

# ASSOCIATIONS PROFESSIONAL LIABILITY INSURANCE APPLICATION

## APPLICANT DETAILS

(INCLUDE ALL LEGAL NAMES AND DBA'S):

1. Name(s): \_\_\_\_\_  
 Principal Address: \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_  
 Mailing Address (if yes, please attach details): \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_  
 Web Site Address: \_\_\_\_\_
2. a. Date established: \_\_\_\_/\_\_\_\_/\_\_\_\_ Applicant is ☐ Individual ☐ Partnership ☐ Corporation ☐ Other  
 b. List all States in which the Applicant operates: \_\_\_\_\_  
 c. What percentage of work is done outside of US? \_\_\_\_\_%  
 d. Is the entity owned, controlled by or affiliated with any other entity? (if yes, please attach details) ☐ Yes ☐ No  
 e. During the past 5 years:
  - i. Has the name of the Applicant been changed? ☐ Yes ☐ No
  - ii. Has the Applicant been involved in any merger, acquisition, consolidation or sale? ☐ Yes ☐ No
3. a. Please indicate the number of principals, partners and professional employees directly engaged in providing professional services to clients: \_\_\_\_\_ (Attach resume of each when Applicant has been in business less than 3 years)  
 b. Please indicate the number of all other nonprofessional and/or clerical employees: \_\_\_\_\_  
 c. Are any material changes in the nature or the size of the Applicant's business anticipated over the next 12 months? (if yes, please attach details) ☐ Yes ☐ No
4. a. During the past 5 years, has any Applicant, or any of its employees, ever been subject to an investigation by a state regulatory agency, administrative agency and/or an insurance department investigation or inquiry or disciplinary investigation or proceeding in any way? (if yes, please attach details on a separate sheet) ☐ Yes ☐ No  
 b. During the past 5 years, has any Applicant, or any of its employees, ever had his license revoked or suspended, or been fined or disciplined by any state or regulatory department? (if yes, please attach details on a separate sheet) ☐ Yes ☐ No
5. Please complete the following information for each principal/partner/director/officer/owner:

Name	Title	License Status	Professional Designations	Years Experience	Years with Applicant

## FINANCIALS

6. Please provide the following financial information:

- a. Fiscal year end date: \_\_\_\_/\_\_\_\_/\_\_\_\_ c. Gross revenues for current year: \$ \_\_\_\_\_
- b. Gross revenues for last year: \$ \_\_\_\_\_ d. Projected gross revenues for next year: \$ \_\_\_\_\_

## GENERAL INFORMATION

# of Members: \_\_\_\_\_ # of D&O: \_\_\_\_\_ # of Employees: \_\_\_\_\_

Funds Balance: \$ \_\_\_\_\_ Total Reserves: \$ \_\_\_\_\_

Geographical Scope (state, national, etc.): \_\_\_\_\_

7. Does Association publish any magazines, periodicals or newsletters? ☐ Yes ☐ No

If 'Yes', attach a sample of each

8. Does Association publish a technical manual ☐ Yes ☐ No

If 'Yes', describe: \_\_\_\_\_

FOR ANY 'YES', BELOW, PLEASE ATTACH DETAILS AND COPIES TO APPLICATION

9. Does applicant provide a referral service, legal aid service, or computer service to its members or the public? ☐ Yes ☐ No

10. Does applicant promote or sponsor any type of group travel, conventions, parades, or other similar events, or assume any liability in connection therewith? ☐ Yes ☐ No

11. Does applicant promote, sponsor, or provide any form of insurance to its members or non-members? ☐ Yes ☐ No

12. Does applicant act as a fiduciary or administrator under the Employee Retirement Income Security Act of 1974? ☐ Yes ☐ No

13. Does the applicant act as or participate in a peer review group or committee for assessing the qualifications and performance of others or the quality of products manufactured, sold, handled, or distributed by others? ☐ Yes ☐ No

14. Does the applicant maintain primary personal injury coverage (libel, slander, etc.)? ☐ Yes ☐ No

15. Does the applicant maintain directors and officers liability coverage? ☐ Yes ☐ No

If 'Yes', Indicate:

Carrier: \_\_\_\_\_

Expiration Date: \_\_\_\_/\_\_\_\_/\_\_\_\_

How Long in Force: \_\_\_\_\_

## PROPERTY OWNER ASSOCIATIONS

- 16.** # of Units: \_\_\_\_\_
- 17.** Are all units individually owned: ☐ Yes ☐ No (If no, explain) \_\_\_\_\_
- 18.** Average Unit Value:
- ☐ Under \$500,000 ☐ Over \$1MM but under \$2MM ☐ Over \$5MM
- ☐ Over \$500,000 but under \$1MM ☐ Over \$2MM but under \$5MM
- 19.** What Type of Property Owner Association is the Applicant? **CHECK ALL THAT APPLY**
- ☐ Commercial ☐ HOA ☐ Timeshare
- ☐ Condominium ☐ Master
- ☐ Cooperative ☐ Single Family
- 20.** Commercial Occupancy: \_\_\_\_\_% or # of Units: \_\_\_\_\_ List Occupants: \_\_\_\_\_
- 21.** Percentage of units over 90 days past due on their Applicant fees or assessments:
- ☐ Under 10% ☐ Between 10% and 20% ☐ Over 20%
- If over 20% is answered above, what number of units are over 90 days past due on assessments or fees: \_\_\_\_\_
- 22.** Does Applicant have an independent property manager? ☐ Yes ☐ No
- a. Is the property management company responsible for the POA employees? ☐ Yes ☐ No
- b. Does property management company maintain EPL insurance? ☐ Yes ☐ No
- c. **Does the property management company have the authority to make decisions on behalf of the board?** ☐ Yes ☐ No
- 23.** Please complete the following regarding number of units:
- a. Total units at final build-out: \_\_\_\_\_
- b. Total units currently built: \_\_\_\_\_
- c. Total units rented/leased: \_\_\_\_\_
- d. Total units still owned by the developer/builder/sponsor: \_\_\_\_\_
- e. Total number of units in the Applicant operated as timeshares or interval units: \_\_\_\_\_
- f. Are short term rentals of units allowed under Association by-laws: ☐ Yes ☐ No
- If Yes, ☐ With Board Approval; and/or ☐ Without Board Approval?
- 24.** List all recreational and all other facilities managed by the Applicant. Include how many.
- ☐ Boat Slips: \_\_\_\_\_ ☐ Equestrian Facility: \_\_\_\_\_ ☐ Restaurant: \_\_\_\_\_
- ☐ Child Care: \_\_\_\_\_ ☐ Golf Courses: \_\_\_\_\_ ☐ Swimming Pool: \_\_\_\_\_
- ☐ Clubhouse: \_\_\_\_\_ ☐ Health/Medical Care Facilities: \_\_\_\_\_ ☐ Tennis Facility: \_\_\_\_\_
- ☐ Country Club: \_\_\_\_\_ ☐ Marina: \_\_\_\_\_
- ☐ Utilities (please describe): \_\_\_\_\_
- ☐ Other: \_\_\_\_\_

a. Are all facilities for use of residents or their guest only?	<input type="checkbox"/> Yes <input type="checkbox"/> No
b. Within last 24 months has Applicant contemplated changing membership requirements to the above or does the Applicant plan to do so in the next twelve months in any of the following ways:	
i. to mandatory for residents	<input type="checkbox"/> Yes <input type="checkbox"/> No
ii. open to non-residents for a fee	<input type="checkbox"/> Yes <input type="checkbox"/> No
iii. implementation of age restrictions or removal of age restrictions if any	<input type="checkbox"/> Yes <input type="checkbox"/> No

<b>25.</b> Does Applicant maintain protocols for compliance with association by-laws and state and local governing laws including but not limited to:	
a. Properly conducting elections of association board members	<input type="checkbox"/> Yes <input type="checkbox"/> No
b. Adequate notice of meetings and board actions to all association members	<input type="checkbox"/> Yes <input type="checkbox"/> No
c. Authorizing board or property manager to require unit owners to take action with regard to units and appurtenances as needed and to take action with regard to common areas or elements as needed	<input type="checkbox"/> Yes <input type="checkbox"/> No
d. Properly conducting meetings and maintain meeting minutes	<input type="checkbox"/> Yes <input type="checkbox"/> No
e. Allowing for inspection of books and records.	<input type="checkbox"/> Yes <input type="checkbox"/> No
<b>26.</b> If board meetings held, how often? _____	
<b>27.</b> How are board decisions communicated to association members? _____ _____	
<b>28.</b> Within the last 24 months have any of the following occurred:	
a. Has the Applicant completed a foreclosure and/or a lien sale against an owner?	<input type="checkbox"/> Yes <input type="checkbox"/> No
b. Have any Applicant board elections been challenged?	<input type="checkbox"/> Yes <input type="checkbox"/> No
c. Has the Applicant board initiated litigation for reasons other than collection of dues or fees?	<input type="checkbox"/> Yes <input type="checkbox"/> No
d. Has the Applicant board placed or caused to be placed any liens on any units?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If Yes, please provide additional information? _____	
<b>29.</b> Does the applicant carry the following insurance?	
a. General Liability Insurance	<input type="checkbox"/> Yes <input type="checkbox"/> No
b. Property Insurance	<input type="checkbox"/> Yes <input type="checkbox"/> No
c. Windstorm & Flood Coverage if in a coastal waterfront area	<input type="checkbox"/> Yes <input type="checkbox"/> No
<b>30.</b> When was the last evaluation of the common areas of the association property for excessive wear or damage?	____/____/____
a. What entity/person conducted inspection? _____	
b. Were results of inspection relayed to association members?	<input type="checkbox"/> Yes <input type="checkbox"/> No
c. What, if any, action taken? _____	

**\*\*PLEASE PROVIDE A COPY OF THE LATEST PROPERTY INSPECTION REPORT FOR ALL STRUCTURES MAINTAINED BY THE HOA\*\***

### EMPLOYMENT PRACTICES LIABILITY

- |   | Employees | Directors & Officers                                     |
|---|-----------|--|
| <b>31.</b> In the last 25 months, how many directors, officers and other employees  |           |  |
| a. Have either resigned or retired  |           |  |
| b. Been terminated (with or without cause)  |           |  |
| <b>FOR ANY 'YES', BELOW, PLEASE ATTACH DETAILS AND COPIES TO APPLICATION</b>  |           |  |
| <b>32.</b> Does the Applicant have a written human resources manual or equivalent written management guidelines?  |           | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| <b>33.</b> Does the Applicant have an employee handbook which is distributed to all employees?  |           | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| <b>34.</b> Is the Applicant currently undergoing or does the Applicant contemplate undergoing during the next 12 months any employee layoffs or early retirements (including ones resulting from any type of restructuring or office, branch or chapter closing)? |           | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| <b>35.</b> Does the Applicant conduct drug testing for employees or applicants for employment?  |           | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| If 'Yes', please attach written guidelines that describe how the Applicant uses the results of the drug test to make employment decisions   |           |  |

### RISK MANAGEMENT

- 36.** Does the Applicant have a procedure requiring the review or follow-up of complaints? ☐ Yes ☐ No
- 37.** Does the Applicant have any of the following risk management procedures in place? ☐ Yes ☐ No
- ☐ Limitation of Liability clauses are included at least 75% of the time
- ☐ Membership in professional associations or organizations
- ☐ Continuing education program for professional employees
- ☐ Other: (please attach a copy of the procedures)
- 38.** Does the Applicant have a formalized training program for newly hired employees? ☐ Yes ☐ No
- 39.** Does the Applicant belong to any professional associations? ☐ Yes ☐ No
- If yes, please list the associations: \_\_\_\_\_

### CLAIMS INFORMATION

**NOTE: THE APPLICANT'S DISCLOSURE OF CLAIM INFORMATION BY RESPONSE TO THE FOLLOWING QUESTIONS DOES NOT INDICATE OR IMPLY IN ANY WAY THAT ANY ACT OR OMISSION IS COVERED BY THIS POLICY.**

**40.** After inquiry, have any errors and omissions claims been made during the past 5 years against the Applicant or any past or present principals, partners, directors, officers or professional employees? (if yes, please attach a supplemental claims questionnaire) ☐ Yes ☐ No

**41.** After inquiry does the Applicant or any principal, partner, director or officer or professional employee have knowledge or information of any circumstance or any allegation or contentions of any incident which may result in any claim being made against them.  
(if yes, please attach a supplemental claims questionnaire) ☐ Yes ☐ No

**42.** Have all matters in question 40 or 41 been reported to the Applicant's former or current insurers or to the former or current insurers of any predecessors in business? ☐ Yes ☐ No

#### PRIOR ERRORS AND OMISSIONS INSURANCE

Year	Insurance Company	Limit of Liability	Deductible	Premium	Claims Made or Occurrence	Policy Period	Retroactive Date (if any)
Current Year		\$	\$	\$			
Previous Year 1		\$	\$	\$			
Previous Year 2		\$	\$	\$			
Previous Year 3		\$	\$	\$			
Previous Year 4		\$	\$	\$			

**43.** Is any extended reporting period (ERP) currently in place? (if yes, please attach a copy of the endorsement including effective and expiration date) ☐ Yes ☐ No

**44.** During the past 5 years, has any similar errors and omissions coverage been canceled, declined or nonrenewed? ☐ Yes ☐ No

#### ADDITIONAL INFORMATION

**45. a.** Limit of Liability requested: \_\_\_\_\_ **b.** Deductible requested: \_\_\_\_\_

#### PLEASE PROVIDE THE FOLLOWING:

1. A copy of standard contracts utilized with clients.
2. Latest audited financial statements.
3. Resumes of key Principals.
4. Current Profit & Loss Statement
5. Association By-Laws
6. List of Sub-Associations

## SIGNATURE REQUIRED ON FOLLOWING PAGE

Applicant hereby represents after inquiry, that information contained herein and in any supplemental applications or forms required hereby, is true, accurate and complete, and that no material facts have been suppressed or misstated. Applicant acknowledges a continuing obligation to report to the Company as soon as practicable any material changes in all such information, after signing the application and prior to issuance of the policy, and acknowledges that the Company shall have the right to withdraw or modify any outstanding quotations and/or authorization or agreement to bind the insurance based upon such changes.

Further, Applicant understands and acknowledges that:

1. If a policy is issued, the Company will have relied upon, as representations, this application, any supplemental applications, and any other statements furnished to the Company in conjunction with this application, all of which are hereby incorporated by reference into this application and made a part thereof
2. This application will be the basis of the contract and will be incorporated by references into and made part of such policy; and
3. Applicant's failure to report to its current insurance company any claim made against it during the current policy term, or act, omission or circumstances which Applicant is aware of which may give rise to a claim before the expiration of the current policy may create a lack of coverage.
4. The policy applied for provides coverage on a claims made and reported basis and will apply only to claims that are first made against the insured and reported in writing to the Company during the policy period. Claims expenses are within and reduce the limit of liability.

Applicant hereby authorizes the release of claim information to the Company from any current or prior insurer of the Applicant.

Applicant's Authorized Representative:

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*SIGNATURE OF AUTHORIZED REPRESENTATIVE*

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Print Name of Authorized Representative

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Title of Authorized Representative

Date: \_\_\_\_/\_\_\_\_/\_\_\_\_  
mo day year