



## **WHAT IS AN INSPECTION REPORT?**

An inspection report is a third party verification of personal, financial, health, business and other pertinent information relevant to the underwriting of large insurance policies. The inspection requirements and the size and length of the report vary according to each individual carrier. The time involved in completing the questions of an inspection report, generally varies between 10 to 20 maximum. A 20 minute interview would entail very detailed questions with regard to the personal habits and business information.

## **WHAT TYPES OF QUESTIONS ARE ASKED?**

The inspection company will verify such information as the applicant's date of birth; social security number; driver's license number; home and business addresses (as required), etc.

### **PERSONAL QUESTIONS:**

The personal questions would include any hazardous activities; ever flown as a student of pilot; any moving violations in the past three years; tobacco use; alcohol use and ever any drug use. The applicant will also be asked with regard to present insurance coverage and whether it will be replaced.

### **MEDICAL QUESTIONS:**

The medical questions would vary due to the nature of the report and the requirements of the insurance company. These questions generally include the name address of the personal physician; date last seen by physician; reason (complaint); treatment; and approximate height and weight. The applicant is also questioned with regard to any significant weight change; deformities, blindness, deafness, other impairments; any history of high blood pressure, diabetes; cancer and/or heart trouble; any hospitalizations in the past five years and is there any medication taken on a regular basis.

### **BUSINESS INFORMATION:**

The business information would include corporate name and address; how long employed; a description of the nature of the business; how many employees; the applicant's position and duties, including any foreign or domestic air travel connected

with the applicant's position. Additional business information including business financials may be required for cases involving key man and buy/sell business insurance.

**FINANCIAL INFORMATION:**

Financial questions are asked of the applicant and these would vary in depth, due to the requirements of the insurance company and the size of the report. This can vary from two basic questions such as net worth and annual income and may reach depths where we will ask the individual the break down their net worth into such categories such as home market value; other real estate holdings; stocks/bonds; personal property; retirement accounts, etc. An annual income figure, both earned and unearned, are asked of the applicant. All financial information is used to justify need. Most generally, we will also ask the applicant for a financial reference, either an account or personal financial advisor, who can verify the information provided.

**REFERENCES:**

References are usually asked all of the reports, other than the smallest report used. We will generally ask anywhere from two to five references of an individual, depending upon the amount of coverage and the report required.

This information is then used to assist the underwriter in determining a need for large amounts of coverage, assisting them in evaluating such issues as drug habits, dangerous activities, etc. In all cases, references for the applicants are contacted to confirm that the applicant does or does not smoke, participate in dangerous activities, and questions regarding business and personal reputation.