

Return application to:  
CB Malaga Insurance Services LLC  
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Thousand Oaks, CA 91360  
tel: 877-245-5887 fax: 805-426-8540  
email: info@reproinsurance.com



**1<sup>st</sup> Choice**  <sup>SM</sup>  
**Real Estate Property Managers Professional Liability Coverage  
Application**

**Travelers Casualty and Surety Company of America**

THE INFORMATION BEING REQUESTED IS FOR A CLAIMS-MADE POLICY. IT IS IMPORTANT THAT YOU READ ALL OF THE PROVISIONS OF YOUR POLICY CAREFULLY.

DEFENSE EXPENSES MAY BE INCLUDED WITHIN THE LIMITS OF COVERAGE AND DEDUCTIBLE.

**IMPORTANT NOTE – NEW YORK:** DEFENSE EXPENSES MAY REDUCE UP TO 50% OF THE LIMITS OF COVERAGE, AND MAY BE APPLIED TO UP TO 50% OF THE DEDUCTIBLE.

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:

Today's Date:

"Trade" or "Doing Business As" Name(s):

Mailing Address:

Physical Address (if different):

Primary Contact Name and Title:

Telephone Number:

Fax Number:

Email Address:

Web Address:

Type of Legal Entity:

Individual

General Partnership

Limited Partnership

Corporation

Limited Liability Company

Other: \_\_\_\_\_

Proposed Effective Date (mm/dd/yyyy):

Proposed Expiration Date (mm/dd/yyyy):

Date Business Started:

List all other office locations:

List all states where professional services are provided, and indicate the percentage of total revenue for such services in each state:

Requested Coverage Limits:  \$250,000/\$250,000  \$500,000/\$500,000  \$1,000,000/\$1,000,000  Other: \_\_\_\_\_

Requested Deductible:  \$2,500  \$5,000  \$10,000  Other: \_\_\_\_\_

## APPLICANT INFORMATION

1. Provide the following information for all owners and managers:

Name	Position	Professional Designations / Certifications	Percentage of Ownership (Must Equal 100%)	Years of Experience	Number of Years Managing This Firm

2. How many owners, employees, and independent contractors are performing professional services for the firm?

Full Time: \_\_\_\_\_ Part Time: \_\_\_\_\_ Average Years of Experience: \_\_\_\_\_

3. Is there any parent, subsidiary, predecessor firm, limited liability partnership, limited liability company, or any person or entity operating under a "trade" or "doing business as" name, not listed in the GENERAL INFORMATION section through which the Proposed Named Insured provides professional services? .....  Yes  No  
*If yes, please provide details in the Additional Information section at the end of this application.*

4. Is coverage desired for any parent, subsidiary, predecessor firm, limited liability partnership, limited liability company, or any person or entity besides the person or entity listed in the GENERAL INFORMATION section as Proposed Named Insured? .....  Yes  No  
*If yes, please provide details in the Additional Information section at the end of this application.*

5. Is the firm owned, managed, or controlled by any other entity? .....  Yes  No  
*If yes, please provide details in the Additional Information section at the end of this application.*

6. Does the firm, or any member of the firm including any independent contractor, own, manage, or control any other entity, including any subsidiary? .....  Yes  No  
*If yes, please provide details in the Additional Information section at the end of this application, and complete the following:*

a. Does the firm or any member of the firm refer clients to such other entity? .....  Yes  No

b. Is written disclosure of such ownership, management, or control provided to each client referred? .....  Yes  No

7. Complete the following chart for properties managed. If this is a start-up business provide projections.

Property Type	Most Recent 12 Calendar Months (NOT Fiscal Year)				
	Number of Units	Average Value of Property	Number of Properties Valued >\$1M	Vacancy Rate	Gross Commissions and Fees
1-4 Family Residential		\$		%	\$
Apartments		\$		%	\$
Condominiums		\$		%	\$
Vacation Properties		\$		%	\$
RV/Mobile Home Parks		\$		%	\$
Farms/Ranches		\$		%	\$
Shopping Centers		\$		%	\$
Office Buildings		\$		%	\$
Commercial/Industrial		\$		%	\$
Other:		\$		%	\$
<b>TOTAL:</b>		\$		%	\$

8. Does your firm manage properties for any homeowner's association, property owner's association, timeshare (interval ownership) association, or cooperative? .....  Yes  No  
*If yes, what percentage of the firm's total revenues are derived from such properties? \_\_\_\_\_ %*

9. Is more than 10% of the firm's income derived from any one development, subdivision, or client? .....  Yes  No
10. Does the firm, or any member of the firm including any independent contractor, have an ownership interest in any properties managed? .....  Yes  No
- If yes, what percentage of the firm's total property management revenues are derived from such owned properties? \_\_\_\_\_ %*
11. Are standard Property Management contracts or agreements used with each client? .....  Yes  No
- If yes, please attach a copy of the contract or agreement.*
12. What percentage of contracts and agreements used contain an indemnification/hold harmless agreement in the firm's favor? \_\_\_\_\_ %
13. Does the firm carry Commercial General Liability (CGL) insurance for all properties managed and for all property management services provided? .....  Yes  No
14. Do the owners of the properties managed by the firm carry CGL insurance for all such properties? .....  Yes  No
- If yes, is the firm named as an additional insured on the CGL policy? .....  Yes  No*
15. Is the firm responsible for maintaining insurance coverage on properties managed? .....  Yes  No
16. Are contractors hired to provide services for all properties managed by the firm? .....  Yes  No
- If yes, are certificates of insurance required from each contractor? .....  Yes  No*
17. Are security services provided? .....  Yes  No
18. If residential property is managed, has every member of the firm had training/certification in fair housing laws? .....  Yes  No
19. Is authority granted under any property management agreement to make capital improvements, repairs, or other modifications to properties managed by the firm? .....  Yes  No
- If yes, please indicate the maximum dollar amount authorized for improvements \$ \_\_\_\_\_*
20. Are property management services performed on behalf of any lender in conjunction with any foreclosed/REO property? .....  Yes  No
- If yes, is there a contract with the lender for such services? .....  Yes  No*
21. Does the firm process client funds, including rents, property tax payments, utility payments, or other funds? .....  Yes  No
- If yes:*
- a. Are statements of accounts and annual audits prepared for each client at least annually? .....  Yes  No
- b. Are accounts reconciled by someone not authorized to make deposits or withdrawals? .....  Yes  No
22. Is a log maintained identifying the dates, status, and nature of maintenance or repair work orders for all properties managed? .....  Yes  No
23. Does your firm prepare a budget for each property managed? .....  Yes  No
- If yes, is the budget reviewed and approved by the property owner? .....  Yes  No*
24. Does your firm engage in any of the following:
- a. Soliciting investors or raising capital to fund any property being managed? .....  Yes  No
- b. Making any representations regarding future values or returns on properties being managed? .....  Yes  No
- c. The formation, management, or involvement as a partner, joint venture, sponsor, promoter, or underwriter of group investments or syndications? .....  Yes  No

25. Does your firm:
- a. Make any representations to prospective tenants regarding lease terms? .....  Yes  No
  - b. Negotiate or set lease terms? .....  Yes  No
  - c. Obtain a credit report for each prospective tenant? .....  Yes  No
  - d. Have a procedure to ensure lease terms are explained to and agreed by each tenant? .....  Yes  No
  - e. Maintain a log identifying the date, time, and nature of tenant complaints? .....  Yes  No
  - f. Have responsibility for tenant evictions? .....  Yes  No

*If yes, please describe standard procedures for the eviction process in the Additional Information section at the end of this application, including any difference in procedures between residential and commercial.*

26. Does your firm perform any construction management activities beyond basic tenant build-outs? .....  Yes  No

**RISK MANAGEMENT**

27. For the most recent 12 months, what percentage of professional staff, including independent contractors, participated in:
- a. Continuing education courses exceeding state required minimums? \_\_\_\_\_ %
  - b. Risk reduction seminars? \_\_\_\_\_ %

28. Does the firm:
- a. Document each file with your recommendations and your client's instructions? .....  Yes  No
  - b. Have written procedures in place to notify management of problem transactions? .....  Yes  No
  - c. Have a written internal policy or procedure manual? .....  Yes  No
  - d. Use in-house legal counsel, legal counsel on retainer, or risk manager on retainer? .....  Yes  No

*If no to any of above, please provide details in the Additional Information section at the end of this application.*

**PRIOR INSURANCE AND CLAIM HISTORY**

29. Has any claim involving professional services been made against you, your firm, or any member of your firm during the past five years or earlier if still pending? .....  Yes  No  
*If yes, please attach a copy of the firm's professional liability loss runs for the past five years.*

30. Do you or any person seeking coverage under this proposed policy have knowledge of any incident, act, error, or omission involving professional services that could reasonably be expected to be the basis of a claim? .....  Yes  No  
*If yes, please complete a Claim, Suit, or Incident Additional Information Request for each incident, act, error, or omission.*

31. Complete the following chart for professional liability insurance coverage carried during the past five years:  
 Check here if none:

	Carrier	Policy Period	Limit of Liability	Deductible Amount	Premium	Retroactive Date
Current year		to	\$	\$	\$	
Prior Year 1		to	\$	\$	\$	
Prior Year 2		to	\$	\$	\$	
Prior Year 3		to	\$	\$	\$	
Prior Year 4		to	\$	\$	\$	

32. Has any member of the firm, including any independent contractor, ever had their professional license revoked, suspended, been formally reprimanded, or been the subject of a disciplinary action? ..  Yes  No  
*If yes, please provide details in the Additional Information section at the end of this application.*
33. Has any person or entity seeking coverage under this proposed policy ever been declined professional liability insurance or had such insurance nonrenewed or cancelled, including for nonpayment of premium? (Missouri applicants: Do not complete).....  Yes  No  
*If yes, please provide details in the Additional Information section at the end of this application.*

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, Enterprise Development, One Tower Square, Hartford, CT 06183.

This application, including any material submitted in conjunction with the application or any renewal, does not amend the provisions or coverage of any insurance policy or bond issued by Travelers. It is not a representation that coverage does or does not exist for any particular claim or loss under any such policy or bond. Coverage depends on the facts and circumstances involved in the claim or loss, all applicable policy or bond provisions, and any applicable law. Availability of coverage referenced in this document can depend on underwriting qualifications and state regulations.

**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.

**COLORADO:** It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting 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 for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to a settlement or award payable from insurance proceeds shall 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 for the purpose of defrauding 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.

**PUERTO RICO:** Any person who knowingly and with the intention of defrauding 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, shall incur a felony and, upon conviction, shall be sanctioned for each violation with the penalty of a fine of not less than five thousand dollars (\$5,000) and not more than ten thousand dollars (\$10,000), or a fixed term of imprisonment for three (3) years, or both penalties. Should aggravating circumstances be present, the penalty thus established may be increased to a maximum of five (5) years; if extenuating circumstances are present, it may be reduced to a minimum of two (2) years.

**SIGNATURES**

I declare that I have examined this application and accompanying supplements and materials, and to the best of my knowledge and belief, after reasonable inquiry, they are true, correct, and complete, and may be relied upon by Travelers. I understand that if any of this information changes prior to the issuance of the insurance applied for that I am obligated to notify Travelers of such changes and that Travelers may modify or withdraw any proposal for insurance. Travelers is authorized to make inquiry in connection with this application.

Authorized Representative Signature:*	Authorized Representative Name - Printed:	Date:
<b>X</b>		
Producer Signature: *	State Producer License No. (required in FL):	Date:
<b>X</b>		
Agency:	Agency Contact:	Agency Phone Number:

\*If you are electronically submitting this application to Travelers, apply your electronic signature to this form by checking the Electronic Signature and Acceptance box below. By doing so, you hereby consent and agree that your use of a key pad, mouse, or other device to check the Electronic Signature and Acceptance box constitutes your signature, acceptance, and agreement as if actually signed by you in writing and has the same force and effect as a signature affixed by hand.

- Electronic Signature and Acceptance – Authorized Representative
- Electronic Signature and Acceptance – Producer

<b>ADDITIONAL INFORMATION</b>
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This area may be used to provide additional information to any question. Reference section name and question number.