

**Travelers Casualty and Surety Company of America**

**Claims-Made:** The information requested in this Application is for a Claims-Made policy. If issued, the policy will apply only to claims first made during the policy period, or any applicable extended reporting period.

**Defense Within Limits:** The limits of liability will be reduced, and may be completely exhausted, by amounts paid as defense expenses, and any retention will be applied against defense expenses. The Insurer will not be liable for the amount of any judgment, settlement, or defense expenses incurred after exhaustion of the limit of liability.

Answer each question on behalf of all entities seeking insurance coverage, unless specifically requested otherwise. An Additional Information section is provided at the end of this document for any information that exceeds the space provided.

**GENERAL INFORMATION**

Proposed Named Insured:

Physical Address:

City: State: Zip:

Web Address: Telephone Number (for billing inquiries): Proposed Effective Date:

If you contract with an independent professional community association manager for management services complete the following information:

Name of Management Company:

Address:

City: State: Zip:

Check if this is the mailing address of the Named Insured.

**ORGANIZATION INFORMATION**

- 1. Type of association:  Condominium  Cooperative  Homeowner/Property Owner Association  
 Timeshare/Interval  Condo-Hotel  Commercial/Industrial/Professional
- 2. Are you a master association that oversees a group of separate sub-associations?  Yes  No  
*If Yes, for commons area only?*  Yes  No
- 3. In the past 24 months, or in the next 12 months are you, or any builder/developer or sponsor associated with you, contemplating, or in the process of filing for bankruptcy, reorganization, or termination of corporate status, pursuant to applicable federal or state law?  Yes  No

**EMPLOYEE INFORMATION**

4. Complete the following chart providing the number of full-time and part-time employees\*, officers, directors, trustees, and volunteers:

As of Date of Application				Previous 12 Months	
Full-Time Employees	Part-Time Employees	Total Officers, Directors, Trustees (do not include volunteers)	Volunteers	Full-Time Employees	Part-Time Employees

\*Full and part-time including leased, seasonal, and temporary employees of the Named Insured. NOTE: The employee count does not include employees of the Property Management Company.

## COMMUNITY INFORMATION

5. How many units or lots will the community association have upon completion? \_\_\_\_\_
6. Does one person or entity own more than 50% of the community association units?  Yes  No
7. Are there any commercial units?  Yes  No  
*If Yes, are any of the units bars or restaurants?*  Yes  No
8. Does the builder/developer maintain any representation on your board of directors?  Yes  No
9. The average value of a unit or lot is:  
 Less than \$1,000,000  \$1,000,000 to \$1,999,999  \$2,000,000 or greater
10. Your amenities (check all that apply):  
 None  Airport Facilities  Golf Course  
 Marina  Skiing  Horse Facilities  Other: \_\_\_\_\_
- a. If any of the above are selected, is membership mandatory for all community association residents?  Yes  No
- b. Are any of the amenities listed above open to the public?  Yes  No
11. Does the community association rent or permit the rental of any unit for a period of less than 30 days?  Yes  No

## FINANCIAL INFORMATION

12. Indicate Total Annual Revenue: \$ \_\_\_\_\_
13. Have you had a negative fund balance within the past 3 years?  Yes  No
14. Are any renovation or improvement projects in progress or are any such projects being contemplated in the next 12 months?  Yes  No  
*If Yes:*  
a. Is the total value of these projects greater than \$100,000?  Yes  No  
b. Is the project fully funded or have the proper amount of reserves been set aside?  Yes  No
15. Indicate the percentage of units in arrears over 90 days:  
 Less than 10%  Between 10% and 20%  Greater than 20%
- Provide your most recent fiscal year-end financial statement if you meet any of the following criteria:*
- a. *You have requested a limit greater than or equal to \$3,000,000 for Liability Coverage.*
- b. *You are going through a bankruptcy proceeding.*
- c. *You have an inadequate or negative fund balance.*

## CYBER COVERAGE

### INTERNAL CONTROLS

16. Does the community association have a formal documented procedure in place regarding the creation and periodic updating of passwords?  Yes  No
17. Does the community association collect, receive, process, transmit, or maintain private, sensitive, or personal information from third parties (i.e. customers, clients, members) as part of its business activities?  Yes  No  
*If Yes, indicate what type:*  
 Credit/Debit Card Data  Medical Information  Bank Accounts and Records  
 Social Security Numbers  Employee/HR Information  Customer Information  
 Intellectual Property of others  Other: \_\_\_\_\_
18. Does the community association use firewall technology?  Yes  No
19. Does the community association use anti-virus software?  Yes  No
20. Is it the community association's policy to upgrade all security software as new releases or improvements become available?  Yes  No
21. Do you utilize a contracted independent property manager?  Yes  No  
*If Yes, does the property manager request to be named as an additional insured to the Cyber policy for incidents involving the Applicant's data?*  Yes  No

**CRIME COVERAGE**

**INTERNAL CONTROLS**

- 22. Are bank accounts reconciled monthly by someone other than the person responsible for making deposits, withdrawals, or signing checks?  Yes  No
- 23. Are disbursement processes segregated so that one person cannot control a process from beginning to end, including electronic transfers, check issuance, and payroll?  Yes  No
- 24. Does the board of directors or trustees regularly review the following?
  - a. Monthly bank statements  Yes  No
  - b. Reserve fund balance  Yes  No
  - c. Budget reconciliation reports  Yes  No
  - d. Approved vendor list  Yes  No
- 25. Does the Applicant verify the receipt of inventory, supplies, goods, or services against an invoice before making payment to a vendor?  Yes  No
- 26. Does the Applicant desire coverage for any contracted independent property manager?  Yes  No  
*If Yes, provide the total number of property manager employees performing services for the Applicant.* \_\_\_\_\_  N/A
- 27. Does the property manager have access to the Applicant’s bank accounts?  Yes  No  
*If Yes, has the board of directors established limits of authority for check signing and invoice payments?*  Yes  No  N/A
- 28. Can the property manager withdraw funds from the Applicant’s reserve fund accounts?  Yes  No  
*If Yes, provide details.* \_\_\_\_\_

**Answer the following if the Applicant is requesting an Employee Theft Limit greater than \$250,000.**

- 29. How are the Applicant’s financial statements prepared?
  - Internally prepared or property manager prepared
  - Outside CPA Review or Compilation
  - Outside CPA Audit
  - Not prepared

**Answer the following if the Applicant is requesting a Social Engineering Fraud Limit greater than \$100,000.**

- 30. Does the Applicant confirm all payee account set-up and change requests by a direct call to the payee using a pre-determined telephone number (i.e., a number from a confirmed source provided prior to the request)?  Yes  No  N/A
- 31. Does the Applicant require a telephone call or face-to-face meeting to verify the authenticity of any payment or funds transfer request made by an internal company source or subsidiary?  Yes  No  N/A

**REQUESTED INSURANCE INFORMATION**

**LIABILITY COVERAGE**

- 32. Requested Limit: \$ \_\_\_\_\_
- 33. Requested Retention: \$ \_\_\_\_\_
- 34. Expiring Limit: \$ \_\_\_\_\_
- 35. Expiring Retention: \$ \_\_\_\_\_
- 36. Expiring Premium: \$ \_\_\_\_\_
- 37. Expiring Insurance Carrier: \_\_\_\_\_
- 38. As of the date you first purchased directors and officers and employment practices liability coverage, are you or any person proposed for this insurance aware of any fact, circumstance, situation, event or act that reasonably could give rise to a claim being made against them under the coverage for which you are applying?  Yes  No  
*If Yes, provide details and the date you first purchased directors and officers and employment practices liability coverage in the Additional Information section at the end of this Application.*

**CRIME COVERAGE**

Requested Crime Coverage	Requested Limit*	Requested Retention
Fidelity: Employee Theft	\$	\$
Forgery or Alteration	\$	\$
On Premises (Money, Securities, and Other Property)	\$	\$
In Transit (Money, Securities, and Other Property)	\$	\$
Money Orders, and Counterfeit Money	\$	\$
Computer Fraud	\$	\$
Funds Transfer Fraud	\$	\$
Social Engineering Fraud**	\$	\$

\*For policy limits greater than or equal to \$5,000,000, attach the most recent financial statement. CPA preferred if available.

\*\*For policy limits greater than or equal to \$250,000, Social Engineering Fraud Supplemental Application is required.

**CYBER COVERAGE**

Requested Limit:       \$50,000                       \$100,000                       \$250,000                       \$500,000

**PRIOR INSURANCE AND CLAIM HISTORY**

---

**LIABILITY COVERAGE**

39. With respect to the coverage requested in this Application, provide details or attach a loss run for all previous claims, losses, litigation, or proceedings, whether insured or not, occurring in the past five years that would fall within the scope of any directors and officers or employment practices insurance products.

40. With respect to the coverage requested, has there ever been any legal action taken by or on behalf of you against any member of yours (excluding liens or collection claims) or against any third party including any builder/developer?  Yes    No

41. With respect to the coverage requested, are there any pending claims, counter-claims, or litigation against any person or entity proposed for this insurance?  Yes    No

*If Yes, provide the following for each claim:*

- a. Date of such claim: \_\_\_\_\_
- b. Nature of the claim: \_\_\_\_\_
- c. Amount paid for defense: \$ \_\_\_\_\_
- d. Amount sought or paid for damages: \$ \_\_\_\_\_
- e. Was the claim covered by insurance?  Yes    No
- f. Were corrective procedures implemented?  Yes    No
- g. Current status: \_\_\_\_\_

*To enter more information, provide details in the Additional Information section at the end of this Application.*

**CRIME COVERAGE**

42. Has the community association sustained any crime-related loss within the past 3 years?  Yes    No  
*If Yes, provide the date, nature of claim, amount paid, and status (open or closed).*

**CYBER COVERAGE**

In the past 3 years:

43. Has the community association ever received any claims or complaints, or been subject to any government action, investigation, or subpoena with respect to allegations of failing to prevent unauthorized access to confidential information, failing to notify appropriate individuals of any such unauthorized access or failing to allow authorized users access to the community association’s computer systems?  Yes    No

If question 44 is answered Yes, provide details in the Additional Information section of each claim, complaint, allegation or incident, including costs, losses, or damages incurred or paid, any corrective procedures to avoid such allegations in the future and any amounts paid as a loss under any insurance policy.

44. Has the community association suffered any known intrusions (i.e., unauthorized access or security breach) or denial of service attacks which impaired the functionality of its computer systems?  Yes  No

If Yes, provide details: \_\_\_\_\_

45. Is the community association or any person proposed for this insurance aware of any fact, circumstance, situation, event, or act that reasonably could give rise to a claim against them under the insurance policy for which the community association is applying?  Yes  No

If Yes, provide details: \_\_\_\_\_

## **NOTICE REGARDING COMPENSATION**

For information about how Travelers compensates independent agents, brokers, or other insurance producers, please visit this website: [http://www.travelers.com/w3c/legal/Producer\\_Compensation\\_Disclosure.html](http://www.travelers.com/w3c/legal/Producer_Compensation_Disclosure.html)

If you prefer, you can call the following toll-free number: 1-866-904-8348. Or you can write to us at Travelers, Agency Compensation, One Tower Square, Hartford, CT 06183.

## **FRAUD STATEMENTS – ATTENTION APPLICANTS IN THE FOLLOWING JURISDICTIONS**

**ALABAMA, ARKANSAS, DISTRICT OF COLUMBIA, MARYLAND, NEW MEXICO, AND RHODE ISLAND:** Any person who knowingly (or willfully in MD) presents a false or fraudulent claim for payment of a loss or benefit or who knowingly (or willfully in MD) presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

**CALIFORNIA:** For your protection California law requires the following to appear on this form. Any person who knowingly presents false or fraudulent information to obtain or amend insurance coverage or to make a claim for the payment of a loss is guilty of a crime and may be subject to fines and confinement in state prison.

**COLORADO:** It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company to defraud or attempt 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 to defraud or attempt to defraud the policyholder or claimant regarding a settlement or award payable from insurance proceeds will be reported to the Colorado Division of Insurance within the Department of Regulatory Agencies.

**FLORIDA:** 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.

**KENTUCKY, NEW JERSEY, NEW YORK, OHIO, AND PENNSYLVANIA:** 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. (In New York, the civil penalty is not to exceed five thousand dollars (\$5,000) and the stated value of the claim for each such violation.)

**LOUISIANA, MAINE, TENNESSEE, VIRGINIA, AND WASHINGTON:** It is a crime to knowingly provide false, incomplete, or misleading information to an insurance company to defraud the company. Penalties include imprisonment, fines, and denial of insurance benefits.

**OREGON:** Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or who knowingly presents false information in an application for insurance may be guilty of a crime and may be subject to fines and confinement in prison.

**PURTO RICO:** Any person who knowingly and intending to defraud 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, will incur a felony and, upon conviction, will be sanctioned for each violation with the penalty of a fine of not less than \$5,000 and not over \$10,000, or a fixed term of imprisonment for three years, or both penalties. Should aggravating circumstances be present, the penalty established may be increased to a maximum of five years; if extenuating circumstances are present, it may be reduced to a minimum of two years.

## **SIGNATURES**

---

The undersigned Authorized Representative represents that to the best of their knowledge and belief, and after reasonable inquiry, the statements provided in response to this Application are true and complete, and, except in North Carolina, may be relied upon by Travelers as the basis for providing insurance. The Applicant will notify Travelers of any material changes to the information provided. Except in North Carolina and Utah, this Application, including any requested or submitted information, will be deemed attached to and form a part of any policy issued.

Electronic Signature and Acceptance – Authorized Representative\*

\*If electronically submitting this document, electronically sign this form by checking the Electronic Signature and Acceptance box above. By doing so, the Applicant agrees that use of a key pad, mouse, or other device to check the Electronic Signature and Acceptance box constitutes acceptance and agreement as if signed in writing and has the same force and effect as a signature affixed by hand.

Authorized Representative Signature: <b>X</b>	Authorized Representative Name and Title:	Date (month/dd/yyyy):
Producer Name (required in FL & IA): <b>X</b>	State Producer License No (required in FL):	Date (month/dd/yyyy):
Agency:		Agency Phone Number:

## **ADDITIONAL INFORMATION**

---

This area may be used to provide additional information to any question. Reference the question number.

---

Administered By:

Kevin Davis Insurance Services, a division of Worldwide Insurance Services of DE., Inc. an Amwins company  
800 W 6<sup>th</sup> St. Ste 1700, Los Angeles, CA 90017  
Phone: (213) 833-6191  
CA Insurance License Number 0M80105