

# APPLICATION

## **MORTGAGE IMPAIRMENT / MORTGAGEE'S ERRORS & OMISSIONS INSURANCE**



200 E. RANDOLPH STREET CHICAGO, IL (800) 323-2743 · FAX: (312) 381-6105 [WWW.BANKERSINSURANCESERVICE.COM](http://WWW.BANKERSINSURANCESERVICE.COM)  
BANKERS INSURANCE SERVICE IS A DIVISION OF FINANCIAL AND PROFESSIONAL RISK SOLUTIONS, INC. (TX Lic. # 15890)  
In California DBA: FPR Insurance Solutions, Inc. Lic. # 0G83953

## APPLICANT INFORMATION

COMPANY NAME

STREET ADDRESS

CITY, STATE, ZIP CODE

MAILING ADDRESS (IF DIFFERENT)

PHONE: \_\_\_\_\_ FAX: \_\_\_\_\_ E-MAIL: \_\_\_\_\_

CONTACT PERSON: \_\_\_\_\_ TITLE: \_\_\_\_\_

### COMPANY STRUCTURE

1. YEAR COMPANY WAS ESTABLISHED: \_\_\_\_\_
2. COMPANY'S ANNUAL REVENUES: \_\_\_\_\_
3. TYPE OF INSTITUTION: ☐ BANK/SAVINGS INSTITUTION ☐ MORTGAGE BANKER ☐ INSURANCE COMPANY  
☐ OTHER \_\_\_\_\_
4. MAJOR AFFILIATIONS: ☐ ABA ☐ ICBA ☐ MBA ☐ State MBA ☐ OTHER \_\_\_\_\_
5. IS THE APPLICANT SEEKING COVERAGE UNDER THIS POLICY FOR ANY SUBSIDIARY OR OTHER RELATED ENTITY? ☐ YES ☐ NO  
IF YES, PLEASE ATTACH A LISTING OF ALL ENTITIES TO BE COVERED.
6. DOES THE APPLICANT CONDUCT BUSINESS NOW, OR CONTEMPLATE DOING BUSINESS WITHIN THE NEXT 12 MONTHS WITH:  
☐ FREDDIE MAC ☐ FANNIE MAE ☐ GINNIE MAE
7. DO APPLICANT'S MORTGAGE AGREEMENTS REQUIRE BORROWERS TO PROCURE AND MAINTAIN INSURANCE IN AN AMOUNT OF NOT LESS THAN THE AMOUNT OF APPLICANT'S MORTGAGE INTEREST AND IN COMPLIANCE WITH ANY CO-INSURANCE CLAUSE IN SUCH INSURANCE FOR A MINIMUM OF THE PERILS OF FIRE AND EXTENDED COVERAGE? ☐ YES ☐ NO
8. DOES THE APPLICANT REQUIRE BEING NAMED AS MORTGAGEE ON THE MORTGAGOR'S INSURANCE POLICY? ☐ YES ☐ NO
9. DOES THE APPLICANT REQUIRE HAZARD POLICIES FOR MORTGAGE PROPERTIES TO BE PROVIDED BY AN INSURER WITH A RATING OF B OR BETTER BY A.M. BEST? ☐ YES ☐ NO
10. DOES APPLICANT SERVICE COMMERCIAL/MULTI-FAMILY LOANS WHERE THE MORTGAGE CONTRACT ALLOWS THE BORROWER TO MAKE THE TENANT RESPONSIBLE FOR COMPLYING WITH HAZARD INSURANCE REQUIREMENTS? ☐ YES ☐ NO
11. IF YES, DOES APPLICANT REQUIRE BEING NAMED AS MORTGAGEE ON TENANTS INSURANCE POLICY? ☐ YES ☐ NO  
IF NO, PROVIDE EXPLANATION: \_\_\_\_\_
12. DOES THE APPLICANT USE OUTSOURCING FOR:  
FLOOD DETERMINATION SERVICE ☐ YES ☐ NO  
REAL ESTATE TAX SERVICE ☐ YES ☐ NO  
HAZARD INSURANCE ESCROW ☐ YES ☐ NO  
FORECLOSURE SERVICE ☐ YES ☐ NO  
OTHER (SPECIFY) \_\_\_\_\_  
DO YOU REQUIRE PROOF OF ERRORS & OMISSIONS INSURANCE FROM OUTSOURCERS? ☐ YES ☐ NO

## LOAN ORIGATION ACTIVITY

(INCLUDE BROKERED LOANS, ACQUIRED LOANS & CONSTRUCTION LOANS)

IF NO ORIGATION ACTIVITY, CHECK HERE ☐ AND PROCEED TO LOAN SERVICING PORTFOLIO SECTION BELOW.

1. DO YOU CHECK THAT INSURANCE REQUIRED OF THE MORTGAGOR IS IN FORCE AT LOAN CLOSING? ☐ YES ☐ NO
2. NUMBER AND DOLLAR VALUE OF LOAN ORIGATION FOR 12 MONTH PERIOD ENDING? \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_

1-4 FAMILY, INCLUDING MANUFACTURED HOUSING	# _____	\$ _____	
SECOND MORTGAGES	# _____	\$ _____	
MOBILE HOMES (NOT INCLUDING MANUFACTURED HOUSING)	# _____	\$ _____	
COMMERCIAL REAL ESTATE/MULTI-FAMILY	# _____	\$ _____	
CONSTRUCTION LOANS	# _____	\$ _____	
UNIMPROVED PROPERTY ONLY (LAND ONLY LOANS)	# _____	\$ _____	
OTHER (SPECIFY) _____	# _____	\$ _____	
TOTAL	# _____	\$ _____	
3. ESTIMATED LOAN ORIGINATIONS EXPECTED DURING THE NEXT 12 MONTHS # \_\_\_\_\_ \$ \_\_\_\_\_

## LOAN SERVICING PORTFOLIO

IF THE APPLICANT HAS NO SERVICING RESPONSIBILITIES, CHECK HERE ☐ AND PROCEED TO GEOGRAPHICAL BREAKDOWN OF LOANS SECTION.

IF THE APPLICANT SERVICES LOANS DIRECTLY, HAS OTHERS SERVICE FOR THEM OR IS A SERVICER OR SUBSERVICER FOR OTHERS, COMPLETE THE FOLLOWING:

1. CURRENT ESTIMATED BREAKDOWN OF SERVICING PORTFOLIO AS OF \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_  
**NOTE:** INCLUDE CONSTRUCTION LOANS; MASTER SERVICED LOANS AND LOANS THAT ARE SUBSERVICED BY OTHERS WHEN ANSWERING THIS QUESTION:

	MORTGAGE WHOLLY OWNED OR PARTIALLY OWNED BY APPLICANT		SERVICED FOR OTHERS (NO MORTGAGE INTEREST)	
1-4 FAMILY INCLUDING MANUFACTURED HOUSING	# _____	\$ _____	# _____	\$ _____
SECOND MORTGAGES*	# _____	\$ _____	# _____	\$ _____
MOBILE HOMES (NOT INCLUDING MANUFACTURED HOUSING)	# _____	\$ _____	# _____	\$ _____
COMMERCIAL REAL ESTATE/ MULTI-FAMILY	# _____	\$ _____	# _____	\$ _____
CONSTRUCTION LOANS*	# _____	\$ _____	# _____	\$ _____
UNIMPROVED PROPERTY ONLY (LAND ONLY LOANS)	# _____	\$ _____	# _____	\$ _____
OTHER (SPECIFY)	# _____	\$ _____	# _____	\$ _____
<hr/>				
TOTAL	# _____	\$ _____	# _____	\$ _____

\*IF APPLICANT DOES NOT WISH TO CHECK THE CONTINUED EXISTENCE OF HAZARD INSURANCE OR RESPOND TO NOTICE OF CANCELLATION OR NON-RENEWAL FOR SECOND MORTGAGES, PLEASE COMPLETE THE SECOND MORTGAGE SECTION OF THE APPLICATION.

2. BASED ON THE NUMBER OF LOANS, PLEASE ESTIMATE PERCENTAGE;

- A. THAT ARE SUBSERVICED BY OTHERS: \_\_\_\_\_ %
- B. THAT ARE SUBSERVICED BY APPLICANT FOR OTHERS: \_\_\_\_\_ %
- C. THAT FORM SECURITY FOR MORTGAGE BACKED SECURITIES: \_\_\_\_\_ %
- D. THAT ARE CONDOMINIUM OR PLANNED UNIT DEVELOPMENT LOANS: \_\_\_\_\_ %
- E. SECOND MORTGAGES WHERE APPLICANT ALSO HOLDS THE FIRST MORTGAGE: \_\_\_\_\_ %
- F. THAT ARE NON-PRIME OR 'ALT-A' LOANS: \_\_\_\_\_ %

3. NUMBER OF LOANS WITH AN OUTSTANDING BALANCE:

- A. BETWEEN \$1,000,000 AND \$10,000,000 \_\_\_\_\_
- B. BETWEEN \$10,000,001 AND \$25,000,000 \_\_\_\_\_
- C. OVER \$25,000,000 \_\_\_\_\_

4. OUTSTANDING BALANCE OF 5 LARGEST LOANS:

\$ \_\_\_\_\_ \$ \_\_\_\_\_ \$ \_\_\_\_\_ \$ \_\_\_\_\_ \$ \_\_\_\_\_

5. DOES APPLICANT CARRY A "FORCED PLACEMENT" PROGRAM WHICH AUTOMATICALLY PROVIDES COVERAGE ON PROPERTY FOR WHICH THE APPLICANT IS AWARE THERE IS NOT EXISTING INSURANCE OF THE TYPE THAT IS REQUIRED IN THE MORTGAGE CONTRACT?

☐ YES ☐ NO

FORCE PLACE CARRIER: \_\_\_\_\_ EXPIRATION DATE: \_\_\_\_\_

DOES IT GIVE THE ABILITY TO BACKDATE? ☐ YES ☐ NO

6. NUMBER AND VALUE OF PROPERTIES FORE-PLACED DURING THE LAST 12 MONTHS: # \_\_\_\_\_ \$ \_\_\_\_\_

AVERAGE LENGTH OF TIME PROPERTIES WERE FORCED-PLACED: \_\_\_\_\_ MONTHS

7. NUMBER AND VALUE OF FORECLOSURES WITHIN THE LAST 12 MONTHS \_\_\_\_\_

AVERAGE TIME PRIOR TO SALE: \_\_\_\_\_ MONTHS

8. DELINQUENCY SERVICING RATIOS AS OF \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_:

30 – 59 DAYS \_\_\_\_\_ %

60 – 89 DAYS \_\_\_\_\_ %

OVER 90 DAYS \_\_\_\_\_ %

REOS OR IN FORECLOSURE \_\_\_\_\_ %

9. STATE APPROXIMATE NUMBER OF LOANS ON WHICH APPLICANT ESCROWS FOR:
- \_\_\_\_\_ HAZARD INSURANCE                      \_\_\_\_\_ REAL ESTATE TAXES                      \_\_\_\_\_ LIFE & DISABILITY INSURANCE
10. BASED ON NUMBER OF NON-ESCROWED LOANS, ESTIMATE PERCENTAGE THAT ARE CHECKED:
- A. AT ANNIVERSARY FOR INSURANCE (INCLUDING FLOOD): \_\_\_\_\_ % 1-4 FAMILY                      \_\_\_\_\_ % COMMERCIAL / MULTI-FAMILY
- B. FOR BORROWER'S PAYMENT OF REAL ESTATE TAX: \_\_\_\_\_ % 1-4 FAMILY                      \_\_\_\_\_ % COMMERCIAL / MULTI-FAMILY
11. STATE APPROXIMATE PERCENTAGE OF LOANS TO VA, FHA, SBA, OR MORTGAGE GUARANTEE INSURANCE: \_\_\_\_\_ %
12. DO YOU PROVIDE EMPLOYEES WITH WRITTEN PROCEDURES AND PROPER TRAINING FOR:
- A. MORTGAGE GUARANTORS' REQUIRED NOTICE OF DELINQUENCY? ☐ YES ☐ NO
- B. MORTGAGE GUARANTORS' GUIDELINES FOR FORECLOSURE PROCEEDINGS? ☐ YES ☐ NO
13. APPROXIMATE VALUE OF LOANS SHOWN IN QUESTION 1, **BOTH WHOLLY OR PARTIALLY OWNED AND SERVICED FOR OTHERS** THAT ARE LOCATED IN:
- CALIFORNIA: \$ \_\_\_\_\_ % REQUIRING EARTHQUAKE INSURANCE: \_\_\_\_\_ %
- ALABAMA: \$ \_\_\_\_\_ % FIRST TIER COUNTIES\* \_\_\_\_\_ %
- FLORIDA: \$ \_\_\_\_\_ % FIRST TIER COUNTIES\* \_\_\_\_\_ %
- GEORGIA: \$ \_\_\_\_\_ % FIRST TIER COUNTIES\* \_\_\_\_\_ %
- LOUISIANA: \$ \_\_\_\_\_ % FIRST TIER COUNTIES\* \_\_\_\_\_ %
- MISSISSIPPI: \$ \_\_\_\_\_ % FIRST TIER COUNTIES\* \_\_\_\_\_ %
- NORTH CAROLINA: \$ \_\_\_\_\_ % FIRST TIER COUNTIES\* \_\_\_\_\_ %
- SOUTH CAROLINA: \$ \_\_\_\_\_ % FIRST TIER COUNTIES\* \_\_\_\_\_ %
- TEXAS: \$ \_\_\_\_\_ % FIRST TIER COUNTIES\* \_\_\_\_\_ %

**FIRST TIER COUNTIES:**

**AL: BALDWIN, MOBILE**

**FL: BAY, BREVARD, BROWARD, CHARLOTTE, CITRUS, COLLIER, DADE, DIXIE, DUVAL, ESCAMBIA, FLAGLER, FRANKLIN, GULF, HERNANDO, HILLSBOROUGH, INDIAN RIVER, JEFFERSON, LEE, LEVY, MANATEE, MARTIN, MONROE, NASSAU, OKALOOSA, PALM BEACH, PASCO, PINNELAS, ST. JOHNS, ST. LUCIE, SANTA ROSA, SARASOTA, TAYLOR, VOLUSIA, WAKULLA, WALTON**

**GA: BRYAN, CAMDEN, CHATHAM, GLYNN, LIBERTY, MCINTOSH**

**LA: CAMERON, IBERIA, JEFFERSON, LAFOURCHE, ORLEANS, PLAQUEMINES, ST. BERNARD, ST. MARY, ST. TAMMANY, TERREBONE, VERMILLION**

**MS: HANCOCK, HARRISON, JACKSON**

**NC: BEAUFORT, BERTIE, BRUNSWICK, CAMDEN, CARTERET, CHOWAN, CRAVEN, CURRITUCK, DARE, HYDE, NEW HANOVER, ONSLOW, PAMLICO, PASQUOTANK, PENDER, PERQUIMANS, TYRELL, WASHINGTON**

**SC: BEAUFORT, CHARLESTON, COLLETON, GEORGETOWN, HARRY**

**TX: ARKANSAS, BRAZORIA, CALHOUN, CAMERON, CHAMBERS, GALVESTON, KENEDY, KLEBERG, MATAGORDA, NUECES, REFUGIO, SAN PATRICIO, WILLACY**

# GEOGRAPHICAL BREAKDOWN OF LOANS

INCLUDE ALL LOANS:

WHOLLY OWNED OR PARTIALLY OWNED BY APPLICANT FROM QUESTION 1 UNDER LOAN SERVICING PORTFOLIO OF THIS APPLICATION  
SOLD WITH RECOURSE  
LOANS CLOSED BUT NOT YET SOLD  
FANNIE MAE DUS LOANS  
ANY OTHER LOANS WHERE THE APPLICANT COULD SUFFER A LOSS IF A LOAN DEFAULTED AS A RESULT OF DAMAGE FROM PERILS FOR WHICH THE BORROWER WAS NOT REQUIRED TO INSURE AGAINST (I.E. EARTHQUAKE, MUDSLIDE, FLOOD IN EXCESS OF LIMITS AVAILABLE FROM THE NFIP, SUBSIDENCE, TIDAL WAVE, VOLCANO, AVALANCE, ETC).

IF NO EXPOSURE EXISTS, CHECK HERE ☐ AND PROCEED TO NEXT SECTION

TOTAL NUMBER AND VALUE OF MORTGAGES TO BE INSURED: # \_\_\_\_\_ \$ \_\_\_\_\_

LIST APPROXIMATE % OF TOTAL LOAN VALUE OF ABOVE THAT ARE:

OWNED LOANS: \_\_\_\_\_ % LOANS SOLD WITH RECOURSE: \_\_\_\_\_ % SECURITIZED LOANS: \_\_\_\_\_ %

OTHER (DESCRIBE): (I.E. "WAREHOUSE", "DUS", ETC.) \_\_\_\_\_ %

## GEOGRAPHIC SPREAD OF MORTGAGES NUMBERED AND VALUED ABOVE:

1. AL, FL, LA, MS, TX: # \_\_\_\_\_ \$ \_\_\_\_\_ % FIRST TIER COUNTIES\*: \_\_\_\_\_ %
2. GA, NC, SC: # \_\_\_\_\_ \$ \_\_\_\_\_ % FIRST TIER COUNTIES\*: \_\_\_\_\_ %

\*SEE PAGE 6 OF APPLICATION FOR LISTING OF FIRST TIER COUNTIES

3. HI, AK, PUERTO RICO, VIRGIN ISLANDS AND GUAM: # \_\_\_\_\_ \$ \_\_\_\_\_
4. CALIFORNIA: (BY COUNTY AND/OR AS INDICATED BELOW) LOANS WHERE BORROWER IS REQUIRED TO MAINTAIN EARTHQUAKE COVERAGE SHOULD BE INCLUDED IN REMAINDER OF COUNTRY RATHER THAN CA COUNTY.

ZONE A – CITY OF SANFRANCISCO, SAN MATEO, ALAMEDA, CONTRA COSTA DEL NORTE, HUMBOLDT, MENDOCINO, LAKE, SONOMA, NAPA, SOLANO, MARIN, SANTA CLARA, SANTA CRUZ, SAN BENITO, AND MONTERREY:

# \_\_\_\_\_ \$ \_\_\_\_\_

ZONE B - CITY OF LOS ANGELES, REMAINDER OF LOS ANGELES AND ORANGE COUNTY

# \_\_\_\_\_ \$ \_\_\_\_\_

ZONE C - SAN LUIS OBISPO, KERN, SANTA BARBARA AND VENTURA:

# \_\_\_\_\_ \$ \_\_\_\_\_

ZONE D - SAN DIEGO:

# \_\_\_\_\_ \$ \_\_\_\_\_

ZONE E - ALPINE, MONO, INYO, SAN BERNADINO, RIVERSIDE AND IMPERIAL:

# \_\_\_\_\_ \$ \_\_\_\_\_

ZONE F - TULARE, KINGS, FRESNO, MADERA, MARIPOSE AND MERCED:

# \_\_\_\_\_ \$ \_\_\_\_\_

ZONE G - TUOLUMNE, STANISLAUS, SAN JOACQUIN, CALAVERAS, AMADOR, SACRAMENTO, EL DORADO, PLACER, NEVADA, YUBA, SUTTER, BUTTE GLENN, COLUSA AND YOLO:

# \_\_\_\_\_ \$ \_\_\_\_\_

ZONE H - SIERRA, PLUMAS, LASSEN, MODOC, SISKIYOU, SHASTA, TRINITY AND TEHAMA

# \_\_\_\_\_ \$ \_\_\_\_\_

5. OREGON # \_\_\_\_\_ \$ \_\_\_\_\_
6. WASHINGTON # \_\_\_\_\_ \$ \_\_\_\_\_
7. ARKANSAS, KENTUCKY, MISSOURI, TENNESSEE # \_\_\_\_\_ \$ \_\_\_\_\_
8. REMAINDER OF COUNTRY # \_\_\_\_\_ \$ \_\_\_\_\_

## GENERAL QUESTIONS

1. IN THE PAST 12 MONTHS, HAVE YOU HAD MORE THAN A 10% STAFF REDUCTION IN YOUR MORTGAGE SERVICING DEPARTMENT? ☐ YES ☐ NO  
 IF SO, WHAT PERCENTAGE? \_\_\_\_\_ % WHAT TYPES OF POSITIONS WERE ELIMINATED? \_\_\_\_\_
2. DOES THE APPLICANT HAVE A DEPARTMENT OR SUBSIDIARY WHICH PERFORMS CUSTODIAN DUTIES – VERIFICATION, CERTIFICATION, CUSTODY AND MAINTENANCE OF SETS OF MORTGAGE LOAN DOCUMENTS:
  - A. FOR FANNIE MAE, FREDDIE MAC, OR GINNIE MAE MORTGAGE LOAN DOCUMENTS? ☐ YES ☐ NO  
 (E & O COVERAGE REQUIRED BY FANNIE MAE, FREDDIE MAC & GINNIE MAE)
  - B. FOR ANY OTHER ENTITY (NAME OF ENTITY) \_\_\_\_\_ ☐ YES ☐ NO
  - C. IF ANSWERS TO EITHER A OR B ABOVE IS YES, ESTIMATE THE NUMBER OF SETS OF MORTGAGE LOAN DOCUMENTS THAT ARE CURRENTLY HELD IN SUCH A CUSTODIAN CAPACITY: # \_\_\_\_\_

## EXISTING MORTGAGE IMPAIRMENT/ MORTGAGEE'S E & O COVERAGE

IT IS NOT NECESSARY TO COMPLETE THIS SECTION IF COVERAGE IS CURRENTLY PROVIDED THROUGH BANKERS INSURANCE SERVICE

CARRIER: \_\_\_\_\_ LIMIT OF LIABILITY: \_\_\_\_\_

DEDUCTIBLE: \_\_\_\_\_ POLICY PERIOD: \_\_\_\_\_ PREMIUM: \_\_\_\_\_

## COVERAGE DESIRED

IT IS NOT NECESSARY TO COMPLETE THIS SECTION IF COVERAGE IS CURRENTLY PROVIDED THROUGH BANKERS INSURANCE SERVICE

		LIMIT	DEDUCTIBLE
SECTION A -	PHYSICAL LOSS OR DAMAGE FROM REQUIRED PERILS	\$ _____	\$ _____
SECTION B (1) –	REAL ESTATE TAX LIABILITY E & O	\$ _____	\$ _____
SECTION B (3) –	LIFE AND DISABILITY INSURANCE E & O	\$ _____	\$ _____
SECTION B (4) –	FLOOD DETERMINATION E & O	\$ _____	\$ _____
SECTION B (5) –	GNMA PROCEDURES E & O	\$ _____	\$ _____
SECTION C –	PHYSICAL LOSS OR DAMAGE FROM NON-REQUIRED PERILS	\$ _____	\$ _____
SECTION D –	LOSS OF FHA, VA, PMI OR SBA GUARANTEE COVERAGE	\$ _____	\$ _____

## CONSTRUCTION LENDING ACTIVITY

ANSWER IF APPLICABLE, IF NOT APPLICABLE OR IF APPLICANT IS ACTING ONLY AS A  
BROKER FOR CONSTRUCTION LOANS, CHECK HERE ☐ AND PROCEED TO THE NEXT SECTION

INSTRUCTIONS: QUESTIONS CONTAINED WITHIN THIS SECTION OF THE SUPPLEMENT MUST BE ANSWERED BY AN OFFICER OF THE  
APPLICANT WHO IS RESPONSIBLE FOR CONSTRUCTION LOAN ACTIVITIES.

- A) DO THE APPLICANT'S ANSWERS TO QUESTIONS CONTAINED WITHIN THE APPLICATION FOR MORTGAGE  
IMPAIRMENT / MORTGAGEES ERRORS & OMISSIONS INSURANCE ALSO INCORPORATES THE CONSTRUCTION  
LOAN SERVICING ACTIVITIES? ☐ YES ☐ NO

IF NO, PROVIDE THE FOLLOWING INFORMATION WITH RESPECT TO CONSTRUCTION LOAN SERVICING  
FOR THE 12 MONTHS ENDED \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_ .

\_\_\_\_\_ NUMBER OF LOANS \$ \_\_\_\_\_ DOLLAR AMOUNT

- B) DOES THE APPLICANT REQUIRE BUILDER'S RISK INSURANCE COVERAGE TO BE WRITTEN ON AN "ALL  
RISK" BASIS? ☐ YES ☐ NO
- C) DOES THE APPLICANT REQUIRE ADDITIONAL BUILDER'S RISK INSURANCE HAZARD COVERAGE WHEN  
DEEMED NECESSARY? (i. e. FLOOD, EARTHQUAKE, ETC.) ☐ YES ☐ NO
- D) IS THE AMOUNT OF BUILDER'S RISK INSURANCE COVERAGE REQUIRED TO BE AT LEAST EQUAL TO THE  
AMOUNT OF THE CONSTRUCTION LOAN PROPERTY OR THE REPLACEMENT VALUE OF THE CONSTRUCTION  
LOAN PROPERTY, WHICHEVER IS LESS? ☐ YES ☐ NO
- E) DOES SUCH BUILDER'S RISK INSURANCE COVERAGE CONTAIN A "MORTGAGE CLAUSE" WHICH NAMES THE  
APPLICANT AS LOSS PAYEE THEREIN? ☐ YES ☐ NO
- F) DOES THE APPLICANT REQUIRE THAT BUILDER'S RISK INSURANCE IS PROVIDED BY AN INSURANCE  
COMPANY WITH AN A.M. BEST RATING OF B OR BETTER? ☐ YES ☐ NO
- G) DOES THE APPLICANT VERIFY BUILDER'S RISK INSURANCE COVERAGE BY RECEIVING THE ORIGINAL COPY  
OF THE POLICY PRIOR TO THE RELEASE OF THE FIRST CONSTRUCTION LOAN PAYOUT? ☐ YES ☐ NO
- H) DOES THE APPLICANT VERIFY THAT THE PREMIUM FOR THE BUILDER'S RISK  
INSURANCE POLICY COVERAGE HAS BEEN PAID? ☐ YES ☐ NO

## SECOND MORTGAGE SERVICING ACTIVITY

ANSWER IF APPLICABLE. IF NOT APPLICABLE, CHECK HERE ☐ AND PROCEED TO THE NEXT SECTION.

- A) AT LOAN CLOSING, DOES THE APPLICANT REQUIRE EVIDENCE OF MORTGAGOR'S EXISTING INSURANCE  
POLICY (i.e. CERTIFIED COPY OF INSURANCE POLICY COVERING REQUIRED PERILS SUCH AS FIRE, EXTENDED  
COVERAGE AND FLOOD PERILS)? ☐ YES ☐ NO
- B) AT LOAN CLOSING, DOES THE APPLICANT REQUIRE BEING NAMED AS "SECOND MORTGAGEE" ON THE  
MORTGAGOR'S INSURANCE POLICY CONCERNING THE MORTGAGED PROPERTY WHICH SERVES AS  
COLLATERAL TO THE SECOND MORTGAGE LOAN? ☐ YES ☐ NO
- C) DOES THE APPLICANT ALSO HOLD THE FIRST MORTGAGE ON ANY SECOND MORTGAGE LOANS? ☐ YES ☐ NO

IF YES, PROVIDE THE NUMBER OF LOANS: \_\_\_\_\_



## DOCUMENT CUSTODIAN SERVICES ACTIVITY (E & O COVERAGE REQUIRED BY FANNIE MAE, FREDDIE MAC & GINNIE MAE)

ANSWER IF APPLICABLE. IF NOT APPLICABLE, CHECK HERE ☐ AND PROCEED TO THE NEXT SECTION.

- A) DOES THE APPLICANT HAVE A DEPARTMENT OR SUBSIDIARY WHICH PERFORMS CUSTODIAN DUTIES – VERIFICATION, CERTIFICATION, CUSTODY AND MAINTENANCE OF SETS OF MORTGAGE LOAN DOCUMENTS – FOR FANNIE MAE, FREDDIE MAC, OR GINNIE MAE MORTGAGE LOAN DOCUMENTS? ☐ YES ☐ NO

IF YES, ESTIMATE THE NUMBER OF SETS OF MORTGAGE LOAN DOCUMENTS THAT ARE CURRENTLY HELD IN SUCH A CUSTODIAN CAPACITY: \_\_\_\_\_

## TRUST PROPERTIES\* ACTIVITY

ANSWER IF APPLICABLE. IF NOT APPLICABLE, CHECK HERE ☐ AND PROCEED TO THE NEXT SECTION.

- A) PROVIDE THE NUMBER OF PROPERTIES IN THE APPLICANT'S TRUST PROPERTY PORTFOLIO AS OF  
\_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_ # \_\_\_\_\_

\*TRUST PROPERTIES, FOR THE PURPOSE OF THIS EXTENSION OF SECTION A COVERAGE, ARE CONSIDERED TO BE PROPERTIES (1) WHICH ARE NOT THE SUBJECT OF A MORTGAGE OR (2) ON WHICH A MORTGAGE IS HELD BY OTHER THAN THE APPLICANT.

## LOSS TO ASSURED'S OWN PROPERTY

ANSWER IF APPLICABLE. IF NOT APPLICABLE, CHECK HERE ☐ AND PROCEED TO THE DECLARATION.

APPLIES TO COVERAGE PROVIDED BY SECTIONS E AND F, WHICH ARE ADDED BY ENDORSEMENT.

SECTION E, PHYSICAL LOSS OR DAMAGE FROM BALANCE OF PERILS, COVERS BALANCE OF PERILS OTHER THAN FIRE AND EXTENDED COVERAGE ON THE ASSURED'S OWN LOCATION(S). COVERAGE CAN BE FOR BUILDINGS AND/OR CONTENTS AND CAN BE BLANKET OR LIMITED PER LOCATION.

SECTION F, EXTRA EXPENSE, COVERS EXTRA EXPENSE THE ASSURED MAY SUFFER FOLLOWING DIRECT PHYSICAL LOSS OR DAMAGE TO THE ASSURED'S PREMISES.

IF COVERAGE IS DESIRED UNDER THESE SECTIONS, PLEASE PROVIDE A SCHEDULE OF ALL LOCATIONS TO BE INSURED. LIST INTERESTS, VALUES, AGE OF BUILDINGS, CONSTRUCTION TYPE, FIRE PROTECTION RATINGS AND FLOOD EXPOSURE (IF ANY). ALSO LIST DETAILS OF FIRE AND EXTENDED COVERAGE INSURANCE INCLUDING FIRE AND EC RATES FOR BOTH BUILDING AND CONTENTS.

## DECLARATION

**THIS SECTION IS REQUIRED**

1. HAS THE APPLICANT MADE APPLICATION FOR INSURANCE UNDER ANY OF THE SECTIONS OF THE POLICY AND BEEN DECLINED? ☐ YES ☐ NO  
IF YES, PLEASE DESCRIBE ON SEPARATE PAGE:
2. HAS THE APPLICANT SUFFERED ANY LOSSES DURING THE PAST 5 YEARS OR IS THE APPLICANT AWARE OF ANY CIRCUMSTANCES WHICH MAY GIVE RISE TO A LOSS UNDER SECTIONS A, B, OR D OF THE POLICY? ☐ YES ☐ NO  
IF YES, PLEASE DESCRIBE ON SEPARATE PAGE:
3. HAS THE APPLICANT SUFFERED ANY LOSSES DURING THE LAST 5 YEARS UNDER SECTION C OF THE POLICY? ☐ YES ☐ NO

### WARNING

**ANY PERSON WHO, WITH INTENT TO DEFRAUD OR KNOWING THAT (S)HE IS FACILITATING A FRAUD AGAINST AN INSURER, SUBMITS AN APPLICATION OR FILES A CLAIM CONTAINING A FALSE OR DECEPTIVE STATEMENT MAY BE GUILTY OF INSURANCE FRAUD.**

Applicable in AL, AR, DC, LA, MD, NM, RI and WV

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.

Applicable in CO

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.

Applicable in FL and OK

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)\*. \*Applies in FL Only.

Applicable in KS

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 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.

Applicable in KY, NY, OH and PA

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\* (not to exceed five thousand dollars and the stated value of the claim for each such violation)\*. \*Applies in NY Only.

Applicable in ME, TN, VA and WA

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.

Applicable in NJ

Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties.

Applicable in OR

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.

Applicable in PR

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.

I/WE HEREBY DECLARE THAT THE ABOVE STATEMENTS AND PARTICULARS ARE TRUE, THAT I/WE HAVE NOT SUPPRESSED ANY MATERIAL FACT AND I/WE AGREE THAT THIS APPLICATION FORM SHALL BE THE BASIS OF THE CONTRACT WITH UNDERWRITERS.

\_\_\_\_\_  
SIGNATURE AND TITLE OF OFFICER

\_\_\_\_\_  
DATE