

Return application to:
 CB Malaga Insurance Services LLC
 tel: 877-245-5887
 fax: 805-426-8540
 email: info@reproinsurance.com

Title and Escrow Agents Bond Application

GENERAL INFORMATION

1. Name of Title Company (Applicant): _____
 Address: _____
 Phone: _____ Fax: _____
 Contact Name: _____ Contact Email: _____
 Web site address: _____
 Are there additional office locations? Yes No
 If YES, please provide locations: _____

2. Ownership
 Applicant is (check one):
 Individual Partnership Corporation Limited Liability Corp.

Stockholder(s) names	Corporate Officer Title(s)	Ownership %

Please indicate with an asterisk (*) which of the above stockholder(s) is an active participant in the management of the company.

3. Please disclose any other real estate business that any of the above stockholder(s) has an ownership interest in (along with comments on whether there are business transactions between such company and the Applicant). Other real estate businesses might include a mortgage company or real estate office or other escrow company or title agent. If none exist, please state "NONE." _____

Are any affiliated or common ownership transactions disclosed to the Applicant's customers? Yes No

4. Please give a brief history of your company (names of previous owners, etc.) and attach a resume showing the business qualifications/credentials of each of the owners. _____

5. Date the Applicant was established? _____
Date present management assumed control? _____

6. What title software is your company currently using? _____

7. Please list professional organizations or associations the Applicant belongs to: _____

8. Who is your Designated Escrow Officer? _____

9. Is your Designated Escrow Officer a member of an Escrow Association? Yes No

10. Does the Applicant use a Limited Practice Officer for real estate closings?..... Yes No

If YES, are the relevant parties in the transaction advised of the following:

a) that the closing officer is not acting as the advocate or representative of either of the parties? Yes No

b) that the documents prepared by the closing officer will affect the legal rights of the parties? Yes No

c) that the parties' interest in the documents may differ? Yes No

d) that the parties have the right to be represented by lawyers of their own selection?..... Yes No

e) that the closing officer cannot give legal advise as to the manner in which the documents affect the parties? Yes No

11. Name(s) of current key employee(s) and any of the professional licenses they hold:

1. _____ 1. _____

2. _____ 2. _____

3. _____ 3. _____

4. _____ 4. _____

5. _____ 5. _____

Total number of all Employees: _____

COMPLIANCE AND LICENSING

12. Has the Applicant's license or the license of any employee, officer or owner ever been suspended or revoked? Yes No

If YES, please explain the circumstances and its resolution. _____

13. Are you currently in compliance with federal, state and local laws and regulations? Yes No
If NO, please provide full details (including dates, allegations, status, and company response): _____

14. Are employees trained to comply with the above regulations and laws in question 13.? Yes No

15. Please provide any additional information not requested in this application that you believe should be considered in evaluating the application. _____

INTERNAL CONTROL

16. Is countersignature of checks required? Yes No
If YES, is there an established minimum dollar limit for dual signature? Yes No
Countersignature Check Requirement Amount: \$ _____
If answered NO above in question 16., please advise what alternative controls are in place to avoid check fraud:

17. Is reconciliation of the trust account performed by someone not authorized to deposit? Yes No
Is reconciliation of the trust account performed by someone not authorized to withdraw therefrom?..... Yes No
If the response to either part of question 17. is NO, please advise what alternative method is used to reconcile accounts without involving the person authorized to deposit/withdraw funds (IF THE OWNER RECONCILES, SO STATE): _____

If the answer to either part of this question 17. is NO and reconciliation performed by someone other than the owner, is the Applicant's company willing to implement a reconciliation procedure with separation of duties (i.e. no depository or withdrawal duties vested in the same person permitted) within sixty (60) days of incepting this coverage? Yes No Not Applicable

18. Have there been any Employee Dishonesty losses in the past five years (if YES, please provide full details)? Yes No

Has employee dishonesty coverage ever been cancelled? Yes No
If YES, please provide explanation: _____

19. Are funds transferred via electronic funds transfer or computer systems? Yes No
If YES, what is the estimated average transfer size? \$ _____

20. What is the total number of employees (including owners) who handle, have custody or maintain records of money, securities or other property? _____

21. Are escrow funds segregated from operating funds by being placed in a separate trust account? Yes No

OTHER INFORMATION

22. Have there been any Professional Liability losses in the past five years? Yes No

23. Has Professional Liability coverage ever been cancelled? (Not applicable to Missouri applicants) Yes No

24.

	Current Year Projected	Prior Fiscal Year (20__)
Estimated Gross Revenues From Escrow Services	\$ _____	\$ _____
Estimated Gross Revenues From Title Agent/Abstractor Services	\$ _____	\$ _____
Total Estimated Gross Revenues	\$ _____	\$ _____

25. Do you have other income in addition to Title Agent/Abstractor Services? Yes No

If YES, please provide revenues and description of services: _____

26. For the past year, indicate the number of closings/escrows performed: _____

27. Show Escrow Fee Revenue from the prior fiscal year for the following:

- Tax-deferred real estate exchanges: \$ _____
- Bulk transfers: \$ _____
- Liquor licenses or permits: \$ _____
- Refinance Loans: \$ _____
- Construction Disbursements: \$ _____

28. Indicate the percent of closing/escrow income derived from the following:

- Commercial loans: %
- Residential loans: %
- Land loans: %
- Construction loans: %
- Other (describe): _____ %

29. When providing closing/escrow services, do you:

- a. Document and obtain signatures from all affected parties when making changes or deviating from the original escrow instructions? Yes No
- b. Always close with a title insurance commitment or a title opinion? Yes No
- c. Never hold escrow funds for more than one year? Yes No

If any of the above questions were answered NO, please provide an explanation: _____

30. How often are escrow accounts reconciled? _____
 If there is a shortage or overage, how does the Applicant respond to this? _____

31. Total current dollar amount of funds held in escrow for closings: \$ _____

32. Average number of days funds held in escrow for closing: _____

33. Do you act only in accordance with written escrow instructions?..... Yes No
 If NO to question 33., how does the Applicant confirm that written escrow instructions have been carried out in accordance with such instructions? _____

34. Does the Applicant require each person's work to be checked by another person? Yes No

35. Does the Applicant require "good funds" for each closing/settlement? Yes No

36. Does the Applicant have an audit performed by an outside auditor? Yes No

TITLE AGENT/ABTRACTOR SERVICES

37. Do you perform any Title Agent/Abstractor Services?..... Yes No
 If YES, please answer the following questions:

a. Number of Title Agents _____ Number of Abstractor/ Title Searchers _____

b. Estimate the percentage of total gross revenue generated from title agent/abstractor services in the following areas:

Residential %

Commercial %

Total 100 %

c. Estimate the percentage of total gross revenue generated from title/abstractor services in the following areas:

Oil & Gas %

Metal & Mineral %

Developers & Builders %

d. Who performs title opinions for closings when title insurance is **not** the end product? _____

e. Who determines "insurability of title"? _____

f. Does any owner, officer or employee of yours have a financial interest in any of the properties that you perform title agent services for?..... Yes No

g. Who performs your title searches?
 Applicant Firm %
 Independent Contractor %

THESE MUST TOTAL 100%

h. In areas requiring special expertise such as commercial and development, do you have qualified staff and/or do you consult your title underwriter? Yes No
 Explain procedure: _____

i. Has a title company ever cancelled or nonrenewed their agency contract with you?..... Yes No
 If YES, explain: _____

38. Do you currently carry the following:

a. Escrow Agents and/or Title Agents/Abstractors Professional Liability Insurance? Yes No

If YES, please complete the following:

Policy Period	Carrier	Limit of Liability	Deductible	Premium	Retro Date

Number of consecutive years you have been continuously insured?

b. Fidelity Bond?..... Yes No

If YES, please complete the following:

Policy Period	Carrier	Limit of Liability	Deductible	Premium	Retro Date

Number of consecutive years you have been continuously insured?

b. Surety Bond?..... Yes No

If YES, please complete the following:

Policy Period	Carrier	Limit of Liability	Deductible	Premium

39. Limits of Liability requested:

- \$1,000,000/\$1,000,000 \$500,000/\$500,000 \$250,000/\$250,000
 Other: _____

40. Deductible requested:

- \$5,000 \$7,500 \$10,000 Other: _____

INSURANCE AND CLAIM INFORMATION

41. Is the Applicant aware of any fraudulent or dishonest act of any Named Insured (including past or present owners, officers, and employees) proposed for coverage?..... Yes No

If YES, how many? _____

If YES, please complete a Claim Supplement/Potential Claim Supplement for each.

42. Have any claims, suits or investigations been made during the past five years against the Applicant or any of its predecessors in business, subsidiaries or affiliates, or a person, firm or organization for whom the Applicant has assumed the liabilities? Yes No

If YES, how many? _____

If YES, please complete a Claim Supplement/Potential Claim Supplement for each.

43. Are there any previous lawsuits or pending lawsuits against your company? Yes No

If YES, how many? _____

If YES, please complete a Claim Supplement/Potential Claim Supplement for each.

44. Is the Applicant aware of any circumstances, alleged errors or omissions, or of any offenses which may reasonably be expected to result in a claim being made against the persons or entities described above? Yes No

If YES, how many? _____

If YES, please complete a Claim Supplement/Potential Claim Supplement for each.

LOSS INFORMATION SUPPLEMENTAL INFORMATION

45. During the past 5 years, has the company discovered any loss, or received any claim or potential claim, involving any of the following

Employee Dishonesty/Fidelity?..... Yes No

Forged Documents/Checks?..... Yes No

Burglary, Robbery or Theft?..... Yes No

Other Fidelity Bond Losses?..... Yes No

Specify _____

a. If "Yes", provide full details by a separate attachment. Information provided should include: Date when the loss was first discovered, nature/location of the loss situation, amount(s) lost or paid by insurance along with steps which were taken to prevent a similar loss from recurring.

46. Has the company any knowledge of information, after full inquiry, or facts, circumstances or events which could give rise to an Title or Escrow Bond loss (or claim being made against them)? Yes No

It is agreed with respect to questions 41.-46. above, that if such knowledge or information exists, any claim or action arising therefrom is excluded from this proposed policy.

This Title Bond Application must be signed by an owner, partner or president.

The undersigned authorized person, on behalf of the Applicant, attests that to the best of his/her knowledge and belief the statements set forth herein are true. Although the signing of this Application Form does not bind the undersigned to effect insurance, the undersigned agrees that this application and the said statements shall be the basis of the policy of insurance and deemed incorporated therein, should the Company evidence its acceptance of this application by issuance of a policy.

The undersigned authorized person on behalf of the Applicant declares that the above statements are true, that neither the undersigned person nor the Applicant has suppressed or misstated facts and that at the present time the Applicant has no reason to anticipate any claims being brought against the Applicant or any representative of the Applicant or knowledge of any negligent act, error, omission or offense on the Applicant's part or any representative of the Applicant except as stated herein, and agrees that this Application Form shall be the basis of the contract between the Applicant and the Company and shall be deemed a part hereof.

NEW YORK—WARNING: 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 shall also be subject to a civil penalty not to exceed five thousand dollars and the stated value of the claim for each such violation.

FRAUD WARNING: 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.

Signing this form does not bind you to complete the insurance. Coverage will become effective upon approval of the application and issuance of the policy. It is agreed that this form will be the basis of the contract. Should a policy be issued, this form will be attached to and become a part of the policy.

Signature: _____

Title: _____

(Must be signed by Owner, Partner, or President)

Date: _____

Month/Day/Year

Producer's Name

Phone Number