

APPLICATION FOR
CONSTRUCTION MANAGERS' PROFESSIONAL LIABILITY INSURANCE
WITH CERTAIN UNDERWRITERS AT LLOYD'S

THIS APPLICATION IS FOR A
"CLAIMS MADE" INSURANCE POLICY

APPLICANT'S INSTRUCTIONS

1. THIS APPLICATION IS FOR A PROFESSIONAL LIABILITY POLICY INTENDED TO PROVIDE COVERAGE FOR CONSTRUCTION MANAGEMENT-AGENCY OPERATIONS. COVERAGE WILL NOT APPLY TO CONSTRUCTION, OR "AT RISK" OPERATIONS, UNLESS COVERAGE HAS BEEN GRANTED FOLLOWING COMPLETION OF THE ATTACHED SUPPLEMENTARY QUESTIONNAIRE.
2. ALL QUESTIONS MUST BE ANSWERED COMPLETELY; PLEASE TYPE OR PRINT CLEARLY; IF ANY QUESTIONS ARE CONSIDERED NOT APPLICABLE, PLEASE EXPLAIN WHY.
3. IF YOU NEED MORE SPACE, CONTINUE ON A SEPARATE SHEET & INDICATE QUESTION NUMBER.
4. PLEASE COMPLETE APPLICATION & SUPPLEMENTS WHERE REQUIRED.
5. THIS APPLICATION & ALL SUPPLEMENT FORMS MUST BE SIGNED & DATED BY A PRINCIPAL OF THE FIRM.

-
1. A. Name of Applicant: _____
- Proprietorship Partnership Corporation
- B. Address: _____
- City: _____ County: _____
- State: _____ Zip: _____
- C. Telephone: _____ Facsimile: _____ E-Mail: _____
- D. Branch Office Address (es) (use a separate addendum if applicable).
-
- E. Date Established (current entity): _____
- F. Number of Staff:
- | | Last Year: | This Year: |
|---|------------|------------|
| Principals/Partners/Directors: | _____ | _____ |
| Other Licensed Professionals (Architects or Engineers: | _____ | _____ |
| CM Practitioners: | _____ | _____ |
| Other Staff: | _____ | _____ |
| Total Staff: | _____ | _____ |
- G. Please indicate the Applicant's annual staff turnover. _____
- H. Please complete Professionals Supplement – No. 1.

2. A. Has the name of the Applicant changed or has any other firm or organization amalgamated with or been merged into the Applicant? Is there any pending change in the name of the Applicant or pending amalgamation or merger?

If yes, please give full details on a separate addendum

YES NO

B. Please indicate the 4 States from which the Applicant derived the highest percentage of Total Billings for the last year.

| State | % | State | % | State | % | State | % |
|-------|---|-------|---|-------|---|-------|---|
|-------|---|-------|---|-------|---|-------|---|

Please indicate the Percentage of revenues derived from non-US work: _____ %

C. Disciplines as a Percentage of Billings:

| | | | |
|-------------------------|---------|-----------------------------|---------|
| Architecture: | _____ % | Construction Management: | _____ % |
| Civil Engineering: | _____ % | HVAC: | _____ % |
| Structural Engineering: | _____ % | Environmental / Soil / Geo: | _____ % |
| Mechanical Engineering: | _____ % | Interior Design: | _____ % |
| Electrical Engineering: | _____ % | Design / Build: | _____ % |
| Acoustical Engineering | _____ % | Other: | _____ % |
| | | Total: | 100 % |

* If yes, please give full details on a separate addendum.

Construction Management- Agency Scope of Services:

| | | | |
|--------------------|---------|---------------------------|---------|
| Project Management | _____ % | Scheduling / Coordination | _____ % |
| Cost Management | _____ % | Contract/Project Admin. | _____ % |
| Cost Scheduling | _____ % | Constructibility Reviews | _____ % |
| Value Engineering | _____ % | Construction Inspection | _____ % |
| Materials Testing | _____ % | Safety Services | _____ % |
| Claims Analysis | _____ % | | _____ % |
| Other (explain) | _____ % | | _____ % |
| | | Total: | 100 |

D. Please complete Environmental Supplement – No. 2 if at any time in the last complete fiscal or current year the Applicant has performed PROFESSIONAL SERVICES for environmental projects, including but not limited to the testing of hazardous materials.

E. Please indicate the percentage of the Applicant's billings derived from work performed on a Fast Track basis: i.e. those projects in which construction begins before design is complete. _____ %

F. Please indicate the percentage of the Applicant's billings derived from repeat business. _____ %

G. Please indicate percentage by fees of current projects where the construction contract is a:

Bid Contract: _____ % Negotiated Contract: _____ %

H. Please indicate types of projects as a percentage of the Applicant's billings:

| | Last Year | | This Year | |
|-----------------------------------|-----------|---|-----------|---|
| Hotels/Motels/Convention Centers: | _____ | % | _____ | % |
| Office Buildings/Retail Outlets: | _____ | % | _____ | % |
| Hospitals: | _____ | % | _____ | % |
| Schools/Colleges/Recreational: | _____ | % | _____ | % |
| Sports Arenas/Stadiums: | _____ | % | _____ | % |
| Condominiums: | _____ | % | _____ | % |
| Warehouses: | _____ | % | _____ | % |
| Other Residential | _____ | % | _____ | % |

| | | | | |
|--------------------------------------|-------|---|-------|---|
| Manufacturing/Industrial facilities: | _____ | % | _____ | % |
| Roads/Highways/Runways: | _____ | % | _____ | % |
| Parking Structures: | _____ | % | _____ | % |
| Bridges/Tunnels/Dams: | _____ | % | _____ | % |
| Harbours/Piers/Ports: | _____ | % | _____ | % |
| Utilities: | _____ | % | _____ | % |

| | | | | |
|-----------------------------|-------|---|-------|---|
| Petro/Chemical: | _____ | % | _____ | % |
| Wastewater: | _____ | % | _____ | % |
| Landfills/Industrial Waste: | _____ | % | _____ | % |
| Nuclear: | _____ | % | _____ | % |
| Other: Please specify: | _____ | % | _____ | % |
| | _____ | % | _____ | % |
| | _____ | % | _____ | % |
| Total: | 100 | % | 100 | % |

I. Do you foresee substantial changes in the above percentages in the next 12 months? If yes please explain:

J. Please Complete Largest Project Supplement – No 3.

K. Please attach a copy of your company's Construction Management Services brochure.

3. A. Client Profile:

Please indicate the percentage of the Applicant's billings and derived from each of the following categories:

| | | | | | |
|-----------------------------|-------|---|------------------------|-------|---|
| Contractors: | _____ | % | Lending Institutions | _____ | % |
| Other Design Professionals: | _____ | % | Federal Governments: | _____ | % |
| Commercial: | _____ | % | State Governments: | _____ | % |
| Private Owners including | | | Local Governments: | _____ | % |
| Corporations: | _____ | % | Other, please specify: | _____ | % |
| Real Estate Developers: | _____ | % | Other, please specify: | _____ | % |

B. Were more than 20% of the Applicant's billings during the past fiscal year derived from a single client or contract? YES NO

If yes, for each client representing more than 20%, please specify client, project(s), & describe services rendered.

C. Is the Applicant or any subsidiary, parent or other organization related thereto, engaged in or been engaged in within the past 36 months:

- i. Actual construction, fabrication or erection, including CM-At Risk. YES NO
- ii. Development, sale or leasing of computer software. YES NO
- iii. Real Estate development. YES NO
- iv. Manufacture, sale, leasing or distribution of any product, process or patented production process. YES NO

If the answer to any of the above is yes, please give full details on a separate addendum, and indicate annual construction revenue by entity.

D. Please indicate the percentage of contracts where the Applicant is responsible for site safety, and is added as an additional Named Assured on:

- i. the clients General Liability Insurance Policy. _____ %
- ii. the contractors General Liability Insurance Policy. _____ %

E. Does the Applicant or any subsidiary, parent or other organization related thereto, provide professional services as a partner in any joint venture projects that were established during the current or last complete fiscal year? YES NO

If yes, please give details including project name, description, construction value services performed, both by the Applicant & by other joint venture parties, & the status of the project on a separate addendum.

F. Please list all professional services sub-contracted by the Applicant, & indicate percentage of Total billings for each.

_____ % _____ % _____ % _____ % _____ %

G. a) Does the Applicant require evidence of Professional Liability Insurance for it's consultants by obtaining certificates of insurance on an annual basis? YES NO

b) What percentage of the Applicant's consultants carry Professional Liability Insurance? _____ %

4. REVENUE BREAKDOWN (For CM Agency & Design only For At Risk see supplement 5)

| | <u>Professional Fees:</u> | <u>Construction Values:</u> |
|--|---------------------------|-----------------------------|
| A. Joint Venture Projects:* | \$ _____ | \$ _____ |
| * Please give full details, including project name, description, contract value, other joint venture parties involved, status of project, who manages the project, on a separate addendum. | | |
| B. Projects insured under separate project policies: | \$ _____ | \$ _____ |
| C. Projects which have been permanently abandoned: | \$ _____ | \$ _____ |
| * Please give full details, to include stage of abandonment and reason, on a separate addendum | | |
| D. Feasibility Studies, Master Plans, reports-opinions, etc: | \$ _____ | \$ _____ |
| E. Direct Reimbursables: | \$ _____ | \$ _____ |
| F. All other billings: | \$ _____ | \$ _____ |
| G. Total Gross Billings (whether collected or not). Do not include interest, rental or other revenues unrelated to professional practice: | | |

NOTE: New firms should use estimated total billings for the next 12 months.

Next Year Est. \$ _____ Current Year \$ _____ Past Year \$ _____

MANAGEMENT

5. A. Does the Applicant have an in-house quality control procedure? Yes No
- B. Is it in written form? Yes No
- C. Are all appropriate staff members familiar with these procedures?
If the answer to any of the above is no, please give full details on a separate addendum. Yes No
- D. Has the Applicant participated in a peer review program?
If yes, briefly describe the program, when conducted & by whom: Yes No

- E. Does the Applicant or any principal, partner, director or shareholder thereof or any Subsidiary thereof or any immediate family member of any such person have an ownership interest in any project for which PROFESSIONAL SERVICES are being rendered by the Applicant?
If yes, please provide details: Yes No

- F. Does the Applicant render services on behalf of any other entity in which any principal, partner or director thereof or an immediate family member of such person is a partner, shareholder or employee?
If yes, please provide details: Yes No

G. Is the Applicant controlled, owned or associated with or does the Applicant Control or own any other entity? Yes No

If yes, please provide details:

H. Are new clients subject to the approval of the Applicant's management committee or at least three partners or officers of the Applicant? Yes No

If yes, please provide details:

I. Does the approval include credit checks? Yes No

MISCELLANEOUS:

6. A. Has any practitioner listed in Supplement 1 ever been the subject of disciplinary action by authorities as a result of their professional activities? Yes No

If yes, please give full details on a separate addendum

B. How many practitioners have participated in formal continuing education programs of at least seven hours during the last year? This would include attendance at professional association sponsored seminars & similar functions.

C. Please indicate fees and contracts for CM – Agency services as follows:

| <u>Form of Contract</u> | <u>% of Fees</u> | <u># of Contracts</u> |
|-------------------------|------------------|-----------------------|
| CMAA | _____ | _____ |
| AIA | _____ | _____ |
| EJCDC | _____ | _____ |
| AGC | _____ | _____ |
| Other (_____) | _____ | _____ |
| TOTALS | 100 | _____ |

D. Does the Applicant use written contracts on every project? Yes No
If no, please describe the circumstances when oral agreements are used:

E. If non-standard or modified CMAA, ACG, AIA or EJCDC contracts or "letter" agreements are used, who does the Applicant use to review such contracts or agreements? Yes No

F. Please attach a copy of the Applicant's standard professional services contract.

INSURANCE

7. A. After inquiry have any claims or suits been made against the Applicant in the past 10 years?

Please include those claims that attach to separately insured projects.

Yes No

- B. After inquiry are any member(s) of the Applicant aware of any circumstances, allegations or contentions as to any incident which may result in a claim being made against the Applicant?

Yes No

If yes to A) or B) please complete Claims Supplement – No. 4.

- C. Has insurance of the type for which the Applicant is now applying ever been declined, cancelled or had the renewal thereof refused to the proposed insured?

If yes, please give full details on a separate addendum.

Yes No

8. Please give details of previous insurance (past 5 years) including periods of coverage (including predecessor firms) and any extended claims reporting period ("tail") coverage.

