



McGowan Program Administrators
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www.mcgowanprograms.com

Submitted By:

Agency: _____
Address: _____
Contact: _____
Phone: _____
E-Mail: _____



Not for Profit Community Association D&O / EPLI Program

Application for Insurance & Purchasing Group Membership

Please check the following boxes that apply (verified response(s) will lead to credits):

Your association is a CAI Member. *Not a member? Go to www.caionline.org to join.*

Your Community Manager is a CAI Member

Your Community Manager holds any of the following CAI credentials: **AMS, PCAM, LSM, AAMC.**

Your insurance professional carries the **CIRMS** credential.

Your association has engaged a CAI **RS** Reserve Specialist within the last three years.

THIS APPLICATION IS FOR A "CLAIMS-MADE" POLICY.

| | | | |
|------------------------------------|-----|-------------------|-----|
| Name of Association ("Applicant"): | | | |
| Mailing Address: | | Physical Address: | |
| | ZIP | | ZIP |
| Applicant Website: <u>www.</u> | | | |

Underwriting Section

1. Applicant type: ☐ Condominium ☐ Single Family HOA ☐ Master ☐ Cooperative ☐ Commercial
☐ Timeshare ☐ Other: _____
☐ List any Applicant subsidiaries: _____
2. Date of Incorporation: ____/____/____ (If unincorporated, date organized.) FEIN Number: _____
3. (a) Total units at final build-out: _____ (a) _____
(b) Total units currently built: _____ (b) _____
(c) If not fully built out, total units and undeveloped lots currently sold: _____ (c) _____
(d) Total units still owned by the developer/builder/sponsor: _____ (d) _____
(e) Total number of units rented (excluding co-op shareholder proprietary leases): _____ (e) _____
(f) Total number of units in the Applicant operated as timeshares or interval units: _____ (f) _____
(g) Total number of units participating in a real estate rental pool: _____ (g) _____
Is the rental pool operated by: ☐ the Applicant; or ☐ a third-party entity?
4. Average unit value: ☐ < \$500,000 ☐ > \$500,000 but < \$1MM ☐ > \$1MM but < \$2MM
☐ > \$2MM but < \$5MM ☐ > \$5MM
5. (a) List all recreational and all other facilities managed by the Applicant (e.g. swimming pool, number of golf courses, equestrian or tennis facility, marina, number of boat slips, country club, clubhouse, restaurant, child care, health or medical care facilities, etc.): _____

(b) Are all listed facilities limited to members of the Applicant and their guests? (b) ☐ Yes ☐ No
6. Commercial Occupancy: _____ % or # of Units: _____ Describe: _____
7. Sponsor/Builder/Developer:
(a) Is the sponsor/developer/builder or his/her representative on the board? (a) ☐ Yes ☐ No
(b) Does the sponsor/developer/builder **control** the board? (b) ☐ Yes ☐ No
8. Does Applicant have a positive fund balance? (If no, provide the most current financials and explain the reason for the negative fund balance in the "Additional Notes Section" below.) ☐ Yes ☐ No
9. Has the Applicant proposed or taken action to impose mandatory membership in a golf or Country Club, or proposed or taken action to change the Applicant from an "age restricted" community to a "non-age restricted" community within the last 24 months or plan to do so in the next 12 months? ☐ Yes ☐ No
Describe: _____

10. (a) Does the Applicant provide any of the following services: fire service protection; secondary sewage treatment; potable water treatment; road maintenance; operation of a hospital emergency room or EMT services; Applicant sponsored community watch program; or has the applicant been granted police power by the applicable municipality? Describe: _____ (a) ☐ Yes ☐ No

(b) If the answer to 10(a) is "Yes", are the services limited solely to the Applicant? (b) ☐ Yes ☐ No

11. Employee Count: None: ☐ Full Time: Current Prior Year Part Time: Current Prior Year

(a) Does the Applicant have written procedures for Equal Opportunity Employment? (a) ☐ Yes ☐ No ☐ N/A

(b) Does the Applicant maintain an anti-discrimination policy? (b) ☐ Yes ☐ No ☐ N/A

(c) Does the Applicant maintain an anti-sexual harassment policy? (c) ☐ Yes ☐ No ☐ N/A

Please explain any "No" responses to Question 11. _____

12. Number of Units over 90 days past due on their Applicant fees or assessments: _____

MISSOURI AND ILLINOIS APPLICANTS ARE NOT REQUIRED TO ANSWER THIS QUESTION.

13. Has Applicant ever had a D&O Liability policy canceled or non-renewed? ☐ Yes ☐ No

If "Yes," provide details in "Notes" below, including the cancellation or non-renewal date.

14. Existing Insurance:

(a) Does Applicant carry General Liability insurance currently? (a) ☐ Yes ☐ No

(b) Does Applicant carry Property Insurance currently? (b) ☐ Yes ☐ No

(c) If Applicant is located in coastal area, does it have windstorm coverage? (c) ☐ Yes ☐ No

(d) If Applicant is located in California, does it have earthquake coverage? (d) ☐ Yes ☐ No

15. Within the last 24 months have any of the following occurred:

(a) Has Applicant initiated a judicial or non-judicial foreclosure action against a unit owner(s) as the result of a lien placed on the owner(s) unit (a) ☐ Yes ☐ No

(b) Have any Applicant board elections been challenged? (b) ☐ Yes ☐ No

(c) Has the Applicant board initiated litigation for reasons other than collection of dues or fees? (c) ☐ Yes ☐ No

(d) Has the Applicant board placed or caused to be placed any liens on any units? (d) ☐ Yes ☐ No

Additional Notes Section

Claims Information Section

16. Within the last 5 years, has any claim or lawsuit been brought or made against Applicant. This includes any claim being made, or now pending against Applicant or any person proposed for insurance in the capacity of director, officer, trustee, employee, community association manager, committee member, or volunteer of Applicant? This also includes, but is not limited to (a) counter suits and claims as a result of liens or foreclosures and (b) Equal Employment Opportunity Commission, National Labor Relation Board, Fair Housing or similar administrative

☐ Yes ☐ No If "Yes," please complete our "Supplemental Claims Application" (See www.mcgowaninsurance.com)

17. Is any person intended to be an insured under this insurance aware of any fact, circumstance, or situation which may result in a claim against Applicant or any of its directors, trustees, officers, employees, or volunteers?

☐ Yes ☐ No If "Yes," please complete our "Supplemental Claims Application" (See www.mcgowaninsurance.com)

Without prejudice to any other rights and remedies of the Insurer, the Applicant understands and agrees that if any such fact, circumstance, or situation exists, whether or not disclosed above, any claim or action arising from any such fact, circumstance, or situation is excluded from coverage under the proposed policy, if issued by the Insurer.

18. Has Applicant had continuous, uninterrupted Directors & Officers Liability Coverage ("D&O")? ☐ Yes ☐ No

If "No," since when has Applicant had continuous, uninterrupted D&O coverage? ____ / ____ / ____

Prior Insurance Section

Directors & Officers Liability

Insurer: _____

Policy Period: ____/____/____ - ____/____/____

Limits: \$ ____MM Retention: \$ ____ Premium: \$ ____

Umbrella Liability

Insurer: _____

Policy Period: ____/____/____ - ____/____/____

Limits: \$ ____MM Retention: \$ ____ Premium: \$ ____

General Liability

Insurer: _____

Policy Period: ____/____/____ - ____/____/____

Limits: \$ ____MM Retention: \$ ____ Premium: \$ ____

Property Manager Section

Does Applicant have an independent property manager? If "Yes," please provide details below. ☐ Yes ☐ No

Name: _____

Address: _____

Phone: () ____ - ____

Fax: () ____ - ____

E-mail: _____

Website: www. _____

Professional Designations: _____

Fact Statements & Fraud Notice; Purpose & Effect of Application for Insurance & Purchasing Group Membership, Terms & Conditions of Insurance, Membership Agreement - Terms & Conditions of Membership (Including Purchasing Group Fee Disclosure); Disclosure Pursuant to Terrorism Risk Insurance Act of 2007 (And Any Subsequent Continuations or Revisions Thereof)

Fact Statements & Fraud Notice. The Undersigned Insurance Broker And Applicant Declare That To The Best Of Their Knowledge And Belief And Warrant That The Statements Set Forth Herein Are True. The Undersigned Further Declares That Any Occurrence Or Event Taking Place Prior To The Effective Date Of The Insurance Applied For Which May Render Inaccurate, Untrue, Or Incomplete Any Statement Made Will Immediately Be Reported In Writing To The Insurer And The Insurer May Withdraw Or Modify Any Outstanding Quotations And/Or Authorization Or Agreement To Bind The Insurance. The Insurer Is Hereby Authorized, But Not Required, To Make Any Investigation And Inquiry In Connection With The Information, Statements And Disclosures Provided In This Application. The Decision Of The Insurer Not To Make Or To Limit Any Investigation Or Inquiry Shall Not Be Deemed A Waiver Of Any Rights By The Insurer And Shall Not Stop The Insurer From Relying On Any Statement In This Application In The Event The Policy Is Issued. Any Person Who Knowingly And With Intent To Defraud Any Insurance Company Or Other Person Files An Application For Insurance Containing False Information Concerning Any Material Fact Thereto, Or Conceals Information For The Purpose Of Misleading, Commits A Fraudulent Insurance Act, Which Is A Crime.

Purpose & Effect Of "Application For Insurance & Purchasing Group Membership." By Signing This "Application For Insurance & Purchasing Group Membership" (Hereinafter "Application"), Applicant Agrees: (1) To Become A Member Of Community Associations PG, Inc. (Hereinafter "PG"); (2) To Participate In A Program Of Insurance Designed Exclusively For The Members Of PG; (3) To Accept, Abide By, And Be Bound By The "Terms & Conditions Of Insurance" Posted At www.purchasinggroups.com; (4) To Accept, Abide By, And Be Bound By The "Membership Agreement – Terms & Conditions Of Membership" Posted At www.purchasinggroups.com; (5) To Pay All Premiums (Including Audit And Additional Premiums, If Applicable), Fees (Including Broker & Purchasing Group Membership Fees), And State & Federal Taxes & Surcharges When Due (If Applicable)[Premiums, Fees, Taxes & Surcharges Will Be Individually-Detailed On Applicant's Policy &/Or "Evidence Of Insurance & Purchasing Group Membership" (hereinafter "EOI")]; (6) That It Understands And Agrees That Any Additional Material Supplied By Applicant's Insurance Broker To The Managing General Underwriter For A Given Program Of Insurance Becomes A Material Part Of This Application For Insurance; (7) That It Understands And Agrees That This Application Shall Be The Basis Of The Contract Should A Policy &/Or EOI Be Issued, Whether Or Not It Is Attached To The Policy &/Or EOI; And, (8) That It Understands And Agrees That This Application Will Become A Material Part Of The Policy &/Or EOI, Whether Or Not It Is Attached To The Policy &/Or EOI.

Disclosure Pursuant To Federal Law Regarding Purchasing Groups [15 U.S.C. §3901, Et Seq.] PG Is A "Purchasing Group," As Defined Under Federal Law, Formed To Purchase Liability Insurance On A Group Basis For Its Members To Cover The Similar Or Related Liability Exposure(s) To Which The Members Of PG Are Exposed By Virtue Of Their Related, Similar, Or Common Business Or Service. Members Do Not Share Limits And Each Member Is Provided With Its Own Policy &/Or EOI.

Disclosure Pursuant to Terrorism Risk Insurance Act of 2007 (And Any Subsequent Continuations or Revisions Thereof). By Signing Below, Applicant Agrees That It Has Read And Understands The Most Recent Disclosure Pursuant to Terrorism Risk Insurance Act Which Appears At www.purchasinggroups.com.

To Learn More. Please Visit www.purchasinggroups.com, Which Contains More Information About Your Purchasing Group And Purchasing Groups, In General, As Well As Your Insurance Coverage, Premiums, Fees, Taxes, The MGUs' Income, And Your Insurance Broker's Income.

(Version v2018.04.13)

_____, 20____
Signature of Applicant Date

Print Name: _____

Title: _____

_____, 20____
Signature of Insurance Broker Date

Print Name: _____

Title: Insurance Broker

****State Fraud Warnings**

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

NOTICE TO COLORADO APPLICANTS: 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.

NOTICE TO DISTRICT OF COLUMBIA APPLICANTS: WARNING: it is a crime to provide false or misleading information to an insurer for the purpose of defrauding the insurer or any other person. Penalties include imprisonment and/or fines. In addition, an insurer may deny insurance benefits if false information materially related to a claim was provided by the applicant.

NOTICE TO FLORIDA APPLICANTS: 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.

NOTICE TO HAWAII APPLICANTS: For your protection, Hawaii law requires you to be informed that presenting a fraudulent claim for payment of a loss or benefit is a crime punishable by fines or imprisonment, or both.

NOTICE TO KENTUCKY APPLICANTS: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance 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.

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

NOTICE TO MAINE APPLICANTS: It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purposes of defrauding the company. Penalties may include imprisonment, fines or a denial of insurance benefits.

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

NOTICE TO MINNESOTA APPLICANTS: A person who submits an application or files a claim with intent to defraud or helps commit a fraud against an insurer is guilty of a crime.

NOTICE TO NEW JERSEY APPLICANTS: Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties.

NOTICE TO NEW MEXICO APPLICANTS: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to civil fines and criminal penalties.

NOTICE TO NEW YORK APPLICANTS: 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 shall also be subject to a civil penalty not to exceed five thousand dollars and the stated value of the claim for each such violation.

NOTICE TO OHIO APPLICANTS: Any person who, with the intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud.

NOTICE TO OKLAHOMA APPLICANTS: WARNING: Any person who knowingly, and with intent to injure, defraud, or deceive any insurer, makes any claim for the proceeds of an insurance policy containing any false, incomplete or misleading information is guilty of a felony.

NOTICE TO PENNSYLVANIA APPLICANTS: 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.

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

NOTICE TO TENNESSEE, VIRGINIA, AND WASHINGTON APPLICANTS: 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.

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