

## PROFESSIONAL LIABILITY INSURANCE

**Professional Liability Insurance** – Protects a firm’s balance sheet from 3<sup>rd</sup> party litigation arising out of errors and omissions made while rendering professional services. Policy pays defense costs and damages (i.e. settlements and judgments).

### AVAILABLE COVERAGES:

#### Professional Services

Protects the insured while rendering or failure to render the following professional services:

- Origination
- Counseling
- Closing
- Servicing
- Foreclosing
- Servicing REOs
- Real estate sales/appraisal (REO properties)
- Property management (REO properties)
- Marketing
- Underwriting
- Warehousing

#### Covered Activities

Errors and omissions claims alleging wrongful:

- Truth in Lending Act Disclosures
- Real Estate Settlement Procedures Act (RESPA)
- Equal Credit Opportunity Act (defense costs only)
- Fair Housing Act (defense costs only)
- Loan commitments to mortgagors
- Foreclosure and eviction
- Third party origination
- Escrow determination
- ARM calculations
- Pay-offs and releases
- Servicing transfers
- Lender-placed insurance fees
- Handling of loan defaults

### PROGRAM FEATURES:

- Includes coverage for class action suits
- Pay-on-behalf vs. Reimbursement
- Coverage for certain yield spread premium dispute (with a sublimit)
- Punitive damage coverage (with a sublimit)
- Coverage for wrongful entry, wrongful eviction, and infliction of mental anguish and emotional distress if committed solely in rendering professional services
- Covers loans funded with your own money, and through warehouse lenders
- Accidental failure to pay certain funds
- Can be extended to cover other professional services
- Underwriters have the duty to defend claims

### ELIGIBLE INSURED:

Mortgage brokers and mortgage banks that originate, service and/or invest in mortgage loans.

### CARRIER:

Policy Form Strength:  
A.M. Best – A (Excellent)  
Standard & Poor’s – A+ (Strong)  
Fitch – A+ (Strong)

### APPLYING FOR COVERAGE:

1. Application materials are available on our website at [www.bankersinsuranceservice.com](http://www.bankersinsuranceservice.com) or contact us at 1-800-323-2743.
2. Bankers Insurance Service can work with you to assess your exposure to determine an appropriate level of coverage and deductible options. The policy may be endorsed to cover additional professional services—speak with your BIS representative.
3. Required underwriting information:  
Completed & signed application, current financials, and resumes of principal officers.

Submit underwriting materials to the following address:

**Bankers Insurance Service**  
**200 East Randolph Street, Suite 800**  
**Chicago, IL 60601**  
**Attn: Tim LeMarbre**

Tel: **800-323-2743**  
Fax: **312-381-6195**  
Email: [bis@bankersinsuranceservice.com](mailto:bis@bankersinsuranceservice.com)  
Web: [www.bankersinsuranceservice.com](http://www.bankersinsuranceservice.com)

