yes <input type="checkbox"/> No <input type="checkbox"/>
Securities/Mutual Funds	Yes <input type="checkbox"/> No <input type="checkbox"/>	Risk Management	Yes <input type="checkbox"/> No <input type="checkbox"/>
Bank or Trust Company	Yes <input type="checkbox"/> No <input type="checkbox"/>	Mortgagor/Mortgagee	Yes <input type="checkbox"/> No <input type="checkbox"/>

21.

- a) Does the brokerage use a computer or data processing system in its operation? Yes No
- b) Is the brokerage on-line with any carrier? Please list Yes No
- c) Does the brokerage utilize the internet? Yes No
- d) Does the brokerage have a Home Page and/or Web Site? Yes No
- e) If yes, is it utilized for marketing purposes? Yes No
- f) If yes, is it utilized for sales? Yes No
- g) If yes, are applications completed/submitted via the internet? Yes No
- h) Does the Insured maintain anti-virus and malware prevention solutions on the Insured's computer system and update the protection at regular intervals? Yes No
- i) Does the Insured maintain firewalls on the Insured's computer system? Yes No
- j) Does the Insured maintain and implement an ongoing patch management process to ensure timely patching of the Insured's computer system? Yes No
- k) If no to H, I, J, please provide details of security arrangements? _____
- l) Is all incoming mail date-stamped? Yes No
- m) Are all binders confirmed in writing? Yes No
- n) Are copies of binders mailed to both insured and company promptly? Yes No
- o) Is there a procedure for documenting telephone conversations? Yes No
- p) Are all applications, policies and endorsements checked for accuracy? Yes No
- q) Are files marked to ensure mortgages and lienholders are notified of cancellation or material change Yes No
- r) Is there a back up procedure available when producers are away from the office? Yes No
- s) Does the brokerage have a diary/abeyance system? Yes No
- t) Does the brokerage have a procedure manual? Yes No
- u) Does the brokerage have in-house training sessions and/or encourage employees to attend off-site training courses such as AIIC, FIIC, CIB, CAIB, CRM? Yes No
- v) Does the brokerage provide a specific orientation for new employees? Yes No
- w) With respect to companies represented, does the brokerage have regular staff meeting to review binding authority, new coverage wording change, etc.? Yes No
- x) Does the brokerage complete applications on behalf of Insureds? Yes No

- y) What is the Applicant's annual staff turnover rate?
Current Year: _____ Last year: _____
- z) How many employees have been terminated in the past 24 months? _____
- aa) How many employees have resigned in the past 24 months? _____
- bb) Does the Applicant have a Human Resources Department? Yes No
If no, how is this function handled? _____
- cc) Does the Applicant use any outside legal counsel to assist with HR issues? Yes No
- dd) Does the applicant have a Human Resources manual? Yes No
- ee) Does the Applicant distribute an employee handbook to all employees? Yes No
- ff) Does the Applicant use an employment application for all applicants? Yes No
- gg) Does the Applicant have an established termination procedure? Yes No
- hh) Does the Applicant have a written discipline program? Yes No
- ii) Does the Applicant have a grievance procedure for dealing with discrimination
Claims Yes No
- jj) Does the Applicant have a written policy against discrimination, including
Sexual harassment? Yes No
- kk) Does the Applicant have any outside directorships?
If yes, please advise how many? _____ Yes No
We may need a supplementary application completed, if the answer is yes.

22. Does the Applicant use unlicensed markets? Yes No

If "No" please proceed to Question 22., if "Yes" please answer the following:

- a) How may policies are currently placed with unlicensed markets? _____
- b) Does the Applicant obtain written consent from insureds when using unlicensed
markets? Yes No
- c) Does the Applicant place business with markets that have an A.M. Best
rating of B or lower? Yes No
- d) Please list which markets are currently being used:

23. Does Applicant provide services outside of Canada or for clients situated out of Canada?

If yes, give particulars and percentage of total income:

24. List all Provinces wherein Applicant is licensed to do business: _____

Applicants with more than one office:

25. Please indicate the number of licensed offices that you operate in BC:

26. Where agencies or firms, operating as separate legal entities, elect to comply with Council Rule 7(11) by combining their E&O insurance coverage under one blanket E&O insurance policy, the minimum coverage for the blanket E&O insurance policy must be equal to or greater than the minimum coverage requirement (\$1,000,000.00 per claim; \$2,000,000.00 aggregate) multiplied by the number of agencies or firms named on the blanket E&O insurance policy. In addition, name of brokerages/entities if different on the blanket E&O insurance policy must have a dedicated coverage limit that meets the minimum E&O requirements.:

27. (a) Amount of insurance requested in respect of each licensed entity listed above:

- \$1,000,000 per loss/\$2,000,000 per policy period
- \$2,000,000 per loss/\$4,000,000 per policy period
- \$3,000,000 per loss/\$6,000,000 per policy period
- \$4,000,000 per loss/\$8,000,000 per policy period
- \$5,000,000 per loss/\$10,000,000 per policy period
- \$10,000,000 per loss/\$20,000,000 per policy period
- \$20,000,000 per loss/\$20,000,000 per policy period
- Other: \$ _____

(b) Requested deductible in respect of each licensed entity listed above:

- \$2,500
- \$5,000
- \$10,000
- \$25,000
- Other \$ _____

28. Effective Date: _____

The Applicant declares that the above statements and particulars are true and that the Applicant has not omitted or suppressed or misstated any material facts and that, at the present time the Applicant has no reason to anticipate any claim being brought against them for any act, errors or omission on the part of them or of any Insured (other than as described herein). The Applicant certifies that this declaration is made after full enquiry and on behalf of all licensed entities listed in this Application. The Applicant agrees that this Application shall be the basis of any policy of Insurance which may be issued by the Company and shall be deemed a part thereof.

Name of Applicant: _____ Date: _____

Title: _____ Signature: _____

