

## MORTGAGE BROKERS SUPPLEMENTAL APPLICATION

**Complete this supplemental application with the Miscellaneous Professional Liability Application.**

1) Name of Applicant:

*If the applicant is newly established, provide best estimates.*

2) Indicate the percentage of Gross Revenues from the following activities::

Loan Origination	%
Loan Servicing	%
Loan Underwriting	%
Loan Funding/Lending	%
Yield Spread Premiums	%
Other:	%
<b>TOTAL</b>	<b>100%</b>

3) Indicate the percentage for each mortgage type:

Residential	%
Commercial	%
Residential Construction	%
Commercial Construction	%
Other Construction	%
Other:	%
<b>TOTAL</b>	<b>100%</b>

4) Do you anticipate doing any subprime loans (credit score 620 or lower) within the next 12 months?

Yes    No

5) What percentage of your gross revenue will come from subprime loans?

%

6) If you indicated zero percentage in Question 5 above, advise the following:

a. Have you ever provided a subprime market loan?

Yes    No

b. When was the date of the last subprime loan provided?

c. Why did you stop providing subprime loans?

d. Did your prior professional liability insurance (if applicable) exclude subprime loans?

Yes    No

7) What percentage of your Gross Revenues is derived from reverse mortgages?

%

- 8) What percentage of your Gross Revenues is derived from Federal Housing Authority (FHA) and Veteran's Administration (VA) loans? %
- 9) What percentage of your Gross Revenues is derived from interest-only loans? %
- 10) Does the applicant have an in-house line of credit? Yes No
- 11) Are you affiliated with, or do you have common ownership with a real estate development company or real estate agency for which you provide mortgage loan services? Yes No  
If yes, provide details:
- 12) Are you affiliated with, or do you have common ownership with a financial lending institution? Yes No  
If yes, provide details:
- 13) Do you provide organization services on behalf of only one bank or lender? Yes No  
If yes, provide details:

14) For the past 12 months what was your:

Average Loan Size	\$
Largest Loan Originated	\$
Total Dollar Value of Loans Originated	\$

- 15) Have you, or any past or present staff member ever been criticized, disciplined or fined by any governmental agency, regulatory entity, investor group, warehouse wholesaler/banker, or the Department of Housing and Urban Development (HUD)? Yes No  
If yes, provide details:
- 16) Have you ever closed a loan with a lender that went to bankruptcy or is no longer in business? Yes No  
If yes, provide the following information:

Name of Defunct Lender	Number of Loans	Dollar Value of Loans
		\$
		\$
		\$
		\$

## Fraud Notices

**Applicable in AL, AR, DC, LA, MD, NM, RI and WV:** Any person who knowingly (or willfully)\* presents a false or fraudulent claim for payment of a loss or benefit or knowingly (or willfully)\* presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison. \*Applies in MD 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.

**Applicable in all other States:** 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 material fact, commits a fraudulent insurance act, which is a crime and may also be subject to civil penalty.

**Other State Notices**

**Applicable in RI:** THIS INSURANCE CONTRACT HAS BEEN PLACED WITH AN INSURER NOT LICENSED TO DO BUSINESS IN THE STATE OF RHODE ISLAND BUT APPROVED AS A SURPLUS LINES INSURER. THE INSURER IS NOT A MEMBER OF THE RHODE ISLAND INSURERS INSOLVENCY FUND. SHOULD THE INSURER BECOME INSOLVENT, THE PROTECTION AND BENEFITS OF THE RHODE ISLAND INSURERS INSOLVENCY FUND ARE NOT AVAILABLE.

I/We understand that this is an application for insurance only and that the completion and submission of this Application does not bind the Company to sell nor the applicant to purchase this insurance. I/We hereby declare that the above statements and particulars are true and I/we agree that this Application shall be the basis for any contract of insurance issued by the Company in response to it.

Electronic Signature of Applicant or Authorized Representative:

Title:

Date:

***If you prefer not to return the questionnaire with an electronic signature, please print and sign.***