

Home Inspectors New Business Application

Underwritten by The Hanover Insurance Company

NOTICE: THIS APPLICATION IS FOR A CLAIMS-MADE AND REPORTED POLICY. SUBJECT TO ITS TERMS, THIS POLICY WILL APPLY ONLY TO CLAIMS FIRST MADE AGAINST THE INSURED AND REPORTED TO THE INSURER DURING THE POLICY PERIOD OR ANY EXTENDED REPORTING PERIOD THAT MAY APPLY. PLEASE READ THE POLICY CAREFULLY TO DETERMINE RIGHTS, DUTIES, COVERAGE AND COVERAGE RESTRICTIONS.

RISK PURCHASING GROUP NOTICE

This Miscellaneous Professional Liability Risk Purchasing Group Policy may not be protected by an insurance insolvency guaranty fund in this state, and the insurer or Risk Purchasing Group may not be subject to all the insurance laws and rules of this state.

IMPORTANT NOTICE REGARDING RISK PURCHASING GROUPS

Disclosure Pursuant to Federal Law Regarding Purchasing Groups [15 U.S.C. SEC. 3901, et seq] the Norman-Spencer Real Estate Risk Purchasing Group, Inc. is a "Purchasing Group", as defined under Federal law, formed to purchase liability insurance on a group basis for its Members to cover the similar or related liability exposure(s) to which the Members of the Purchasing Group are exposed by virtue of their related, similar, or common businesses or services. Members do not share limits and each member is provided with its own policy and/or evidence of insurance.

INSTRUCTIONS

Whenever used in this application, the term Applicant shall mean the Named Insured proposed for insurance, and You or Your(s) shall mean the persons, entities and subsidiaries, proposed for insurance unless otherwise stated.

A. CONTACT INFORMATION

- 1. Full Legal Name of Applicant (include all firm names, franchise affiliations, trading names and DBAs under which the Applicant operates):
Applicant is a: Sole Proprietor Partnership Corporation LLC LLP Independent Contractor Other:
2. Mailing and Physical Address of Applicant, including contact information:
Mailing Address:
City: State: Zip Code:
Physical Address (if different):
Primary Applicant contact name:
Title: Phone #:
Email:
Website:
3. Has the Applicant ever operated under any other name?
If "Yes", please explain:
4. Is the Applicant controlled, affiliated with or owned by any other firm or business enterprise?
If "Yes", please explain:

B. GENERAL BUSINESS INFORMATION

- 5. Date Applicant was established:
6. List all states where professional services are provided:

7. Is the **Applicant** a franchisee? Yes No

Name of Franchisor: _____

8. How many inspectors (principals, employees, or independent contractors) perform professional services for the **Applicant**?

Full time: _____ Part Time: _____ Inactive: _____

9. Does the **Applicant** sub-contract out any part of the inspection service? Yes No

a. If "Yes," does the **Applicant** contractually require sub-contractors to carry Errors and Omissions insurance, including a vicarious liability extension in favor of applicant? Yes No

b. If "No", please explain: _____

C. HOME INSPECTOR INFORMATION

10. Are all Home Inspectors licensed, where required? Yes No

If "No", please explain: _____

11. Are any of **You** a handyman or licensed general contractor? Yes No

If "Yes", does the **Applicant**, any firm member, or independent contractor provide these services to any property they inspect? Yes No

12. Are any of **You** an architect or engineer? Yes No

13. Does the **Applicant** inspect any new construction? Yes No

If "Yes", please provide the percentage: _____

14. Revenue:

	Projected 12 Months		Most Recent 12 Months	
	Income	Number of Inspections	Income	Number of Inspections
Residential (1-4 units)	\$		\$	
Residential (over 4 units)	\$		\$	
Commercial	\$		\$	
Other (please explain): _____ _____ _____	\$		\$	
Total	\$		\$	

15. Sources of revenue (percentages of total), must total 100%:

Source	Percentage of Revenue
Individual Seller/Prospective Buyer/Real Estate	%
Lender/Mortgage Company/Mortgage Broker	%
Developer/Investor/Syndicator/Relocation	%
Other (please explain): _____	%

16. Does any single client represent more than 25% of the **Applicant's** total gross revenue? Yes No
If "Yes", please provide details: _____

17. Is the **Applicant** the exclusive inspector for any real estate agency, developer, and/or builder? Yes No
If "Yes", please provide details: _____

18. Is there a Pre-Inspection Agreement signed prior to each inspection? Yes No
If "Yes", please attach a sample.
19. What type of inspection report is used? (Check all that apply) Narrative Checklist Verbal
20. What type of computer software is used to generate reports? _____
21. Does the **Applicant** include photographs with all reports? Yes No
If "No", please provide details: _____

22. What professional associations does the **Applicant** belong to? _____

23. Which of the following coverages are requested? (Check all that apply)
- | | |
|--|--|
| a. Pool and spa inspections | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| b. Infrared thermal inspections | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| c. Mold inspections | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| d. Indoor air quality inspections | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| e. Septic inspections | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| f. Lead paint inspections | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| g. Exterior Insulation Finish Systems (EIFS) inspections | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| h. Green building inspections | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| i. Radon inspections | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| j. Termite/WDI inspections | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| k. Rodent inspection | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| l. Water well inspections | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| m. Wind mitigation inspections | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| n. Oil Tank Sweep inspections | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| o. 203(k) Inspection and Consulting | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| p. Bulkhead, Seawall or Dock Inspection | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| q. Draw Inspections | <input type="checkbox"/> Yes <input type="checkbox"/> No |
- For all of the above, is the **Applicant** licensed/certified to perform the service? Yes No
- Please note: Coverage does not apply for ancillary services performed without proper licensing/certification.**
24. Are the **Applicant's** computer systems protected with regularly updated firewall, anti-virus and anti-malware software? Yes No

D. INSURANCE INFORMATION

25. Please provide the following information regarding the **Applicant's** most recent insurance policies. **(Please attach a copy of the current policy Declarations Page.)**

If no coverage is currently in-force please indicate by checking this box:

Insurance Carrier		Expiration Date	Limit of Liability	Deductible	Premium
Current Year			\$ \$	\$	\$
Prior Year 1			\$ \$	\$	\$
Prior Year 2			\$ \$	\$	\$
Prior Year 3			\$ \$	\$	\$
Prior Year 4			\$ \$	\$	\$
Retroactive Date:	<i>(This is the date the Applicant first purchased claims made coverage that has been continuously in-force without interruption.)</i>				

26. During the past 5 years, has any professional liability claim or suit ever been made against the **Applicant**, any **Subsidiary** or any of the **Applicant's** current or former professional staff? Yes No
 If "Yes", please indicate how many: _____. Please submit 5 year loss runs and complete a Supplemental Claim Form for each claim.

27. Do any of **You** know of any incident, negligent act, error or omission, or other circumstance that could result in a claim or suit against the **Applicant**, any **Subsidiary** or any of the **Applicant's** current or former professional staff? Yes No
 If "Yes", indicate how many: _____ and complete a Supplemental Claim Form for each potential claim.

28. Have any of **You** ever been subject to a disciplinary inquiry, complaint, grievance, or proceeding, or had their license revoked or suspended, or been reprimanded? Yes No
 If "Yes", please provide complete details on a separate sheet.

E. REQUESTED COVERAGE

29. Limit requested:
\$100,000/\$100,000 \$100,000/\$300,000 \$250,000/\$250,000
\$250,000/\$500,000 \$500,000/\$500,000 \$1,000,000/\$1,000,000 Other: \$ _____

30. Deductible requested:
\$1,000 \$2,500 \$5,000 \$7,500 \$10,000 Other: \$ _____

F. DECLARATIONS AND NOTICE

The undersigned, acting on behalf of the **Applicant**, represents that the statements set forth in this application are true and correct and that thorough efforts were made to obtain requested information from all of **You** to facilitate the proper and accurate completion of this application.

The undersigned agree that the information provided in this application and any material submitted herewith are the representations of all of **You** and that they are material and are the basis for issuance of the insurance **Policy** provided by **Us**. The undersigned further agree that the application and any material submitted herewith shall be considered attached to and a part of the **Policy**. Any material submitted with the application shall be maintained on file (either electronically or paper) with **Us**.

It is further agreed that:

- If any of **You** discover or become aware of any material change which would render the application inaccurate or incomplete between the date of this application and the **Policy** inception date, notice of such change will be reported in writing to **Us** as soon as practicable;
- Any **Policy** issued will be in reliance upon the truthfulness of the information provided in this application.
- The signing of this application does not bind the **Applicant** to purchase insurance.

The information requested in this application is for underwriting purposes only and does not constitute notice to **Us** under any policy of a **Claim** or **Potential Claim**.

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

ATTENTION APPLICANTS IN THE FOLLOWING JURISDICTIONS

ALABAMA, ARKANSAS, DISTRICT OF COLUMBIA, LOUISIANA, MARYLAND, NEW MEXICO, RHODE ISLAND AND WEST VIRGINIA: Any person who knowingly (or willfully in MD) presents a false or fraudulent claim for payment of a loss or benefit or knowingly (or willfully in MD) presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

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.

FLORIDA AND OKLAHOMA: 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 in FL).

KANSAS: Any person who, knowingly and with intent to defraud, presents, causes to be presented or prepares with knowledge or belief that it will be presented to or by an insurer, purported insurer, broker or any agent thereof, any written, electronic, electronic impulse, facsimile, magnetic, oral, or telephonic communication or statement as part of, or in support of, an application for the issuance of, or the rating of an insurance policy for personal or commercial insurance, or a claim for payment or other benefit pursuant to an insurance policy for commercial or personal insurance which such person knows to contain materially false information concerning any fact material thereto; or conceals, for the purpose of misleading, information concerning any fact material thereto; commits a fraudulent insurance act.

KENTUCKY, OHIO AND 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.

MAINE, TENNESSEE, VIRGINIA, AND WASHINGTON: 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 and denial of insurance benefits. *Applies in ME Only.

NEW HAMPSHIRE AND NEW JERSEY: Any person who includes any false or misleading information to the best of her/his knowledge on an application for an insurance policy is subject to criminal and civil penalties.

OREGON: Any person who knowingly and with intent to defraud or solicit another to defraud the insurer by submitting an application containing a false statement as to any material fact may be violating state law.

PUERTO RICO: Any person who knowingly and with the intention of defrauding presents false information in an insurance application, or presents, helps, or causes the presentation of a fraudulent claim for the payment of a loss or any other benefit, or presents more than one claim for the same damage or loss, shall incur a felony and, upon conviction, shall be sanctioned for each violation by a fine of not less than five thousand dollars (\$5,000) and not more than ten thousand dollars (\$10,000), or a fixed term of imprisonment for three (3) years, or both penalties. Should aggravating circumstances [be]

present, the penalty thus established may be increased to a maximum of five (5) years, if extenuating circumstances are present, it may be reduced to a minimum of two (2) years.

NEW YORK: 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 civil penalties not to exceed five thousand dollars and the stated value of the claim for each such violation.

SIGNATURE OF **APPLICANT's** AUTHORIZED REPRESENTATIVE

Date

Signature**

Title

This application must be signed by the chief executive officer, president, chief financial officer, managing partner or owner of the **Applicant acting as the authorized representatives of the person(s) and entity(ies) proposed for this insurance.

Agent's Signature: _____

Produced By: Agent: _____ Agency: _____

Agency Taxpayer ID or SS No.: _____

Agent License No.: _____ Agent Signature: _____

Address (Street, City, State, Zip): _____

A POLICY CANNOT BE ISSUED UNLESS THE APPLICATION IS PROPERLY SIGNED AND DATED.