

Escrow Agents Supplemental Application

Real Estate Agents Errors and Omissions Liability Coverage

(Attach to the appropriate completed, signed & dated Real Estate Agents Errors & Omissions Liability Application.)

Firm Name: _____

Address: _____

City: _____ State: _____ Zip: _____

a. Indicate number of staff that perform closing and escrow services in each of the following categories (if employee performs more than one function, include them only in the category of major function):

- i. Closing Agent..... _____
 - ii. Escrow Agent _____
 - iii. Attorneys _____
 - iv. All Other (includes recorders, clerical, accounting, etc.). _____
- TOTAL STAFF - _____

b. For the past year, indicate the following:

- i. Total gross revenues for closing/escrow services..... _____
- ii. Number of closings/escrows performed _____
- iii. Average value of closing/escrow properties: _____

c. Indicate the percentage of closing/escrow income derived from the following:

Residential _____%	Commercial..... _____%
Land..... _____%	Construction/Development _____%
Other (describe)..... _____%	

d. Does your firm handle any escrow transactions where your firm did not represent one of the parties in the real estate purchase transaction? Yes No.

e. Does the firm operate its Escrow Division as a separate profit center from the rest of the firms operations? Yes No.

f. Does the firm maintain a separate set of books and records for its Escrow Division? Yes No.

g. How often are your Escrow Trust accounts balanced and reconciled? _____
How do you reconcile shortages? _____

h. In areas requiring special expertise such as complex commercial and development, do you have qualified staff and/or do you consult your title underwriter? Yes No.
If "Yes" please explain procedure: _____

i. Does the firm use a separate software and operating system to run its Escrow operations apart from the rest of the firm's operations? Yes No.
Please explain. _____

j. Does any client represent more than 25% of your annual income? Yes No.
If "Yes", Explain. _____

k. Do you perform or handle any tax-deferred real estate exchanges?..... Yes No.

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- I. When providing closing/escrow services, do you:
- i. Perform escrow services according to written instruction only?..... Yes No.
 - ii. Require signatures on any changes to instructions?..... Yes No.
 - iii. Internally audit escrow files prior to closing?..... Yes No.
 - iv. Have a regular audit conducted by an independent CPA firm? Yes No.
 - v. Have procedures and records audited by title underwriter? Yes No.
 - vi. Require cashiers checks or *good funds* at or near escrow closing? Yes No.
 - vii. Document and obtain signatures from all parties when making changes or deviating from the original escrow contract? Yes No.
 - viii. Ever close without a title insurance commitment or title opinion? Yes No.
 - ix. Hold escrow funds for more than 30 days after Close of Escrow?..... Yes No.
- m. Does the firm carry a fidelity or employee dishonesty bond covering its Escrow operations?..... Yes No.
- If "Yes", please provide:*
- i. Limits: _____
 - ii. Carrier: _____
 - iii. Expiration Date: _____

If "No", please explain why the firm does not have this coverage: _____

I declare that the information provided in this supplemental application is true and accurate to the best of my knowledge, I have not withheld or misstated any material facts, and I will notify the company if the information on this supplemental application changes between the date of this supplemental application and the effective date of any insurance provided. I agree that this supplemental application does not bind the company to issue or the applicant to purchase the insurance. I further agree this supplemental application will become part of the Real Estate Errors and Omissions Liability Coverage Application.

Name: _____ Title: _____

Signature: _____ Date: _____

MUST BE SIGNED AND DATED BY A PRINCIPAL OF THE FIRM.