



## SECURITY INTEREST ERRORS AND OMISSIONS PROTECTION APPLICATION

Answer each question on behalf of all entities seeking insurance coverage, unless specifically requested otherwise. An Additional Information section is provided at the end of this document for any information that exceeds the space provided.

### GENERAL INFORMATION

Proposed First Named Insured And Other Named Insureds:		Policy Number:
Mailing Address:		
Telephone Number:	Web Address:	
Proposed Effective Date (mm/dd/yyyy):	Proposed Expiration Date (mm/dd/yyyy):	

### COVERAGE INFORMATION

**Real Property** means land and anything a part of or attached to the land such as a building or structure; or mobile homes that are permanently fixed to a concrete pad, concrete blocks, or other suitable site.

**Personal Property** means property other than real property.

Coverage	Limits Of Coverage & Deductible Requested			
<b>Real Property</b> (Each real property security interest limit/deductible)	<input type="checkbox"/> \$50,000 (\$2,500 Deductible)	<input type="checkbox"/> \$100,000 (\$5,000 Deductible)	<input type="checkbox"/> \$200,000 (\$10,000 Deductible)	
	<input type="checkbox"/> \$300,000 (\$10,000 Deductible)	<input type="checkbox"/> \$500,000 (\$10,000 Deductible)	<input type="checkbox"/> \$1,000,000 (\$25,000 Deductible)	
<b>Personal Property</b> (Each personal property security interest limit/deductible)	<input type="checkbox"/> \$5,000 (\$500 Deductible)	<input type="checkbox"/> \$10,000 (\$500 Deductible)	<input type="checkbox"/> \$20,000 (\$1,000 Deductible)	
	<input type="checkbox"/> \$30,000 (\$1,500 Deductible)	<input type="checkbox"/> \$50,000 (\$2,500 Deductible)	<input type="checkbox"/> \$100,000 (\$5,000 Deductible)	
<b>Total Security Interest Limit</b>	<i>If <b>Real Property</b> coverage is selected OR if <b>Real Property and Personal Property</b> are selected:</i>		<i>If <b>ONLY Personal Property</b> is selected:</i>	
	2 times the Each real property security interest limit. (Applicable to all coverage)		Each Personal Property Security Interest Limit	Total Security Interest Limit
			\$5,000	\$25,000
			\$10,000	\$50,000
			\$20,000	\$60,000
			\$30,000	\$100,000
		\$50,000	\$100,000	
		\$100,000	\$200,000	

Financial Information	Total Assets	
	Current information as of: <u>  /  /  </u> MM YYYY	Projections for Next Fiscal Year
\$		\$

	Number of Loans in Which You Maintain a Security Interest	Total Dollar Amount of Loans in Which You Maintain a Security Interest	Largest Single Loan in Which You Maintain a Security Interest	Average Number of Loans That Are Delinquent Over 90 Days

Real Property		\$	\$	
Personal Property		\$	\$	

If you currently have similar insurance coverage, provide the following information:

Real Property	Policy Period	Insurance Company	Limits \$	Deductible \$	Premium \$
Personal Property	Policy Period	Insurance Company	Limits \$	Deductible \$	Premium \$

Within the past 3 years, has this coverage or similar coverage been declined, cancelled or nonrenewed? .....  Yes  No  
**(NOT APPLICABLE IN MO) If yes, provide details:**

**UNDERWRITING INFORMATION**

1. Who manages the day-to-day process for securitizing your interest in property that is pledged to you as collateral in connection with a loan (e.g. Loan Officer, Office Manager)?
  - a. Length of time that person has been in their position: \_\_\_\_\_
  - b. Length of time that person has been managing securitization processes (at your facility or previous facilities): \_\_\_\_\_
  
2. How many additional employees are engaged in the process of securitizing your interest in collateralized property?
 

Less than 5       5 – 9       more than 10 (if >10, list number): \_\_\_\_\_

How many of the employees engaged in this process have been in their position for less than 1 year? \_\_\_\_\_
  
3. Have you established rules, policies and procedures for preparing, recording, maintaining and releasing your security interest in property that is pledged to you as collateral? .....  Yes  No  
*If yes:*
  - a. Are those rules, policies and procedures documented in writing? .....  Yes  No
  - b. Is there a formal training process for new employees that explains those rules, policies and procedures? .....  Yes  No
  
4. When changes are made to your securitization process, are those changes incorporated into your written rules, policies and procedures? .....  Yes  No  
 How are those changes disseminated to affected employees?  
 \_\_\_\_\_  
 \_\_\_\_\_
  
5. Do you perform audits to ensure compliance with your rules, policies and procedures specific to the securitization process? .....  Yes  No  
*If yes, how often are these audits performed?*

Quarterly       Semi-Annually       Annually       Other: \_\_\_\_\_
  
6. Do you have formal procedures in place to bring any identified error into compliance with your securitization rules, policies and procedures? .....  Yes  No
  
7. Does your loan agreement stipulate the borrower is required to carry property insurance coverage on the property that is pledged to you as collateral? .....  Yes  No  
*If yes:*
  - a. Does it require the borrower to add you as a Mortgagor or Loss Payee? .....  Yes  No
  - b. At the time of the loan closing, is evidence of insurance obtained? .....  Yes  No
  - c. Do you monitor to ensure that insurance coverage remains in place on the collateralized property? .....  Yes  No

**SECURITY INTEREST ERRORS AND OMISSIONS**

**LOSS EXPERIENCE - LAST THREE YEARS**

YEAR			YEAR			YEAR		
Premium	Losses	Number of Claims	Premium	Losses	Number of Claims	Premium	Losses	Number of Claims
\$	\$		\$	\$		\$	\$	

**Describe all losses over \$5,000: (Attach an additional sheet if necessary.)**

Date of Loss	Description of Occurrence or Claim	AMOUNT		CLAIM STATUS	
		Paid	Reserved	Open	Closed
		\$	\$	<input type="checkbox"/>	<input type="checkbox"/>
		\$	\$	<input type="checkbox"/>	<input type="checkbox"/>
		\$	\$	<input type="checkbox"/>	<input type="checkbox"/>

For information about how Travelers compensates independent agents, brokers, or other insurance producers, please visit this website:

[http://www.travelers.com/w3c/legal/Producer\\_Compensation\\_Disclosure.html](http://www.travelers.com/w3c/legal/Producer_Compensation_Disclosure.html)

If you prefer, you can call the following toll-free number: 1-866-904-8348. Or you can write to us at Travelers, Agency Compensation, One Tower Square, Hartford, CT 06183.

This application, including any material submitted in conjunction with this application or any renewal, does not amend the provisions or coverages of any insurance policy or bond issued by Travelers. It is not a representation that coverage does or does not exist for any particular claim or loss under any such policy or bond. Coverage depends on the facts and circumstances involved in the claim or loss, all applicable policy or bond provisions, and any applicable law. Availability of coverage referenced in this document can depend on underwriting qualifications and state regulations.

The undersigned is an authorized representative of the prospective Named Insured and represents that reasonable inquiry has been made to obtain the answers to these questions. He or she represents that the answers are true, correct and complete to the best of his/her knowledge and belief.

**FRAUD STATEMENTS – ATTENTION APPLICANTS IN THE FOLLOWING JURISDICTIONS**

**ALABAMA, ARKANSAS, DISTRICT OF COLUMBIA, MARYLAND, NEW MEXICO, AND RHODE ISLAND:** Any person who knowingly (or willfully in MD) presents a false or fraudulent claim for payment of a loss or benefit or who 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:** 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.

**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 insurance 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, NEW YORK, 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. (In New York, the civil penalty is not to exceed five thousand dollars (\$5,000) and the stated value of the claim for each such violation.)

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

**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 include imprisonment, fines, and denial of insurance

benefits.

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

**OKLAHOMA:** Any person who knowingly, and with intent to injure, defraud or deceive any insurer, makes any claim for the proceeds of an insurance policy containing any false, incomplete or misleading information is guilty of a felony.

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

**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 with the penalty of 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.

## SIGNATURES

Producer information only required in Florida and Iowa.

Authorized Representative Signature*: <b>X</b>	Authorized Representative Name – Printed:	Date (mm/dd/yyyy):
Producer Signature*: <b>X</b>	State Producer License No (required in FL):	Date (mm/dd/yyyy):
Agency:	Agency Contact:	Agency Phone Number:

\* If you are electronically submitting this document, apply your electronic signature to this form by checking the Electronic Signature and Acceptance box below. By doing so, you agree that your use of a key pad, mouse, or other device to check the Electronic Signature and Acceptance box constitutes your signature, acceptance, and agreement as if actually signed by you in writing and has the same force and effect as a signature affixed by hand.

- Electronic Signature and Acceptance – Authorized Representative  
 Electronic Signature and Acceptance – Producer

## ADDITIONAL INFORMATION

This area may be used to provide additional information to any question. Please reference the question number.