

**Independent Life and Health Agents and Brokers  
Wholesale Life Brokerage Agencies  
E & O Application**

**AGENCY PRINCIPAL(S) ARE REQUIRED TO HAVE AT LEAST THREE (3) YEARS OF LIFE AND HEALTH INSURANCE EXPERIENCE TO BE CONSIDERED FOR COVERAGE.**

- PLEASE SELECT ONE:**  Applicant is a **retail life and health agency** selling directly to consumers.  
 Applicant is a **wholesale life brokerage agency** selling to other life agents.

1. Applicant's Legal Entity Name: \_\_\_\_\_
2. Address: \_\_\_\_\_ City: \_\_\_\_\_ County: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_
3. Contact Name: \_\_\_\_\_ No. of Locations: \_\_\_\_\_ State(s): \_\_\_\_\_
4. Phone: \_\_\_\_\_ Fax: \_\_\_\_\_ Website Address: \_\_\_\_\_
5. E-mail Address: \_\_\_\_\_
6. Agency is a:  Corporation  Sole Proprietorship  Partnership  LLC  Other: \_\_\_\_\_
7. Date Entity Established: \_\_\_\_\_ (If less than three years ago, you must attach a resume and business plan.)
8. Number of years industry experience of agency principal(s): \_\_\_\_\_
9. Have you had any acquisitions, mergers or cluster arrangements within the past five (5) years?  Yes  No
10. Current E&O carrier: \_\_\_\_\_ Retroactive Date: \_\_\_\_\_ Desired Effective Date: \_\_\_\_\_

**(ATTACH COPY OF CURRENT E&O DECLARATIONS PAGE FOR CONFIRMATION OF RETROACTIVE DATE)**

11. Limits currently carried: \$ \_\_\_\_\_ /\$ \_\_\_\_\_ Deductible: \$ \_\_\_\_\_ Premium: \$ \_\_\_\_\_
12. Please provide the following based on the last 12 months of operation. If new agency, provide next 12 months projection.
 

Agency Life/A & H Premium Volume:	\$ _____
Agency Life/A & H Commission Income: (Include net of any sub-producer commissions if Wholesale/BGA agency. Do not report gross sub-producer commission.)	\$ _____
Consulting/Broker Fees:	\$ _____
Mutual Funds and/or Variable Products:	\$ _____
Securities:	\$ _____
Agency P & C premium volume:	\$ _____
Agency P & C commission income:	\$ _____

13. **PLEASE COMPLETE THE ATTACHED BREAKDOWN OF AGENCY STAFF** and indicate below the total number of staff in your agency as follows (include owners, principals, partners, etc):
  - a. Number of licensed employees: \_\_\_\_\_ Of the total, how many are: Life: \_\_\_\_\_ P&C: \_\_\_\_\_ Series 6 or 7: \_\_\_\_\_
  - b. Total unlicensed employees with client contact: \_\_\_\_\_
  - c. Total Independent Non-Employee (1099) Producers who have an exclusive written contract with the Agency applying for coverage\*: \_\_\_\_\_  
*(\*NOTE: PRODUCERS WITHOUT EXCLUSIVE WRITTEN CONTRACTS ARE NOT COVERED UNDER THE POLICY.)*

14. **IF YOU ARE A LIFE WHOLESALE, BROKERAGE GENERAL AGENCY OR INSURANCE MARKETING ORGANIZATION, YOU MUST ANSWER THE FOLLOWING QUESTIONS. OTHERWISE, PLEASE PROCEED TO QUESTION 15.**
  - a. Provide the total number of non-exclusive sub-producers placing business through your agency: \_\_\_\_\_
  - b. Do you wish to provide coverage for these sub-producers for business placed through your agency?  Yes  No

15. Has the Applicant been the subject of disciplinary action or investigation as a result of professional activities?  Yes  No
16. In the past 5 years, number of E & O claims:  0  1  2  3 or more Total Amount Paid \$ \_\_\_\_\_
17. Does the Applicant have any knowledge of any potential errors or omissions claim(s)?  Yes  No
18. Has the Applicant ever had E&O coverage declined, cancelled or refused renewal? (Not applicable in MO)  Yes  No
19. During the past 5 years, has the Applicant made an "adjustment" or "goodwill payment" in settlement of any dispute?  
If yes, attach explanation concerning payments of \$500.00 or more, exclusive of company draft authority.  Yes  No

**(If yes to any of the above [#15-19], please provide details by attachment to this application )**

20. Have any employees attended an E&O loss prevention seminar or other industry related education courses within the past twelve months? If yes, provide the percentage of management staff attending: \_\_\_\_\_%  Yes  No
21. Percentage of business placed with Admitted carriers rated below B+ by A. M. Best: \_\_\_\_\_%
22. Percentage of Non-Admitted carriers rated below A- by A. M. Best: \_\_\_\_\_%
23. Percentage of carriers that are not rated by A. M. Best: \_\_\_\_\_%
24. Percentage of business placed: Direct for consumers as a retail agent \_\_\_\_\_% For other agents \_\_\_\_\_%  
(Brokerage, General Agent or Wholesaler)
25. Percentage of business placed: Through a BGA/Wholesaler \_\_\_\_\_% Direct with carriers \_\_\_\_\_%
26. Percentage of business placed with carriers that are: Admitted \_\_\_\_\_% Non-Admitted \_\_\_\_\_%
27. List top 5 insurance carriers business is placed with and the revenues (your commission) derived from placement:

INSURANCE CARRIER	REVENUES	INSURANCE CARRIER	REVENUES
1.	\$	4.	\$
2.	\$	5.	\$
3.	\$		

28. Please indicate the percentage of the commission or fees derived from each line of business listed below:

**THE TOTAL OF ALL LINES OF BUSINESS LISTED MUST EQUAL 100%**

LIFE, ACCIDENT & HEALTH, MUTUAL FUNDS, VARIABLE PRODUCTS, ETC.		SECURITIES (Series 7) <i>Securities coverage offered by endorsement with a sub-limit of \$1m/\$1m and \$5,000 per claim deductible</i>	
Individual Life		Registered Investment Advisor Fees	
Group Life		Stocks	
Individual Accident & Health		Bonds, Investment Grade	
Group Accident & Health-Fully Insured		Bonds, All Other	
Group Accident & Health-Self Insured		Unregistered Securities	
Long Term Care		Unit Investment Trusts	
Equity Indexed Annuities (EIA)		Limited Partnerships	
HMO/PPO/DSP		REITs	
Fixed Annuities		1031 Exchanges	
Structured Settlement Annuities		Private Placement Offerings	
Variable Annuities		Broker/Dealer Fees	
Variable Life		Other (Describe):	
Mutual Funds			
Life Settlement Transactions/Viaticals		<b>OTHER SERVICES</b>	
Employee Benefit Plan Administration		Property and Casualty Insurance	
Actuarial Services		(Complete Supplement B attached if seeking coverage for these activities which are excluded under the base policy.)	
412(i) and 419 Plans			
Other (Describe):			
<b>TOTAL OF ALL LINES OF BUSINESS SHOULD EQUAL 100%</b>			<b>100%</b>

29. Is there any coverage placed, or involvement with or responsibility as an administrator for self-insured trusts captives or risk retention groups, risk purchasing groups, PEO's, Multiple Employer Trusts (MET) or Multiple Employer Welfare Arrangements (MEWA)?  Yes  No

30. Office Procedures (Loss Control credits may be available in this area.)

- a. Is proof of errors & omissions liability insurance required from agents/brokers and/or sub-agents/brokers that place business with your agency?  N/A  Yes  No
- b. Is there an in-house policy/procedures manual in use?  Yes  No
- c. Is there a procedure for documenting phone conversations?  Yes  No
- d. Is all incoming mail date stamped?  Yes  No
- e. Are there procedures that preserve the confidential nature of client's information?  Yes  No
- f. Is there an in-house training program for employees?  Yes  No
- g. Is there a procedure or checklist used in reviewing client coverage/limit requirements?  Yes  No
- h. Are written or electronic records maintained outlining details of all critical conversations, including verbal Instructions and oral agreements?  Yes  No
- i. Does the applicant document client's acceptance and rejection of offers, coverage, conditions and limitations?  Yes  No
- j. Are policies/endorsements checked against the application and other client requests for coverage prior to delivery to clients?  Yes  No

If you have answered "No" to any of the questions in 30. above, please explain:

31. Desired Limits of Liability (each claim/aggregate limit applies):

\$1,000,000/\$1,000,000  \$1,000,000/\$2,000,000  \$1,000,000/\$3,000,000  Other: \_\_\_\_\_

32. Desired Deductible (each claim/aggregate deductible applies):

\$2,500/\$7,500  \$5,000/\$15,000  \$10,000/\$30,000  Other: \_\_\_\_\_

33. Optional Coverage - Personal Production

Personal Production is coverage afforded to licensed employees of an insured entity upon authorization by agency management for Personal Production. Personal Production is only available to agency principals and employees.

- a. Do you desire coverage for Personal Production?  Yes  No
- b. How many principals or employees within your firm write personal production?
- c. Is revenue from Personal Production less than 5% of the total agency revenue?  Yes  No
- d. Have any of the individuals applying for Personal Production coverage had a claim involving their Personal Production in the past 5 years?  Yes  No

**NOTE: Coverage for Personal Production will be limited to the products and services as defined in the policy.**

**PROVIDE A COPY OF THE APPLICANTS INSURANCE AGENT'S ERRORS AND OMISSIONS CARRIER LOSS RUNS FOR THE PAST 5 YEARS. THE LOSS RUNS MUST BE DATED WITHIN THE PAST 60 DAYS.**

It is agreed that if any applicant or director, officer, manager, member, partner, employee or agent of the applicant for whom coverage is being applied for has knowledge of any information concerning any such fact, circumstance, situation, act, error or omissions, whether or not identified in response to Question 16 or 17, any claims arising therefrom is hereby excluded from coverage under the policy, if issued.

It is hereby agreed that the information provided above is true and correct, and is material in deciding whether to issue the above coverage to the Applicant.

**MUST BE SIGNED AND DATED BY OWNER, PARTNER OR SENIOR OFFICER OF THE AGENCY APPLYING FOR COVERAGE**

Name: \_\_\_\_\_ Title: \_\_\_\_\_  
(Print Name) (Print Title)

Signature: \_\_\_\_\_ Date: \_\_\_\_\_  
(Owner, Partner or Senior Officer) (Month/Day/Year)

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## Fraud Warning

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Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or submits a 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.

<b>Arkansas Fraud Warning</b>	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.
<b>Colorado Fraud Warning</b>	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 policy holder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to a settlement or award payable from the insurance proceeds shall be reported to the Colorado Division of Insurance with the department of regulatory agencies.
<b>District of Columbia Applicants</b>	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 an applicant.
<b>Florida Fraud Warning</b>	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.
<b>Hawaii Warning</b>	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.
<b>Kentucky Fraud Warning</b>	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.
<b>Louisiana Applicants</b>	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.
<b>Maine Applicants</b>	It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties may include imprisonment, fines or a denial of insurance benefits.
<b>New Jersey Applicants</b>	Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties.
<b>New Mexico Applicants</b>	Any person who knowingly presents a false and 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 penalties.
<b>New York Applicants</b>	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 material fact thereto commits a fraudulent insurance act which is a crime, and shall be also subject to a civil penalty not to exceed five thousand dollars and the stated value of the claim for each violation.
<b>Ohio Applicants</b>	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.
<b>Oklahoma Applicants</b>	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 a false or deceptive statement is guilty of insurance fraud.
<b>Oregon Applicants</b>	Any person who knowingly and with intent to defraud or solicit another to defraud an insurer: (1) by submitting an application or; (2) filing a claim containing a false statement as to any material fact may be violating state law.
<b>Pennsylvania Fraud Warning</b>	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.
<b>Tennessee Fraud Warning</b>	It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purposes of defrauding the company. Penalties include imprisonment, fines and denial of insurance benefits.
<b>Virginia Applicants</b>	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.
<b>West Virginia Warning</b>	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.

**Supplemental Application A  
BREAKDOWN OF AGENCY STAFF**

**Principals, Owners, Officers and Managers:**

Name	Title	Years of Insurance Experience	Licenses Held & Year Licensed Obtained (CHECK ALL THAT APPLY AND INCLUDE YEAR LICENSED FOR EACH)			
			<input type="checkbox"/> P&C: _____	<input type="checkbox"/> Life: _____	<input type="checkbox"/> Series VI: _____	<input type="checkbox"/> Series VII: _____
			<input type="checkbox"/> P&C: _____	<input type="checkbox"/> Life: _____	<input type="checkbox"/> Series VI: _____	<input type="checkbox"/> Series VII: _____
			<input type="checkbox"/> P&C: _____	<input type="checkbox"/> Life: _____	<input type="checkbox"/> Series VI: _____	<input type="checkbox"/> Series VII: _____
			<input type="checkbox"/> P&C: _____	<input type="checkbox"/> Life: _____	<input type="checkbox"/> Series VI: _____	<input type="checkbox"/> Series VII: _____
			<input type="checkbox"/> P&C: _____	<input type="checkbox"/> Life: _____	<input type="checkbox"/> Series VI: _____	<input type="checkbox"/> Series VII: _____

**Licensed Staff – All Agents, Brokers, Registered Representatives and Employees (other than individuals listed above):**

Name	Title	Years of Insurance Experience	Licenses Held & Year Licensed Obtained (CHECK ALL THAT APPLY AND INCLUDE YEAR LICENSED FOR EACH)			
			<input type="checkbox"/> P&C: _____	<input type="checkbox"/> Life: _____	<input type="checkbox"/> Series VI: _____	<input type="checkbox"/> Series VII: _____
			<input type="checkbox"/> P&C: _____	<input type="checkbox"/> Life: _____	<input type="checkbox"/> Series VI: _____	<input type="checkbox"/> Series VII: _____
			<input type="checkbox"/> P&C: _____	<input type="checkbox"/> Life: _____	<input type="checkbox"/> Series VI: _____	<input type="checkbox"/> Series VII: _____
			<input type="checkbox"/> P&C: _____	<input type="checkbox"/> Life: _____	<input type="checkbox"/> Series VI: _____	<input type="checkbox"/> Series VII: _____
			<input type="checkbox"/> P&C: _____	<input type="checkbox"/> Life: _____	<input type="checkbox"/> Series VI: _____	<input type="checkbox"/> Series VII: _____
			<input type="checkbox"/> P&C: _____	<input type="checkbox"/> Life: _____	<input type="checkbox"/> Series VI: _____	<input type="checkbox"/> Series VII: _____
			<input type="checkbox"/> P&C: _____	<input type="checkbox"/> Life: _____	<input type="checkbox"/> Series VI: _____	<input type="checkbox"/> Series VII: _____
			<input type="checkbox"/> P&C: _____	<input type="checkbox"/> Life: _____	<input type="checkbox"/> Series VI: _____	<input type="checkbox"/> Series VII: _____
			<input type="checkbox"/> P&C: _____	<input type="checkbox"/> Life: _____	<input type="checkbox"/> Series VI: _____	<input type="checkbox"/> Series VII: _____

**Administrative/Clerical Staff:**

Name	Duties	Client Contact (Yes/No)

**ATTACH ADDITIONAL SHEETS AS NEEDED**

# Property and Casualty – Supplemental B

(To be completed if you are seeking coverage for sales of Property and Casualty Insurance)

**Applicant Name:** \_\_\_\_\_

Please indicate the percentage of the commission or fees derived from each line of business listed below. The total percentage should match the percentage of Property and Casualty Insurance listed in Question 26. of the Life & Health application)

PERSONAL LINES COMMISSION		COMMERCIAL LINES COMMISSION	
Auto (Standard)		Property (Standard)	
Auto (Non-standard)/Motorcycles		Property (Non-standard)	
Homeowners		SMP/BOP/Package	
Non-Standard Property		General Liability	
Pleasure Boats/Craft		Umbrella/Excess	
Umbrella		Auto (Standard)	
Other (Describe):		Auto (Nonstandard)	
		Long Haul Trucking	
		Workers Compensation	
		Livestock	
		Crop	
		Medical Malpractice	
		Professional Liability	
		Inland Marine	
		Wet Marine	
		Bonds – Surety	
		Bonds – All Other	
		Aviation	
		Other (Describe):	
		<b>TOTAL OF ALL LINES OF P&amp;C ACTIVITY:</b>	

Percentage of business placed with Admitted carriers rated below B+, Non-Admitted carriers rated below A- by A.M. Best OR carriers that are not rated by A.M. Best: \_\_\_\_\_%

Percentage of policies that are: Direct Bill: \_\_\_\_\_% Placed with a Carrier Service Center: \_\_\_\_\_%

Percentage of business placed through any State Administered Work Comp Funds: \_\_\_\_\_%

Are you a: Retail Agent \_\_\_\_\_% Wholesaler \_\_\_\_\_% Surplus Lines Broker \_\_\_\_\_% MGA \_\_\_\_\_%

Percentage of business placed: Direct with carriers \_\_\_\_\_% Through a Wholesaler or MGA \_\_\_\_\_%

Percentage of business placed with carriers that are: Admitted \_\_\_\_\_% Non-Admitted \_\_\_\_\_%

How many wholesalers are you contracted to write business through? \_\_\_\_\_

List top 5 P&C insurance carriers business is placed with and the revenues (your commission) derived from placement:

Insurance Carrier	Revenues	Insurance Carrier	Revenues
1.	\$	4.	\$
2.	\$	5.	\$
3.	\$		