

Please complete this application answering all questions. An incomplete application cannot be processed. Completion of this application neither binds coverage nor guarantees that a policy will be issued. To use this form, you may mouse click on or select a field and move between fields using the tab key.

**INSTRUCTIONS TO THE APPLICANT:**

- This application is for California only.**
- The application must be signed and dated by an owner or officer of the applicant.
- If more space is required to answer a question, please attach a separate sheet or continue on letterhead.

**I. GENERAL INFORMATION**

1. Name of Applicant: (Please include the complete name of any agency, firm, franchisee operation or DBA's under which you operate):
2. Has there been any change in name, address, ownership or operation within the past year or do you anticipate such changes within the next year? If **YES**, please explain including the effective date.  Yes  No

**II. STAFF, OPERATIONS, AND RISK MANAGEMENT**

1. Indicate the total number of Staff: a. Full-time\* Professionals: \_\_\_\_\_ b. Part-time Professionals: \_\_\_\_\_ c. Inactive Professionals: \_\_\_\_\_  
*\*Full-time is defined as earning more than \$20,000 in annual commissions or fees.*
2. Has any member of the applicant performed professional services for any other business in which they hold an ownership or managerial interest?  Yes  No
3. Did/will any client or project represent more than 25% of your gross annual revenue (past or projected 12 months)? If YES, please provide an explanation:  Yes  No
4. What percentage of transactions, over the past year, involved the applicant representing both the buyer and seller in a single transaction (in some states referred to as Dual Agency)? \_\_\_\_\_ %
5. Does the applicant, or any agent, have any exclusive listing agreements or exclusive leasing agreements with any builder/developer?  Yes  No
6. Is any member of the applicant involved in any of the following real estate activities:
  - a. General Contractor  Yes  No
  - b. Construction Manager  Yes  No
  - c. Builder/Real Estate Developer\*  Yes  No
  - d. Property Rehab or Renovations\*  Yes  No
  - e. Formation or Management of Group Investments, Syndications, REITs, Trusts, or Partnerships  Yes  No
7. Please provide the percentage for each of the following questions:
  - a. Staff members who hold either a broker's license or other Professional Designations (e.g., CCIM, GRI, CRS, MAI, SRA) \_\_\_\_\_ %
  - b. Licensees who have completed a risk reduction seminar \_\_\_\_\_ %
  - c. Licensees who have completed formal continuing education courses \_\_\_\_\_ %
  - d. Transactions included an offer to obtain a home warranty \_\_\_\_\_ %
  - e. Transactions included a home inspection on the property \_\_\_\_\_ %

**III. CLAIMS INFORMATION**

*ANSWER THE FOLLOWING QUESTIONS ONLY AFTER INQUIRING OF EACH OWNER, OFFICER, MEMBER, EMPLOYEE, AND INDEPENDENT CONTRACTOR.*

1. Has any of the above reference persons or the applicant been subject to a felony conviction, license surrender or been subject to any investigation, license revocation, suspension or other disciplinary action by any licensing board, real estate association, or other regulatory body within the past year?  Yes  No
2. After inquiring, have any claims been made against the applicant or any of the aforementioned persons within the past year?  Yes  No
3. After inquiring, are any of the aforementioned persons aware of any act, omission, personal injury, fact, circumstance, situation, or incident, which could be a basis for a claim?  Yes  No

**PLEASE NOTE:** Failure to report to your current insurance company any claim made against you during your current policy term, or facts, circumstances or events, which could give rise to a claim against you BEFORE the expiration of your current policy term, may jeopardize your coverage. This policy will not apply to any claim which any person proposed for this insurance knew of prior to the effective date of the policy or an act, error, or omission, which could be the basis of a claim.

**IV. GROSS REVENUE and AREAS OF PRACTICE**

1. Please complete the following grid providing the applicant’s gross revenue from all services offered. If newly established, please provide projections. Gross revenue is defined as all commissions and fees, before expenses or any splits with agents or appraisers.

	Areas of Practice	Past 12 Months	
		Number of Transactions or Appraisals	Gross Income
	<b>RESIDENTIAL</b>		
	Residential Property Sales (1-4 Units)		
	Residential Raw Land		
	Leasing - Residential (Property not managed)		
	Property Management - Residential		
	Agent Owned Property Transactions		
	<b>COMMERCIAL</b>		
	Commercial Property		
	Commercial Raw Land		
	Leasing – Commercial (Property not managed)		
	Property Management – Commercial		
	Business Brokerage/Sale of Business Opportunities*		
	Farm/Ranch/Vineyards (income producing)		
	Industrial Property Sales or Leasing		
	Agent Owned Property Transactions		
	<b>MISCELLANEOUS BROKERAGE SERVICES</b>		
	Auctioneering (Real Property)		
	Broker Price Opinions (BPOs)		
	Condo/Homeowners Association Management*		
	Escrow Agent (short-term for your real estate clients)		
	Mortgage Brokerage		
	Real Estate Consulting (Describe):		
	Referral Fees		
	Other (Describe):		
	<b>APPRAISAL SERVICES</b>		
	Residential Appraisals		
	Residential Appraisal Reviews		
	Residential Desktop Appraisals		
	Commercial/Industrial Appraisals*		
	Appraisal of Blueprints or Construction Draws*		
	Appraisals involving multiple properties, condominium conversions, new construction/development projects*		
	Conservation, Right-of-Way or Public Sector Appraisals*		
	Other*(Describe)		
	<b>TOTALS:</b>		

\*Supplemental Application Required

2. **PROPERTY MANAGEMENT:** Please answer the following questions for property management services offered.  N/A

Number of Units Managed: \_\_\_\_\_ Houses \_\_\_\_\_ Apartments \_\_\_\_\_ Condos \_\_\_\_\_ Office Buildings \_\_\_\_\_ Shopping Center

Does the applicant require proof that there is liability insurance in place for each property managed?  Yes  No

**IV. FRAUD WARNINGS**

FOR YOUR PROTECTION, CALIFORNIA LAW REQUIRES THE FOLLOWING TO APPEAR ON THIS FORM: ANY PERSON WHO KNOWINGLY PRESENTS A FALSE OR FRAUDULENT CLAIM FOR THE PAYMENT OF A LOSS IS GUILTY OF A CRIME AND MAY BE SUBJECT TO FINES AND CONFINEMENT IN STATE PRISON.

**V. NOTICE**

- 1. The insurance policy that you are applying to purchase is being issued by an insurer that is not licensed by the State of California. These companies are called “nonadmitted” or “surplus line” insurers.**
- 2. The insurer is not subject to the financial solvency regulation and enforcement that apply to California licensed insurers.**
- 3. The insurer does not participate in any of the insurance guarantee funds created by California law. Therefore, these funds will not pay your claims or protect your assets if the insurer becomes insolvent and is unable to make payments as promised.**
- 4. The insurer should be licensed either as a foreign insurer in another state in the United States or as a non-United States (alien) insurer. You should ask questions of your insurance agent, broker, or “surplus line” broker or contact the California Department of Insurance at the toll-free telephone number: 1-800-927-4357 or internet website [www.insurance.ca.gov](http://www.insurance.ca.gov). Ask whether or not the insurer is licensed as a foreign or non-United States (alien) insurer and for additional information about the insurer. You may also visit the NAIC’s internet website at [www.naic.org](http://www.naic.org). The NAIC – the National Association of Insurance Commissioners – is the regulatory support organization created and governed by the chief insurance regulators in the United States.**
- 5. Foreign insurers should be licensed by a state in the United States and you may contact that state’s department of insurance to obtain more information about that insurer. You can find a link to each state from this NAIC internet website: [https://naic.org/state\\_web\\_map.htm](https://naic.org/state_web_map.htm).**

6. For non-United States (alien) insurers, the insurer should be licensed by a country outside of the United States and should be on the NAIC's International Insurers Department (IID) listing of approved nonadmitted non-United States insurers. Ask your agent, broker, or "surplus line" broker to obtain more information about that insurer.
  
7. California maintains a "List of Approved Surplus Line Insurers (LASLI)." Ask your agent or broker if the insurer is on that list, or view that list at the internet website of the California Department of Insurance: [www.insurance.ca.gov/01-consumers/120-company/07-lasli/lasli.cfm](http://www.insurance.ca.gov/01-consumers/120-company/07-lasli/lasli.cfm).
  
8. If you, as the applicant, required that the insurance policy you have purchased be effective immediately, either because existing coverage was going to lapse within two business days or because you were required to have coverage within two business days, and you did not receive this disclosure form and a request for your signature until after coverage became effective, you have the right to cancel this policy within five days of receiving this disclosure. If you cancel coverage, the premium will be prorated and any broker's fee charged for this insurance will be returned to you.

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**Signature of Applicant**

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**Date**

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**Print or Type Name and Title**