

PLEASE COMPLETE THIS SUPPLEMENTAL APPLICATION FOR THE PROFESSION SHOWN IN THE TITLE ABOVE. THIS IS A SUPPLEMENTAL APPLICATION TO THE MISCELLANEOUS PROFESSIONAL LIABILITY APPLICATION FORM MEO 101 (08/08) OR MEO 102 (08/08) WHICH MUST BE COMPLETED AND ACCOMPANY THIS SUPPLEMENTAL APPLICATION. THIS SUPPLEMENTAL APPLICATION MUST BE SIGNED BY THE SAME PERSON WHO IS REQUIRED TO SIGN THE MISCELLANEOUS PROFESSIONAL LIABILITY APPLICATION.

THIS SUPPLEMENTAL APPLICATION ALONG WITH MISCELLANEOUS PROFESSIONAL LIABILITY APPLICATION FORM MEO 101 (08/08) OR MEO 102 (08/08) ITS ATTACHMENTS AND ALL PREVIOUS APPLICATIONS SHALL SERVE AS THE BASIS FOR THE POLICY AND SHALL BECOME PART OF THE POLICY AS IF PHYSICALLY ATTACHED. THE *INSURER* RELIES ON THE APPLICATION AND THIS SUPPLEMENTAL APPLICATION IN ISSUING THE POLICY. COVERAGE IS AFFORDED ONLY IF AND TO THE EXTENT INDICATED BY THE TERMS AND CONDITIONS OF THE POLICY IF ISSUED.

1. Applicant Name (SHOULD MATCH THAT GIVEN IN ANSWER TO QUESTION #1 OF THE MISCELLANEOUS PROFESSIONAL LIABILITY APPLICATION FORM MEO 101 (08/08) OR MEO 102 (08/08))

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

2. Indicate the number of staff by categories listed below (count each person only once):

<u>Description</u>	<u>Full Time</u>	<u>Part Time</u>	<u>Total</u>
Principals	_____	_____	_____
Licensed Brokers (employees and independent contractors)	_____	_____	_____
Licensed Agents (employees and independent contractors)	_____	_____	_____
Property Management employees	_____	_____	_____
Appraisal employees	_____	_____	_____
Insurance Department employees	_____	_____	_____
Clerical employees	_____	_____	_____
Other employees (*)	_____	_____	_____
TOTAL STAFF:	_____	_____	_____

(\*) Describe duties/services/titles of all such employees: \_\_\_\_\_

\_\_\_\_\_

3. Indicate the average sales price of the prior year's closed residential sales transactions: \$ \_\_\_\_\_
4. What was the highest residential sales price in the past 12 months? \$ \_\_\_\_\_ ; highest commercial \$ \_\_\_\_\_
5. (a) Is the Applicant a member of any national franchise, referral or relocation organization?  Yes  No  
If yes, please indicate franchisor name(s): \_\_\_\_\_
- (b) Does franchisor require Applicant to insure franchisor under the policy for which you are applying?  Yes  No

6. Indicate transactions and fees and commissions before expenses and before splits with others, in these categories:

Description	Gross Revenue Last 12 Months	Number of Transactions	% Sold with Warranty	Projected Revenues Next 12 Mos.	Projected # of Transactions Next 12 Months
Residential sales (including farms)					
Commercial sales (including residential property over 5 units) and commercial agriculture.)					
Vacant land zoned for residential usage					
Residential Property Management					
Commercial Property Management					
Farm Management					
Residential Real Estate Leasing					
Commercial Real Estate Leasing					
Real Estate Consulting					
Mortgage Brokerage					
Referral					
Other (describe)					
<i>Total</i>					

7. (a) Indicate the total number of transactions in the past 12 months in which the Applicant represented both the buyer and the seller in the sale of real property: \_\_\_\_\_ .  
 (b) On a separate attachment to this Supplement, describe your risk management procedures and formalized processes undertaken to reduce potential for claims arising out of such dual representation.

8. Is the Applicant, or any subsidiary, parent or other related organization, or any officer, director or employee of Applicant or any subsidiary or other related organization, engaged in any of the following?

- Real Estate Development, Construction or Construction Management  Yes  No
- Mortgage Brokerage  Yes  No
- Mortgage Banking  Yes  No
- Business Opportunity Brokerage  Yes  No
- Formation, management, organization or sales of group investments or syndications including limited partnerships, general partnerships, real estate investment trusts or corporations  Yes  No
- Insurance Agency or Brokerage  Yes  No
- Title Search, Abstractor or land surveying  Yes  No
- Escrow Agency  Yes  No
- Property Inspection  Yes  No
- Auctioneering Services  Yes  No
- 1031 real estate transactions  Yes  No

For YES responses in question 8. attach a separate sheet attached to this Supplement with (a) a complete description of services provided and (b) revenue derived from each specific activity.

9. Does any client represent greater than 10% of the Applicant's annual gross revenue?  Yes  No  
 If yes, please (a) identify the client (s) and (b) describe services performed and (c) detail any ownership or investment relationship the Applicant has with the client(s) :

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10. Does the Applicant ever have any direct or indirect beneficial ownership interest as a buyer or a seller of real property?  Yes  No  
 If "Yes", attach a separate sheet to this Supplement detailing the following information: (a) the number of transactions in which the Applicant sells property in which any ownership interest is maintained; (b) the percentage of ownership maintained by the Applicant in each such property; (c) the total revenue derived from the sale of each such property; (d) what quality control procedures are currently in place to assist in avoidance of claims alleging self dealing; (e) what disclosures are made, and to whom, regarding Applicant's ownership interests?

11. Regarding internal procedures, practices and risk management: techniques, does the Applicant::

- a. have an in-house procedures manual?  Yes  No
- b. have in-house training sessions?  Yes  No
- c. have a specific training program for new sales associates?  Yes  No
- d. use standard real estate trade association purchase/sale contracts?  Yes  No
- require all agents to perform a physical inspection of the property?  Yes  No
- require use of all applicable state required disclosure forms?  Yes  No
- use a closing document checklist?  Yes  No
- e. use legal counsel to review contracts and disclosure forms, and for compliance matters?  Yes  No
- f. offer a Home Warranty Program to Residential Clients?  Yes  No

12. Do you manage property?  Yes  No **If NO, skip to question 22.**

13. Please provide a breakdown below of all properties managed during the past fiscal year:

<u>Market Property Type</u>	<u>Number of Units</u>	<u>Gross Property Management Income</u>	<u>Estimated Property Value</u>
a. 1-4 Family Residential		\$	\$
b. Apartments		\$	\$
c. Condos & Co-Ops		\$	\$
d. Shopping Centers		\$	\$
e. Office Buildings		\$	\$
f. Commercial/Industrial		\$	\$
g. Farms		\$	\$
h. Other		\$	\$

14. Does the Applicant or any of its principals, owners, directors, officers, partners, employees or family members have any ownership Interest in any property managed by the Applicant?  Yes  No  
 If Yes, attach a separate sheet to this Supplement detailing: (a) the number of transactions in which the Applicant manages property in which any ownership interest is maintained; (b) the percentage of ownership maintained by the Applicant in each such property; (c) the total revenue derived from the management of each property; (d) what quality control procedures are currently in place to assist in the avoidance of potential self dealing claims and provide the proper disclosures to all parties involved in the transaction.

15. Is the Applicant certified as a property manager?

If yes, please indicate certification. \_\_\_\_\_  
 \_\_\_\_\_

16. Is a budget prepared for each property managed?  Yes  No

If no, please explain. \_\_\_\_\_  
 \_\_\_\_\_

17. Is a credit report and reference check obtained on each prospective tenant?  Yes  No

If no, please explain. \_\_\_\_\_  
 \_\_\_\_\_

18. Does the Applicant manage any properties under contract with a financial institution, regulatory body or on behalf of any trustee for properties in receivership, or any other form of bankruptcy protection?  Yes  No

If yes, please explain. \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

19. Is Applicant responsible for maintaining insurance coverage on properties managed?  Yes  No

20. Are all properties insured for comprehensive general liability with limits of liability of at least \$1,000,000 for each occurrence?  Yes  No

If no, please explain. \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

21. Are certificates of insurance obtained on all properties?  Yes  No

If no, please explain. \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

22. Do you appraise real estate?  Yes  No; **If No, skip #23 through #30 and sign and date Supplement.**

23. Please provide breakdown of real estate appraisals and fees for the most recent fiscal year.

Type of Property	Number of Appraisals	Appraisal Fees
Single Family Dwelling		
Commercial Property		
Industrial Property		
Multi Unit Residential		
Farms and Ranches		
Land		
Personal Property		

24. Are appraisal fees charged always independent of the appraisal value?  Yes  No

If no, please explain. \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

25. Has Applicant ever conducted an appraisal on property in which the Applicant or any of its principals, owners, partners, directors, officers, employees or family members had an ownership interest?  Yes  No

If yes, please explain. \_\_\_\_\_  
 \_\_\_\_\_

26. Does or has the Applicant or any of its principals, owners, directors, officers or employees have an ownership interest in any loan company, mortgage broker, mortgage company or other lender?  Yes  No

If yes, please explain. \_\_\_\_\_  
 \_\_\_\_\_

27. Does, or has, any bank, savings & loan, mortgage broker or mortgage company or any other lender have an ownership interest in the Applicant?  Yes  No

If yes, please explain. \_\_\_\_\_  
 \_\_\_\_\_

28. Please complete this chart regarding appraisal clients by category, for the most recent fiscal year.

Type of Client	Number of Appraisals	Appraisal Fees
Seller		
Prospective Buyer		
Owner (for purposes other than sale)		
Lender/Financial Institution		
Estate or Tax		
Developer		
Investor/ Syndicator		
Other, describe		

29. Do Applicant's appraisals always include?

- a. Name of client?  Yes  No
- b. A statement of purpose of the appraisal?  Yes  No
- c. A definition of the value estimated?  Yes  No
- d. A description of the property and interest being appraised?  Yes  No
- e. A summary of facts upon which the appraisal is based?  Yes  No
- f. A statement of conclusions reached and list of any qualifications or limitations?  Yes  No
- g. A statement of assumptions and conditions?  Yes  No
- h. A statement that the appraiser does not (or does) have a present interest in the property, and, if so, provide a description of interest?  Yes  No
- i. Photographs of the property?  Yes  No

30. Furnish the following for all individuals involved in conducting appraisals:

Name of Appraiser	Years of Experience	Professional Association Membership	Type of License

THIS SUPPLEMENTAL APPLICATION MUST BE SIGNED AND DATED BY THE SAME PERSON REQUIRED TO SIGN AND DATE MISCELLANEOUS PROFESSIONAL LIABILITY APPLICATION FORM #MEO 101 (08/08) OR #MEO 102 (08/08).

SIGNED: \_\_\_\_\_

DATE: \_\_\_\_\_