

Application for Contractors Professional, Errors & Omissions and Pollution Incident Liability Coverage

NOTE: The insurance coverage for which you are applying is written on a CLAIMS-MADE AND REPORTED policy. Only claims which are first made against you and reported to us in writing during the policy period are covered, subject to policy provisions. The Limits of Liability stated in the Policy are reduced by the cost of defense. Legal defense costs also may be applied against your Self Insured Retention, if applicable to the Claim. Please consult your policy directly for specific coverage. If you have any questions about the coverage, please discuss them with your insurance agent or broker.

COMPANY INFORMATION

If multiple companies are named please describe the relationship and ownership of all companies on a separate sheet. List addresses of all branch offices and all persons or entities for which you are seeking coverage in the space provide after question 26 of the application.

1. Company Name: Pluma Construction Systems, Inc./Pluma LLC

Street Address: 6301 4th St. NW, Ste 1

City, State, Zip:

Albuquerque, NM 87107

Contact Name: Chris Pacheco

Website: www.plucys.com

Email address: chris@plucys.com

Professional Retroactive Date:

Pollution Retroactive Date:

Effective Date: 3/1/2022

Year Company Established: 2014

Desired Limit: ☐ \$1M / \$1M ☐ \$1M / \$2M ☒ \$2M / \$2M ☐ \$3M / \$3M ☐ Other:

Desired SIR: ☐ \$3,000 ☐ \$5,000 ☒ \$10,000 ☐ \$15,000 ☐ \$20,000 ☐ \$25,000 ☐ \$50,000

2. Staff*	Full Time	Seasonal/PT	Total Number
Construction Personnel	12		12
Licensed Engineers			
Licensed Architects			

*Please provide resumes of key personnel Chris Pacheco (owner), Jose Lovato (VP Operations), Tim Everett (VP, Admin)

SERVICES

Professional services are those services performed by an architect/engineer (or other licensed professional) either in-house or subconsulted. **Contracting** services are those construction related services that are performed in operation as a licensed contractor.

3. A. Please indicate the percentage of **PROFESSIONAL** services performed in-house and by sub-consultants.

Agency Construction Management	%	Landscape Architecture	%
Architecture	%	Land Surveying	%
At-Risk Construction Management	%	Mechanical Engineering	%
Civil Engineering	%	Soils/Geotechnical Engineering	%
Electrical Engineering	%	Structural Engineering	%
Other (Please specify)	%	Other (Please specify)	%

B. Please indicate the percentage of **CONTRACTING** services performed in-house and by sub-consultants.

Acoustical Contracting	%	Painting Contracting	5%
Audio/Visual Contracting	%	Paving Contracting (ROAD)	%
Concrete Contracting (ASCC)	5%	Pool & Spa Contractor (SPLASH)	%
Curtain Wall/Glazing Contractor	%	Renewable Energy Contractor (REC)	%
Drywall Contracting	10%	Roofing Contracting (NRCA)	%
Electrical Contracting (ECCP)	5%	Soils/Geotechnical Contracting	%
Elevator Contracting	%	Structural Contracting	%
Excavation Contracting (LICA)	%	Signage Contractor	%
Exhibit Contracting	%	Telecommunications/Cabling (NUCA)	%
Fire Sprinkler Contracting	%	Utility Contractor (NUCA)	%
Flooring Contracting	10%	Wastewater/Sewer Contracting (NUCA)	%
Highway Contracting (ROAD)	%	Water Well Drilling (BEAR)	%
Landscape Contracting (PLANT)	%	Window Installation	5%
Masonry Contracting	%	Other (please specify) GC	70%
Mechanical/HVAC Contracting (SMAP)	%	Other (please specify)	%

PERCENTAGES MUST EQUAL 100%

OPERATIONS AND ACCOUNTING YEAR INFORMATION

4. A. Is your company a General Contractor? ☒ Y ☐ N Is your company a Specialty Contractor? ☐ Y ☒ N

B. If your company is a Specialty Contractor, are there separate projects where your company would perform services as a General Contractor? ☐ Y ☐ N

If yes, please provide an explanation in the space provided.

5. Report all construction revenue generated by every entity to be listed as a Named Insured broken down by the following contract types/activities:

Reporting Periods	<i>2nd Most Recently Completed 12 Months</i>		<i>Most Recently Completed 12 Months</i>		<i>Estimate For Next 12 Months</i>	
	From: 04/2020	To: 03/2021	From: 04/2021	To: 01/2022	From: 4/2022	To : 3/2023
Types of Contracts/Activities	Construction Revenue	Professional Fees	Construction Revenue	Professional Fees	Estimated Construction Revenue	Estimated Professional Fees
A. Design Only: Perform design services only with no contractual obligations for construction or Construction Management (CM).	\$	\$	\$	\$	\$	\$
B. Construction Only: Perform as general or specialty contractor with no contractual obligations for design or CM services.	\$ 3,024,937.50		\$3,500,540.18		\$ 5,000,000.00	
C. Agency CM: Provide project administration, project management or CM services as agent of owner but hold no design or construction subcontracts.	\$	\$	\$	\$	\$	\$
D. At-Risk CM: Provide CM services during preconstruction and self-perform or hold and manage all construction subcontracts during construction.	\$	\$	\$	\$	\$	\$
E. Design-Build w/In-House Design: Assume contractual obligation for design and construction where design is performed by in-house employees.	\$	\$	\$	\$	\$	\$
F. Design-Build w/Subcontracted Design: Assume contractual obligation for design and construction where design is subcontracted to and outside firm/individual.	\$	\$	\$	\$	\$	\$
G. Other: Revenue generated from sources other than the above contract types/activities.	\$	\$	\$	\$	\$	\$
TOTALS:	\$	\$	\$	\$	\$	\$

PROJECTS

6. Please provide a breakdown of your company's project types into the following categories.

Airport Facilities (except terminals)	%	Hospitals/Health Care	%	Petro/Chemical	%
Airport Terminals	%	Hotels/Motels	%	Potable/Storm Water Systems	%
Amusement Rides	%	Single Family Residential	5%	Recreation/Sports	%
Apartments/Multi-family	5%	Jails/Justice Facilities	%	Roads/Highways	%
Assisted Living Facilities	%	Landfills/Solid Waste Facilities	%	Schools/Colleges	20%
Bridges/Dams/Tunnels	%	Libraries	%	Shopping Centers/Retail/ Restaurants	%
Churches/Religious	%	Manufacturing/Industrial	%	Warehouses	%
Condos/Co-ops	%	Mass Transit	%	Water/Sewer Pipelines	%
Convention Centers/Arenas/Stadiums	%	Nuclear/Atomic	%	Water/Wastewater Treatment	%
Dormitories	10%	Office Buildings/Banks	25%	Utilities (Gas, Electric, Steam)	%
Environmental Remediation	%	Parking Structures	%	Other (specify) Corp TI	35%
Harbors/Piers/Ports	%	Parks/Playgrounds/ Pools	%	Other (specify)	%

PERCENTAGES MUST EQUAL 100%

7a. List the five largest ongoing projects by name including total construction values:

<i>Project Name</i>	<i>Construction Values:</i>
\$NMMI – Barracks Sink Rooms	1,052,000.58
New Mexico Junior College – Museum Storage	359,668.57
City of Santa Fe – Roof and HVAC	\$280,742.36
\$VA MATOC – HVAC and Roof	\$119,872.46
\$DCA – NHCC – Flood Damage Repair	\$112,502.78

7b. What is your average project size? \$ 166,216.00

7c. Please provide total construction revenue for each of the past 3 years.

<i>Total Construction Revenue:</i>	<i>Year:</i>
\$3,024,937.50	2021
\$3,500,540.18	2020
\$2,614,957.53	2019

RISK TRANSFER

8. A. Do you require professional liability/errors & omissions coverage of your professional sub-consultants ☒ Y ☐ N

B. If yes, what are the minimum limits required? 1,000,000per claim 2,000,000 per aggregate.

C. Do you obtain and review certificates of insurance of your professional sub-consultants? ☒ Y ☐ N

D. Do you hire professional sub-consultants under a written contract? ☒ Y ☐ N

RISK MANAGEMENT AND LOSS PREVENTION

9. Does your company have a written in-house quality management procedure? ☒ Y ☐ N

10. A. What percentage of your company's projects use a written contract? 100 %

B. What percentage of your company's professional services are rendered under AGC, AIA, CMAA, Consensus Documents, DBIA or EJCDC documents? 25 %

11. What percentage of your company's professional employees have participated in continuing education in the past 12 months? N/A %

BUSINESS INFORMATION

If the response is "yes" to any question in this section, please provide details in the space provided after question 26 of the application.

12. A. Does your company or any principal, partner, officer, director or shareholder or an immediate family member of any such person have more than a 49% combined ownership interest or act as the managing partner in any entity or project for which professional services have been or are to be rendered? ☐ Y ☒ N

B. Does your company render services on behalf of any other entity in which any principal, partner, officer, director or shareholder or an immediate family member of such person is a partner, officer, director, shareholder or employee? ☐ Y ☒ N

C. Is your company controlled, owned by, or does your company control or own, any other entity not listed on this application? ☐ Y ☒ N

13. Is your company engaged in real estate development? ☐ Y ☒ N

14. A. Has your company ever held or do you now hold a patent for any product or process? ☐ Y ☒ N

B. Is your company engaged in the manufacture, sale or distribution of any product? ☐ Y ☒ N

15. Has your company or any predecessor ever declared bankruptcy? ☐ Y ☒ N

16. Please identify participation and/or membership in any of the following trade associations:

- ☐ American Society of Concrete Contractors (ASCC)
☐ Land Improvement Contractors of America (LICA)
☐ National Roofing Contractors Association (NRCA)
☐ National Utility Contractors Association (NUCA)
☐ Independent Electrical Contractors Association (IEC)
☐ Professional Land care Network
☐ Mechanical Contractors Association of America (MCAA)
☐ The Association of Pool & Spa Professionals (APSP)
☐ Northeast Pool & Spa (NESPA)
☒ Associated Builders & Contractors, Inc. (ABC)

17. Please provide the following information for your current policies: (Applicants must carry General Liability and Umbrella Liability Limits equal to or greater than the Professional Liability or Errors/Omission limits being requested.)

Particulars	General Liability	Umbrella Liability
a. Insurer	2000000	2000000
b. Policy Limits		
c. Policy Deductible		
d. Effective Date:		

Five year General Liability Loss Ratio: 0% Current Workers Compensation Modifier: .87

Please attach details regarding incurred or paid losses in excess of \$100,000 and/or open claims.

Note: General Liability Loss runs may be required for review at the request of the underwriter.

CONTRACTOR'S POLLUTION LIABILITY RISK INFORMATION

18. Does your company have written policies and procedures for complying with OSHA health, safety, training and medical monitoring requirements? ☒ Y ☐ N

19. Does your company have a written health and safety manual?
When was it last updated? On going, DOE is one of our customers and require constant review ☒ Y ☐ N

20. Does your company carry Contractor's Pollution Liability coverage? ☐ Y ☒ N

If yes, please provide the following information:

- A. Name of Insurer:
B. Limit of Liability per claim: / aggregate
C. Deductible/SIR/per claim / aggregate
D. Retroactive date
E. Annual Premium
F. Occurrence or Claims Made

21. Is your company ever responsible for removing or transporting waste from job sites
If yes, please include how often and job types. Most Jobs, Construction Debris ☒ Y ☐ N

22. Does your company subcontract the disposal and/or transportation of waste? <i>If yes, do you require the subcontractor to name you as an additional insured on their pollution liability policy?</i>	<input type="checkbox"/> Y <input checked="" type="checkbox"/> N <input type="checkbox"/> Y <input type="checkbox"/> N				
23. Does your owned worksite have underground or aboveground storage tanks?	<input type="checkbox"/> Y <input checked="" type="checkbox"/> N				
NEW APPLICANT INFORMATION					
Professional Liability, Faulty Workmanship, Defective Products Liability and/or Pollution Liability Claim Information					
24. Have any claims been made or legal action been brought in the past ten years (or made earlier and still pending) against your company, its predecessor(s) or any past or present principal, partner, officer, director, shareholder or employee? If yes, provide the following information for each claim in the space provided after question 26 of the application.					
<input type="checkbox"/> Y <input checked="" type="checkbox"/> N					
A. Date of claim B. Claimant or Plaintiff C. Allegations D. Demand or amount of claims	E. Insurance company reserve, if any F. Defense attorney's or insurance company's evaluation of exposure/potential liability G. Defense and indemnity paid to date and status (open/closed) H. Deductible applicable				
25. After complete investigation and inquiry, do any of the principals, partners, officers, directors, members, shareholders, employees, or insurance managers have knowledge of any act, error, omission, fact, incident, situation, unresolved job dispute (including owner-contractor disputes), accident, or any other circumstance that is or could be the basis for a claim under the proposed insurance policy?					
<input type="checkbox"/> Y <input checked="" type="checkbox"/> N					
<i>If yes, please give details of this situation, including name of project and claimant, dates, nature of situation and amount of damages in the space provided after question 26 of the application.</i>					
Report knowledge of all such incidents to your current carrier prior to your current policy expiration. The policy of insurance being applied for will not respond to incidents about which you had knowledge prior to the effective date of the policy nor will coverage apply to any claim or circumstance identified or that should have been identified in Questions 22 and 23 of this application.					
26. Has any insurer declined, cancelled or refused to renew any similar insurance for your company or any predecessor firm? (N/A in Missouri)					
<input type="checkbox"/> Y <input checked="" type="checkbox"/> N					
<i>If yes, please give details.</i>					
27. Do you or any subsidiary or predecessor company have any current outstanding errors & omissions, professional liability or pollution liability SIR/deductible obligations?					
<input type="checkbox"/> Y <input checked="" type="checkbox"/> N					
<i>If yes, please give exact amount owed to insurance company and, if a payment schedule is in place, the amount and dates of repayments in the space provided after question 26 of the application.</i>					
28. Has any similar insurance been issued to any of the company(ies) named in Question 1. If yes, please complete the following for the last five years.					
<input type="checkbox"/> Y <input checked="" type="checkbox"/> N					
<i>Company</i>	<i>Policy #</i>	<i>Limit</i>	<i>Deductible/SIR</i>	<i>Dates</i>	<i>Premium</i>
1.					
2.					
3.					
4.					
5.					
Retroactive coverage date on current policy (if applicable):					
Please describe any operations currently insured under a project specific policy:					
Current overall loss ratio:					
NOTE: Please provide supporting, hard copy, loss run documentation for up to five years.					
Explanations to questions above: (please specify the corresponding question number with the explanation)					

FRAUD NOTICE—Where Applicable Under The Law of Your State

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 or incomplete information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime AND MAY BE SUBJECT TO CIVIL FINES AND CRIMINAL PENALTIES (For District of Columbia residents only: 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.) (For Florida residents only: 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.) (For Kansas residents only: Any person who, knowingly and with intent to defraud, presents, causes to be presented or prepares with knowledge or belief that it will be presented to or by an insurer, purported insurer, broker or any agent thereof, any written statement as part of, or in support of, an application for the issuance of, or the rating of an insurance policy for personal or commercial insurance, or a claim for payment or other benefit pursuant to an insurance policy for commercial or personal insurance which such person knows to contain materially false information concerning any fact material thereto; or conceals, for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act.) (For Louisiana residents only: 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.) (For Maine residents only: It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties may include imprisonment, fines or a denial of insurance benefits.) (For New York residents only: 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.) (For Oklahoma residents only: 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.) (For Pennsylvania residents only: 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.) (For Puerto Rico residents only: Any person who knowingly and with the intent to defraud, presents false information in an insurance request form, or who presents, helps or has presented a fraudulent claim for the payment of a loss or other benefit, or presents more than one claim for the same damage or loss, will incur a felony, and upon conviction will be penalized for each violation with a fine of no less than five thousand dollars (\$5,000) nor more than ten thousand dollars (\$10,000); or imprisonment for a fixed term of three (3) years, or both penalties. If aggravated circumstances prevail, the fixed established imprisonment may be increased to a maximum of five (5) years; if attenuating circumstances prevail, it may be reduced to a minimum of two (2) years.) (For Rhode Island residents only: 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.) (For Tennessee residents only: Penalties include imprisonment, fines and denial of insurance benefits.) (For Oregon residents only: 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 or incomplete information, or conceals for the purpose of misleading, information concerning any fact material thereto, may commit a fraudulent insurance act, which may be a crime and may be subject to civil fines and criminal penalties.) (For Vermont residents only: Any person who knowingly presents a false statement in an application for insurance may be guilty of a criminal offense and subject to penalties under state law.) (For Virginia residents only: 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.) (For Washington residents only: 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.) (For West Virginia residents only: 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.)

REPRESENTATION

Applicant represents on its behalf and on behalf of each and every partner, officer, director, member, stockholder, employee and manager that the person completing this application has the authority to do so on behalf of the applicant, and that after full investigation and inquiry, the 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. Further, it is understood and agreed that the completion of this application does not bind the insurance company to sell nor the applicant to purchase the insurance.

Applicant further acknowledges on its behalf and on behalf of each and every partner, officer, director, member, stockholder, employee or insurance manager:

1. A continuing obligation to report to the Company immediately 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;
2. If a policy is issued, the Company will have relied upon as representations: the application and 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 hereof. This application will be the basis of the contract and will be incorporated by reference into and made part of such policy.

Name of Principal, Partner or Officer:
(Please Type or Print)

☒ Mr. ☐ Mrs. ☐ Ms.

Christofer M. Pacheco _____

Title: President/Managing Member _____

Signature: (Principal, Partner or Officer) _____

Date: _____

NOTE: This application must be reviewed, signed and dated within a month of submission by a principal, partner or officer of the applicant firm.