



- d. Please List:
- (i) Types of commercial accounts written (e.g., restaurants, manufacturing, light industrial, municipalities, etc.):  
 \_\_\_\_\_  
 \_\_\_\_\_
- (ii) Classes of business in which you specialize: \_\_\_\_\_  
 \_\_\_\_\_
- e. Do you place any business in or have any involvement with any self-insured captive or Risk Retention Act Program, Multiple Employer Trust or Multiple Employer Welfare Arrangement?.....[ ] Yes [ ] No  
 If yes, please describe, including premium volume and fees: \_\_\_\_\_  
 \_\_\_\_\_
- f. List the complete names of the insurance companies in which you place business and which account for at least 85% of your total premium volume. (Attach separate sheet if necessary.)
- |       |       |   |
|-------|-------|---|
| _____ | _____ | % |
| _____ | _____ | % |
| _____ | _____ | % |
- g. (i) Give number of your total staff (including part-time):
- \_\_\_\_\_ Active partners, directors, officers, owners  
 \_\_\_\_\_ Employed solicitors, brokers  
 \_\_\_\_\_ Other employees  
 \_\_\_\_\_ Total
- (ii) Provide list of names of partners or officers on a separate sheet.
- h. Reinsurance placed: Volume \$ \_\_\_\_\_
- |             |       |      |
|-------------|-------|------|
| Facultative | _____ | %    |
| Treaty      | _____ | %    |
| Total       | _____ | 100% |
- i. Do you operate outside of the U.S.A? [ ] Yes [ ] No If yes, attach a description of operations, locations and annual premium volume.

**3. APPLICANT REVENUE**

- a. What percentage of total income comes from:
- |                   |       |   |            |       |      |
|-------------------|-------|---|------------|-------|------|
| (i) Insurance     | _____ | % | Annuities: |       |      |
| Premium Financing | _____ | % | Fixed      | _____ | %    |
| Real Estate       | _____ | % | Variable   | _____ | %    |
| Mutual Funds      | _____ | % |            | _____ | %    |
| Other – specify   |       |   |            |       |      |
|                   |       |   | Total      | _____ | 100% |
- (ii) Give dollar volume of mutual funds sales in last 12 months:  
 Fees generated in the last 12 months from operations listed below:
- |                                 |          |
|---------------------------------|----------|
| Claims Adjusting                | \$ _____ |
| Counseling (Insurance Programs) | \$ _____ |
| Real Estate Appraisal           | \$ _____ |
| Engineering                     | \$ _____ |
| *Third Party Administrator      | \$ _____ |
| Administrator for Insured Plans | \$ _____ |
| Other _____                     | \$ _____ |
- \*If operations, include third party administration, supplemental application must be completed.
- (iii) Other than those listed above, are you or any of your principals engaged in any other business? ..[ ] Yes [ ] No  
 If yes, please describe. \_\_\_\_\_

(iv) Approximate percentage of the total annual volume you do as:

1. Agent	_____%	2. Retailer or Business	
Broker	_____%	direct from Insureds	_____%
Managing General	_____%	Wholesale or	
Surplus Lines Broker	_____%	Business accepted	
Consultant (for fee)	_____%	from other agents	_____%
Other (specify) _____	_____%		
<b>Must Total</b>	<u>100%</u>	<b>Must Total</b>	<u>100%</u>

b. Total **annual premium volume** for:

Surplus Lines: \_\_\_\_\_%

Assigned Risk, Governmental Pool and Fair Plan: \_\_\_\_\_%

c. Total annual premium volume:

(i) Life and Accident/Health:

1. Group Life, Accident/Health:	\$ _____	Volume _____%
2. Individual Life, Accident/Health:	\$ _____	Volume _____%
Total :	\$ _____	Volume _____%

(ii) Personal Lines:

Automobile:	\$ _____	Volume _____%
Homeowners:	\$ _____	Volume _____%
Other Personal Lines written by line:		
_____	\$ _____	Volume _____%
_____	\$ _____	Volume _____%
Total:	\$ _____	Volume _____%

(iii) Commercial Lines:

General Liability:	\$ _____	Volume _____%
Workers' Compensation:	\$ _____	Volume _____%
Commercial Auto:	\$ _____	Volume _____%
Commercial MultiPeril:	\$ _____	Volume _____%
Other Commercial Property:	\$ _____	Volume _____%
Inland Marine:	\$ _____	Volume _____%
Wet Marine*:	\$ _____	Volume _____%
Bonds - Surety:	\$ _____	Volume _____%
Bonds - All Other:	\$ _____	Volume _____%
Aviation*:	\$ _____	Volume _____%
Umbrella/Excess:	\$ _____	Volume _____%
Physicians & Hospital Professional Liability:	\$ _____	Volume _____%
Other Professional Liability/D&O:	\$ _____	Volume _____%
Other (specify):		
_____	\$ _____	Volume _____%
_____	\$ _____	Volume _____%
Total:	\$ _____	Volume _____%

\* If 20% or more of agency's volume is wet marine or aviation, supplemental application must be completed.

d. (i) Premium Volume:

	<u>Year</u>	
Two Years Prior	_____	\$ _____
One year Prior	_____	\$ _____
Current Year	_____	\$ _____
Next Year	_____	\$ _____

(ii) Commission:

Actual last fiscal year: \$ \_\_\_\_\_ through \_\_\_\_/\_\_\_\_/\_\_\_\_  
 Estimated next fiscal year: \$ \_\_\_\_\_ through \_\_\_\_/\_\_\_\_/\_\_\_\_

(iii) Premium written under your surplus lines license: \$ \_\_\_\_\_

(iv) Number of policies

Next 12 months	Current 12 months
_____	_____
_____	_____
_____	_____

e. List all insurance companies and volume of business you placed with companies having an A. M. Best Rating of B or below, or with companies not currently rated:

<u>Companies</u>	<u>Volume</u>
_____	\$ _____
_____	\$ _____
_____	\$ _____

f. What volume of total annual premium for the agency is currently placed with:

- (i) Lloyd's of London: \$ \_\_\_\_\_
- (ii) Other foreign insurers: \$ \_\_\_\_\_
- (iii) Please list foreign insurers and brokers below:

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

g. List subagents, independent contractors or office brokers (individuals paid on a commission only basis) to be NAMED as Limited Additional Insureds, and **annual premium volume** for each:

<u>Name</u>	<u>Premium Volume*</u>
_____	\$ _____
_____	\$ _____
_____	\$ _____

\*Note: This premium volume must be included in items 3(c) and 3(d).

**4. FOR MANAGING GENERAL AGENTS AND ADMINISTRATORS OF INSURED PROGRAMS**

a. List all companies for whom you are Managing General Agency or Program Administrator or have binding authority. (Attach separate sheet if necessary.)

<u>Company</u>	<u>Lines of Insurance</u>	<u>Number of Years</u>	<u>Premium Volume</u>	<u>Loss Ratio Each of Last Three Years</u>
_____	_____	_____	_____	_____% _____% _____%
_____	_____	_____	_____	_____% _____% _____%
_____	_____	_____	_____	_____% _____% _____%

b. Producers:

- (i) Number from whom you receive business: \_\_\_\_\_
- (ii) Number that you have appointed as agents with binding authority: \_\_\_\_\_ Premium Volume: \$ \_\_\_\_\_

(iii) Lines of business for which they are granted authority: \_\_\_\_\_

(iv) What supervision do you exercise over them? \_\_\_\_\_

c. List all other companies for which you have been Managing General Agent or Program Administrator or agent with binding authority in the past five years. \_\_\_\_\_

\_\_\_\_\_

d. List all functions you perform as Managing General Agent or Program Administrator or agent with binding authority, including rating, quoting, claims handling, policy issuance, etc. \_\_\_\_\_

\_\_\_\_\_

e. Specify the maximum limit and claim handling authority for each carrier with which you have binding authority:

	<u>Limits</u>	<u>Carriers</u>	<u>Claim Handling Authority</u>
Marine/Inland	\$ _____ / _____	_____ / _____	_____
Marine/Wet	\$ _____ / _____	_____ / _____	_____
Property	\$ _____ / _____	_____ / _____	_____
Casualty	\$ _____ / _____	_____ / _____	_____
Aviation	\$ _____ / _____	_____ / _____	_____
Life/Accident	\$ _____ / _____	_____ / _____	_____
Medical	\$ _____ / _____	_____ / _____	_____

**5. APPLICANT HISTORY**

a. List prior Insurance Agents & Brokers E&O coverage for the past three years. If none, state none.

Insurer	Policy Number	Limits of Liability	Deductible	Expiring Premium	Effective & Expiration Mo/Day/Yr
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

b. Has any application for similar insurance on behalf you, or any of your partners, executive officers or directors, or to your knowledge, on behalf of the predecessors in business, ever been declined, canceled or renewal refused? ..... [ ] Yes [ ] No

If yes, please explain: \_\_\_\_\_

\_\_\_\_\_

c. Have any claims been made during the past five years against you, or any of your past or present partners, officers, directors, solicitors, office brokers, or employees, any predecessors in business or against any corporation that any proposed Insured was formerly employed by, associated with or had an interest in? ..... [ ] Yes [ ] No

If yes, please attach a statement giving details and status of each claim including dales, basis of claim, amount of claim, deductibles, payments, open reserves.

d. Are you, or any of your partners, officers, directors, solicitors, office brokers or employees, aware of any circumstances or any allegations or contentions of any incident which may result in a claim against you, your predecessors in business or any past or present partner, officer, director, solicitor, office broker or employee? ..... [ ] Yes [ ] No

If yes, please attach a statement giving details.

\* NOTICE TO APPLICANT: The coverage applied for is SOLELY AS STATED IN THE POLICY, which provides coverage on a "CLAIMS MADE" basis for ONLY THOSE CLAIMS THAT ARE FIRST MADE AGAINST THE INSURED DURING THE POLICY PERIOD unless the extended reporting period option is exercised in accordance with the terms of the policy.

Any person who knowingly defrauds any insurance company by filing an application for insurance containing any false information or concealing, for the purpose of misleading, information concerning any fact thereto commits a fraudulent insurance act, which is subject to criminal and civil penalties.

WARRANTY: I warrant to the Insurer, that I understand and accept the notice stated above and that the information contained herein is true and that it shall be the basis of the policy of insurance and deemed incorporated therein, should the Insurer evidence its acceptance of this application by issuance of a policy. **I authorize the release of claim information from any prior insurer to Shand Morahan & Company, Inc., Ten Parkway North, Deerfield, Illinois 60015.**

\_\_\_\_\_  
Name of Applicant\*

\_\_\_\_\_  
Title (Officer, partner, etc.)

\_\_\_\_\_  
Signature of Applicant

\_\_\_\_\_  
Date

SIGNING this application does not bind the Applicant or the Insurer or the Underwriting Manager to complete the insurance, but one copy of this application will be attached to the policy, if issued.



**SHAND MORAHAN  
& COMPANY, INC.**

Ten Parkway North, Deerfield, IL 60015  
(847) 572-6000 Fax (847) 572-6137  
Underwriting Manager  
A Markel Company

- o DEERFIELD INSURANCE COMPANY
- o EVANSTON INSURANCE COMPANY
- o ESSEX INSURANCE COMPANY
- o MARKEL AMERICAN INSURANCE COMPANY
- o MARKEL INSURANCE COMPANY

**OFFICE PROCEDURES SUPPLEMENT FOR INSURANCE AGENTS & BROKERS**

**APPLICATION APPLICANT'S INSTRUCTIONS:**

1. Answer all questions. If the answer requires detail, please attach a separate sheet.
2. Application must be signed and dated by owner, partner or officer.
3. PLEASE READ CAREFULLY THE STATEMENTS AT THE END OF THIS APPLICATION.  
(PLEASE TYPE OR PRINT IN INK)

1. Please attach a detailed description of your diary system.
2. Please describe procedures for handling incoming mail: \_\_\_\_\_
3. Do you have a form and/or procedure for making a written record of all business-related telephone conversations and require that all employees follow that procedure? [ ] Yes [ ] No.
4. Do you maintain a policy expiration list (including Direct Bill) and make certain all policies are reviewed and replaced at expiration? [ ] Yes [ ] No.
5. a. Are verbal binders given? [ ] Yes [ ] No. If yes, how and when are verbal binders confirmed in writing? \_\_\_\_\_  
(Please attach specimen binder.)
- b. How and when is the company notified? \_\_\_\_\_
6. Do you confirm to the Insured, in writing, all declinations of coverage? [ ] Yes [ ] No
7. Do you check all policies and endorsements for accuracy and completeness before mailing? [ ] Yes [ ] No
8. Do you check all notices of cancellations to assure compliance with policy cancellation conditions and statutory requirements? [ ] Yes [ ] No
9. Do your files document the need to notify regulatory agency, mortgagee, certificate holder or others of cancellation? [ ] Yes [ ] No
10. Do you identify for special handling all monies due Assigned Risk or other pool plans? [ ] Yes [ ] No
11. Do you conduct credit checks or other investigation of new clients? [ ] Yes [ ] No
12. Are credit and other investigations made in compliance with the provisions of the Fair Credit Reporting Act? [ ] Yes [ ] No
13. How are staff members kept informed of changes in legislation, regulations and procedures that might affect your firm, clients or their insurance carriers? \_\_\_\_\_
14. How do you monitor the solvency and financial condition of the insurers with which you place business and give notice to everyone in the agency of possible insurer financial trouble? \_\_\_\_\_
15. State how and how long records are retained. \_\_\_\_\_
16. What, if any, in-house training do you do? \_\_\_\_\_
17. Do you encourage employees, through incentives, to take outside training courses such as IIA, CPCU, LOMA, etc.? [ ] Yes [ ] No
18. Do you have a formal orientation program for all new employees? [ ] Yes [ ] No
19. Do you have a procedure to provide information to Insureds whose coverage has changed from occurrence to claims made and from claims made to occurrence? [ ] Yes [ ] No

20. Has any principal, solicitor or employee ever had his/her license suspended or revoked or been investigated or disciplined by a state insurance department? [ ] Yes [ ] No. If yes, attach a detailed description.
21. Does the agency have a procedure to verify that its principals are appropriately licensed in all states in which it is doing business? [ ] Yes [ ] No

I understand that the information submitted herein becomes a part of my Insurance Agents & Brokers Errors and Omissions Application and is subject to the same representation and conditions.

Name of Applicant Agency: \_\_\_\_\_

\_\_\_\_\_  
Name of Applicant

\_\_\_\_\_  
Title (Officer, partner, etc.)

\_\_\_\_\_  
Signature of Applicant

\_\_\_\_\_  
Date