



HOME INSPECTORS RENEWAL APPLICATION CHECKLIST

To assure that your FREA application and insurance binder are processed and issued without a lapse in coverage, please be sure to include the following items. ***If any of the applicable items below are not included, your application WILL NOT be processed.***

- ANSWER ALL OF THE INSURANCE INFORMATION QUESTIONS ON PAGE 4** - If you answer "yes" to any of these questions, you must provide a detailed explanation. (If you have had a claim, you must provide details such as: date of the suit, the stated reason for the action, the amount you were sued for and the current status of the suit.)

- SIGN AND MAIL** the completed application to the address below. An insurance binder cannot be issued until an application and payment are received. **Please note renewal cannot be completed over the phone.**

- PRE-INSPECTION AGREEMENT** – If your inspection agreement has changed in the past 12 months, please submit a blank copy for your file. PLEASE NOTE: There will be no coverage unless a pre-inspection agreement has been signed by the customer prior to the inspection.

- CORPORATE NAME** – Corporate coverage is optional. If you desire your corporation to be named as co-insured you must include the corporation name on the application along with your individual name (a company cannot be named solely). Please indicate coverage on payment page. Please note coverage will only apply if box is checked.

- WDI/WDO , GENERAL LIABILITY OR BOND COVERAGE** - If you require pest, general liability or bond coverage, please check the appropriate box on page 3. Please note coverage will only apply if box is checked.

- PAYMENT** - payment must be sent in with application. We cannot supply you with an insurance binder until payment is received. If you are paying by credit card (VISA / MasterCard / Discover / AMEX) you must include the card number, expiration date and you must sign the credit card agreement. Credit cards will not be charged until the application is approved by underwriting. If paying with ACH, please make sure to include a voided check with the application.

- SIGNED INSTALLMENT PLAN AGREEMENT** - If you would like to be on the installment plan, the installment plan agreement on page 5 must be signed. There is a \$350 fee to be on the installment plan and is due with the application.

- FAX NUMBER OR EMAIL ADDRESS ON PAGE 3** – Once your application is approved it will be processed and proof of coverage will be sent via fax or email. Please be sure to indicate this on page 3 of the application. Your original binder will then be mailed to you in 4-6 weeks time.

- ADDITIONAL INSURED REQUEST** – If you require an additional insured be added to your policy, a separate form is required and must be submitted along with this application. Please call 800-882-4410 to receive the additional insured request form.

FREA
4907 Morena Blvd. #1415
San Diego, CA 92117
800-882-4410 www.frea.com

ERRORS & OMISSIONS INSURANCE DEFINITIONS

Please read the following definitions carefully. If you still have questions about any of the coverage, please contact your FREA representative.

Errors & Omissions Insurance - E&O Insurance, also known as Professional Liability Insurance, covers professionals for negligent acts which stem from the professional services offered during their daily business activities. Professional liability policies offer broader coverage than Commercial General Liability policies in that they are not limited to personal injury and property damage.

MEMBERSHIP / ERRORS & OMISSIONS INSURANCE PRICING

	Policy Limits (aggregate)	Deductible	Annual Fee
Class A Membership	\$1,000,000	\$1,000	\$3295.00
Class B Membership	\$500,000	\$1,000	\$3195.00
Class C Membership	\$300,000	\$1,000	\$2995.00

Claims-Made Policy- A “claims-made” policy protects the policyholder against claims or incidents that are reported while the policy is in force, or during an “extended reporting period”. The negligent act, error or omission must have also occurred during the specific timeframe set by the policy. Once the policy lapses or is cancelled, coverage will no longer apply to any past inspections, unless you obtain tail coverage.

Tail Coverage- If you are not renewing your E&O policy you may want to purchase tail coverage. Tail coverage protects inspections you have performed prior to the expiration date of your current policy and is only available at the time of renewal. You can purchase a one or four year tail. A one year tail will cost 35% of last years rates and a four year tail will cost 75% of last years rates. If you are planning on purchasing this coverage, please call our office to inquire of the total cost due. Please note that a tail coverage policy must be paid in full at time of renewal.

Agent/Broker Referral Indemnity - Agent/Broker Referring coverage is included in all levels. It covers any real estate agent and/or broker who may hire or refer you for the purpose of performing a home or commercial inspection. In the event the referring party is named or enjoined in any claim against you, a defense will be provided and any damages up to your aggregate limit of liability will be paid.

OPTIONAL COVERAGE DEFINITIONS

Corporate Coverage - If you operate under a business name other than yourself, such as a Corporation, LLC, Sole Proprietorship, etc.; corporate coverage is available. If you want your business to be named as co-insured you must include the business name along with your individual name (a company cannot be named solely). **This coverage is suggested if you employ any home inspectors or subcontractors.** Please note that it will only provide coverage as long as the person preparing the inspection report has coverage in place the time the claim is made.

General Liability-The general liability policy covers bodily injury, property damage, personal injury and advertising injury to others. General Liability is not available in Oregon.

WDI/WDO- Wood destroying insect means arthropod life which damages and can re-infest seasoned wood in a structure; namely termites, carpenter ants, wood boring beetles and wasps, carpenter bees, powder post beetles, and old house borers. Wood destroying organism means arthropod (same list) or plant life (wood decaying fungi) which damages and can re-infest seasoned wood in a structure. *This policy does not cover and WDI/WDO treatment or mitigation services.* WDI/WDO is **not** available in TX. **Mold coverage is not covered by WDI/WDO.**

Fidelity Bond - Purchasing a bond (a.k.a honesty bond) protects your clients against possible theft while you are at the residence/site. It offers the client peace of mind and provides the inspector with a valuable marketing tool.

OPTIONAL COVERAGE PRICING

	Policy Limits (aggregate)	Deductible	Annual Fee
Corp Coverage Class A	Same as E&O	Same as E&O	\$330.00
Corp Coverage Class B	Same as E&O	Same as E&O	\$320.00
Corp Coverage Class C	Same as E&O	Same as E&O	\$300.00
General Liability	\$1,000,000	\$500	\$450.00
WDI/WDO	Same as E&O	Same as E&O	\$495.00
\$5K Fidelity Bond	\$5,000	\$100	\$75.00
\$10K Fidelity Bond	\$10,000	\$100	\$135.00



Home Inspector Renewal Application

WEB

Inspector's Name: _____

Address: _____

City: _____ State: _____ Zip: _____

Business Phone: () _____ Home Phone: () _____

Fax () _____ E-MAIL _____

Please indicate if you would like your proof of coverage faxed or emailed: _____

1) Do you want corporation coverage? () No () Yes

NOTE: Adding corporate coverage does NOT cover other inspectors whether employed by you directly or hired as subcontractors. Please refer to the coverage definitions on page 2 for questions on this coverage. Additional premium is required.

If yes, what is the name of the corporation? _____

2) Do you perform inspections in a state which requires licensing or certification? () No () Yes

If Yes, please list each state and any licensing or certification numbers: _____

3) How many inspections do you anticipate completing in the next 12 months? _____

4.) Are you currently designated with a professional organization or franchise? If yes, please list:

5.) Designation desired: () RREI: Residential Real Estate Inspector (residential home inspection)

() CREI: Commercial Real Estate Inspector (residential & commercial inspection)

Please check (x) the level of membership and all optional coverage you are applying for:

MEMBERSHIP / ERRORS & OMISSIONS INSURANCE

X		Policy Limits	Deductible	Annual Fee
	Class A membership	\$1,000,000 E&O	\$1,000	\$3295.00
	Class B membership	\$500,000 E&O	\$1,000	\$3195.00
	Class C membership	\$300,000 E&O	\$1,000	\$2995.00

CORPORATE COVERAGE (optional)

X		Annual Fee
	Corp Coverage Class A	\$330.00
	Corp Coverage Class B	\$320.00
	Corp Coverage Class C	\$300.00

OPTIONAL COVERAGE (see page 2 for coverage definitions)

X		Policy Limits	Deductible	Annual Fee
	General Liability	\$1,000,000	\$500	\$450.00
	WDI/WDO	Same as E&O	Same as E&O	\$495.00
	\$5K Fidelity Bond	\$5,000	\$100	\$75.00
	\$10K Fidelity Bond	\$10,000	\$100	\$135.00

HOME INSPECTORS/ RENEWAL APPLICATION

INSURANCE INFORMATION

You MUST answer ALL of the following questions:

1. Has any claim or suit alleging a negligent act, error or breach of duty been brought against the applicant within the past 12 months?
No () Yes () If yes, you must furnish details on a separate sheet.
2. Does applicant have knowledge of any circumstances which could result in a claim or suit?
No () Yes () If yes, you must furnish details on a separate sheet.
3. Has applicant been criticized, censored, reprimanded or had any license suspended or revoked by any professional organization, regulatory agency or court within the past 12 months?
No () Yes () If yes, you must furnish details on a separate sheet.
4. How many inspectors work for your firm (including yourself)? _____.

**Please note: E&O and General Liability policies are individual and do not cover other inspectors.

The coverage which applies to individual member is provided by a "Claims Made" master policy issued to the Foundation of Real Estate Appraisers. This policy does not cover other home inspectors, whether employed by you directly or hired as subcontractors. Additional inspectors must apply for coverage separately. Coverage will apply only when:

1. You are engaged in the inspection of real property. There is no coverage for any other activity.
2. You are in strict compliance with the standards promulgated by a Member's governing state agency or the standards of those professional organizations on the Group Sponsor's approved list as of the beginning of each respective Membership Term.
3. Coverage is for policy holder only and does not cover work performed by non member.
- 4. A pre-inspection agreement has been signed by the customer**
5. Coverage does not include Termite inspections. (termite coverage is available)

A "claims-made" policy protects the policyholder against claims or incidents that are reported while the policy is in force, or during an "extended reporting period". The negligent act, error or omission must have also occurred during the specific timeframe set by the policy. Once the policy lapses or is cancelled, coverage will no longer apply to any past appraisals/inspections, unless tail coverage has been obtained.

I certify that all the statements and information set forth in this Membership Application and any attachment submitted herewith are true and that no material facts have been suppressed or misstated. I understand that signing the Membership Application does not obligate FREA to grant membership or bind the insurance company contracted by FREA to provide any membership insurance benefit. I do agree that the statements and information contained in and submitted with this Membership Application will be relied upon by FREA and its contracted insurance company should the requested membership be effected. I further understand that the underwriters reserve the right to amend the terms, conditions, limitations and coverage of any policy that is issued pursuant to this application, if subsequent to the date of this application, but prior to the inception of such a policy, there are any material alterations to the information contained herein. In the event of such material alteration the Applicant agrees to give immediate written notice to Underwriters and such notice shall attach to and form part of this application.

Collection by FREA of membership fee is a condition precedent to the effectuation and continuation of membership. In the event of the termination of membership for any reason, a Member will receive a pro rate return of the fee applicable to the unused portion of membership term, excluding the \$245 non-refundable membership fee.

Printed Name: _____

Signature: _____ Date _____

FREA
4907 Morena Blvd. #1415
San Diego, CA 92117
800-882-4410

Payment Information
Home / Commercial Inspection Renewal

I. PAYMENT OPTIONS

() **Option 1: Payment in Full** – I will pay for all fees in full by check or credit card. Make sure to mark all coverages on page 3 that you will be renewing and include them in your total cost. Please indicate payment method below.

() **Option 2: Installment Plan** - requires **\$350 due with the application**-This fee is on top of the cost of the insurance. All membership fees will be billed and are to be paid in 8 monthly installments subject to a \$25.00 late fee if not received within 10 days of the due date. If not received within 20 days of due date, FREA may cancel membership. Please indicate payment method below.

() **Monthly Billing** - Please mail me an invoice each month

() **Monthly Automatic Debit or ACH**– please debit my monthly installment each month from the credit card listed or from my bank account below.

I Agree to the Above Terms _____ Date _____

II. PAYMENT METHOD

I. CHECK

() I have enclosed a check payable to FREA in the amount of \$ _____.

II. CREDIT CARD

If paying by credit card, the agreement below must be signed in order for your membership and insurance to be processed. Visa, MasterCard and Discover accepted. **Please note, American Express is accepted ONLY if you are paying in full.**

() I approve FREA to deduct the **amount due of \$** _____ from the credit card listed below.

Credit Card #: _____ Expiration Date: _____

CVV# (MC/VISA/DISC-*last three digits on the BACK of the card; AMEX- four numbers on front of card*): _____

Cardholder Name: _____

Cardholder Billing Address: _____

City: _____ State: _____ Zip Code: _____

Signature: _____ Date: _____

III. ACH (Automated Clearing House)

() I authorize FREA to deduct the amount due of \$ _____ from the bank account on my voided check.

Bank Account: Checking Savings

Please attach the following:

Voided check

Signature: _____ Date: _____