

# Community Association Management Liability

## CLAIM SERVICES GUIDE

Community association management liability insurance protects duly elected or appointed directors, trustees, officers, employees, members of duly constituted committees or volunteers for claims brought against them alleging wrongful acts while performing in their capacities in those respective positions. It also offers protection to the association organization in the event of claims asserted against it as an entity.

### What is a claim?

If you think it is a claim, it probably is.

Claims can come in several different forms. A claim could be a written demand for monetary or non-monetary relief, a lawsuit, a criminal proceeding commenced by a filing of charges or a formal administrative or regulatory proceeding commenced by the filing of a notice of charges, formal investigative order or similar document. Common types of claims include:

- Breach of fiduciary duty
- Breach of contract
- Violations of covenants, conditions and restrictions
- Housing /discrimination complaints
- Employment practices liability

### How do I report a claim?

Immediately notify your agent or broker when a claim is made against you. You must also comply with any other specific claim-reporting instructions set forth in your policy.

To notify Travelers directly, please contact:

Fax: 888.460.6622  
Email: [BSIclaims@travelers.com](mailto:BSIclaims@travelers.com)  
Travelers Bond & Specialty Insurance  
P.O. Box 2989  
Hartford, CT 06104-2989

**Please refer to your policy for your duties in the event of a claim.**

### When should I report a claim?

You should report a claim as soon as practicable but no later than 60 days after the end of the policy period. This means that as soon as you become aware of a claim, you should report the matter in writing. When in doubt, report it and let Travelers make the determination as to whether the matter is or is not a claim. The sooner Travelers is notified, the sooner we can become involved in the process and offer assistance to you. A delay in reporting may cause all or part of a claim to fall outside of the coverage provided.

### What happens after I report a claim?

The life cycle of a claim varies depending on the nature of the claim. However, the claim process generally includes the following steps:

#### 1. Acknowledgment

A letter will be sent to you and your agent to acknowledge Travelers' receipt of the claim notice. This acknowledges receipt of the matter and provides you with a claim number and the name and contact information of the claim professional assigned to the matter.

#### 2. Information gathering and investigation

The claim professional will begin the investigation into the matter. During this process you may receive communications requesting additional information in order to assist in the investigation of the claim.

#### 3. Coverage determination

Travelers will send you a letter that outlines the coverage available under the policy. This letter sets forth the way the claim will be handled. This letter should be viewed as an informative document setting forth the terms, conditions and exclusions contained within the policy that may apply to your claim. It will also explain why a matter does or does not fall within the coverage provided.

#### 4. Resolution

The claim professional will work directly with you and the attorney representing your association to achieve a timely and efficient resolution of the claim.

## Who will handle my claim?

Your claim will be handled by a Travelers Bond & Specialty claim professional. All community association directors and officers liability claims are managed exclusively by the dedicated team of claim professionals who are experienced in handling these types of claims.

The Bond & Specialty claim department is made up of diverse claim and legal professionals. We employ claim professionals throughout the United States and provide personal claim service. We work directly with insureds, policyholders, agents and brokers, and are committed to delivering world-class service to all our customers.

## Superior customer service

Travelers understands that life is full of uncertainty. Rest assured that whenever possible, our claim professionals are ready to help. When you call you can always expect to be assisted promptly and treated with the utmost respect, integrity, professionalism and skill.

**Just call us at 800.842.8496.**

## Do I need to hire an attorney?

In most instances, an association or its directors and officers facing a claim will need an attorney to handle the matter. Depending on your policy, Travelers may appoint an attorney for you, or you may have the right to choose your own attorney, subject to Travelers' consent.

## What is a Duty to Defend policy?

With a Duty to Defend policy, Travelers will appoint an attorney for you. Travelers has established relationships with experienced law firms and has negotiated favorable rate agreements to provide services to Travelers' insureds. The claim professional will work with you to ensure that your association has a qualified and experienced attorney handling the matter.

## Why Travelers

- We've provided effective insurance solutions for more than 150 years and address the needs of a wide range of industries
- We consistently receive high marks from independent ratings agencies for our financial strength and claims-paying ability
- With offices in every U.S. state, we possess national strength and local presence
- Our dedicated underwriters, risk control specialists and claim professionals offer extensive industry and product knowledge
- Our network of dedicated claim staff has expertise in community association professional liability and fidelity/ crime claims



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Travelers Casualty and Surety Company of America and its property casualty affiliates. One Tower Square, Hartford, CT 06183

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