

**WESTERN NATIONAL MUTUAL INSURANCE COMPANY (WNMIC)**

**General / Prime Contractor Questionnaire – Bond # \_\_\_\_\_**

Your return of a completed claims questionnaire is an extremely important part of WNMIC’s claims investigation. Your prompt completion of this document, and its return to WNMIC will directly impact WNMIC’s ability to make a speedy determination regarding your claim.

Please answer the following questions and attach copies of pertinent and/or requested documents. If you need additional space, please continue on a separate page.

**I. Preliminary Facts**

**Claimant:**

Your Name: \_\_\_\_\_

Contact Person: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_

Phone No.: \_\_\_\_\_

Fax No.: \_\_\_\_\_

License No.: \_\_\_\_\_

E-mail: \_\_\_\_\_

**Contractor (“Principal”):**

Name: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_

Phone No: \_\_\_\_\_

Fax No: \_\_\_\_\_

License No: \_\_\_\_\_

Related firms: \_\_\_\_\_

**II. Loss Amounts**

**TOTAL AMOUNT OF YOUR CLAIM: \$ \_\_\_\_\_**

Original Contract Amount: \$ \_\_\_\_\_  
Total Change Order Amount: \$ \_\_\_\_\_  
Total Amount Paid: \$ \_\_\_\_\_  
Date of Contract: \_\_\_\_\_  
Date of Loss: \_\_\_\_\_

**III. Attachments**

Please attach the following documents, if applicable:

- \_\_\_\_\_ A copy of your contract with the Principal.
- \_\_\_\_\_ A copy of all bids submitted to you.
- \_\_\_\_\_ A copy of any progress reports prepared by Principal.
- \_\_\_\_\_ A copy of all invoices.
- \_\_\_\_\_ A copy of all change orders.
- \_\_\_\_\_ Proof that the materials were used on the project (i.e., Preliminary 20-Day Notice or signed delivery tickets).
- \_\_\_\_\_ A copy of any Mechanic's Lien(s) you have filed for the project(s) in question.
- \_\_\_\_\_ Copies of both sides of canceled checks with signatures showing the checks were "cashed" by Principal (If no checks available, please submit other proof of payment).
- \_\_\_\_\_ Any other documents which you believe are relevant to your claim.
- \_\_\_\_\_ A copy of the credit application.
- \_\_\_\_\_ A copy of the complete account ledger.

If there is not enough room on the form to enter the information, please attach additional pages.

**IV. Detailed Claims Information**

1. Summarize the work that Principal was responsible for under the contract.

---

---

---

2. Summarize all work actually performed by Principal, and its value.

---

---

---

3. Identify the owner of the project, and whether this is new home, remodel, or commercial construction.

---

---

---

4. Provide the complete address for the construction project.

---

---

5. Summarize the work Principal failed to perform, the nature of the debts owed by Principal.

---

---

---

6. What is the estimated cost of completing the construction Principal is responsible for under the contract?

---

7. Do you contend Principal abandoned the project? \_\_\_ Yes \_\_\_ No

8. Do you contend Principal failed to pay for labor or his sub-contractors? \_\_\_ Yes \_\_\_ No

9. Do you contend Principal has been paid in full under the contract? \_\_\_ Yes \_\_\_ No

10. Do you contend Principal failed to perform work in accordance with industry standards?

\_\_\_ Yes \_\_\_ No

11. Do you contend Principal's work failed inspection (if yes, please provide inspector report)? \_\_\_ Yes \_\_\_ No (if applicable: Inspector report attached: \_\_\_ Yes \_\_\_ No).

**V. Detailed Claims Information**  
**(Bus. & Prof. Code, §§ 7108 and 7120)**

If you contend that the contractor misapplied or “diverted” construction funds, answer the following:

1. Identify the party or parties who made the payments to the Principal.

---

---

---

2. Describe in detail the work and/or materials Principal was responsible to provide for any payment provided to Principal by you.

---

---

---

3. State the exact date and amount of each payment.

---

---

---

4. State whether Principal disputes any items, or has given you any other reason for not completing work or paying for labor or other sub-contractors.

---

---

---

5. State whether the project owner disputes the quality or condition of any items, or contends that there was a delay in furnishing them to the construction project.

---

---

---

6. If you contend that the contractor “willfully and deliberately” misapplied construction funds, please state the facts upon which you base this belief.

---

---

## VI. Informal Dispute Resolution

1. Describe all efforts you have made to resolve this dispute with the Principal.

---

---

---

2. State whether you or the contractor has offered to compromise, mediate or arbitrate the dispute, and state the response. If you are now willing to compromise, mediate or arbitrate, please so indicate. (Please note the Contractors' State License Board may be able to assist you in arranging an arbitration.)

---

---

---

3. State whether you have presented a claim to your own insurance carrier or to other sureties. If so, please attach copies of all correspondence with the insurance carrier or sureties.

---

---

---

4. State whether you have presented your claim to the Contractors' State License Board. If so, please attach a copy of the completed Complaint Form, as well as any industry expert reports, citations or accusations resulting from your action.

---

---

---

5. State whether Principal has made, or offered to make, partial payment or installment payments to you. If so, provide the details of the offer and whether any partial payments were actually made. If you entered into any form of written payment agreement, please attach.

---

---

---

**Note:** Please attach copies of cancelled checks or receipts which prove the contractor received and deposited payment.



### VIII. Final Document Checklist

While we have asked you to attach documents in the preceding sections of this Questionnaire, the following checklist will assist you in gathering any additional documentation that you may have not attached to the Questionnaire, but is nonetheless important to the surety's investigation of your claim. It is not necessary to re-submit items previously sent. It is very important, however, to submit all documents in your possession or available to you. Please check the items you are enclosing with the Claims Questionnaire.

- \_\_\_\_\_ All Invoices and delivery tags, if applicable.
- \_\_\_\_\_ All of your correspondence and records of communications with the contractor.
- \_\_\_\_\_ All of your correspondence and records of communications with persons (such as owners, lenders, etc.) who made payments to the contractor which should have been used to pay your account.
- \_\_\_\_\_ Any personal notes, diaries or summaries.
- \_\_\_\_\_ Copies of any preliminary lien notices, mechanic's liens, stop notices or payment bond claims.
- \_\_\_\_\_ Copies of any complaint by the Contractor's State License Board.
- \_\_\_\_\_ Copies of any bankruptcy notices the Principal may have filed naming you as a creditor.
- \_\_\_\_\_ Copies of any court papers and/or judgments.
- \_\_\_\_\_ Any other documents which you believe are relevant to your claim.

**PLEASE NOTE: For your protection, California law requires the following to appear on this form (Insurance Code § 1871.2) "Any person who knowingly presents false or fraudulent claim for the payment of a loss is guilty of a crime and may be subject to fines and confinement in state prison."**

**CERTIFICATION**

**The undersigned represents that he/she has read the entire foregoing Claims Questionnaire, including Document Checklist. The responses to this Questionnaire and attached documents are the basis for a claim for payment of money under the terms and provisions of the Contractors License Act, Business and Professions Code, Division 3, Chapter 9, Sections 7000, et seq. The undersigned hereby declares, under penalty of perjury, that the responses are true, complete and correct.**

**DATED: \_\_\_\_\_, 20\_\_**

\_\_\_\_\_  
**(Signature of Claimant/Declarant)**

**PLEASE TAKE NOTE OF THE FOLLOWING INFORMATION REGARDING THE APPLICABLE STATUTE OF LIMITATIONS:**

Business and Professions Code Section 7071.11(c) and (d) provides that the statute of limitations for bringing an action against the bond is as follows:

“(c) Except for claims covered by subdivision (d), any action against a bond required under this article, excluding the judgment bond specified under Section 7071.17, shall be brought in accordance with the following:

(1) Within two years after the expiration of the license period during which the act or omission occurred. The provisions of this paragraph shall be applicable only if the license has not been inactivated, canceled, or revoked during the license period for which the bond was posted and accepted by the registrar as specified under Section 7071.7.

(2) If the license has been inactivated, canceled, or revoked, an action shall be brought within two years of the date the license of the active licensee would have expired had the license not been inactivated, canceled, or revoked. For the provisions of this paragraph to be applicable, the act or omission for which the action is filed must have occurred prior to the date the license was inactivated, canceled, or revoked.

(3) An action against a disciplinary bond filed by an active licensee pursuant to Section 7071.8 shall be brought in accordance with the provisions of paragraph (1) or (2), as applicable, or within two years after the last date for which a disciplinary bond filed pursuant to Section 7071.8 was required, whichever date is first.

(d) A claim to recover wages or fringe benefits shall be brought within six months from the date that the wage or fringe benefit delinquencies were discovered, but in no event shall a civil action thereon be brought later than two years from the date the wage or fringe benefit contributions were due.”



## **ATTACHMENT 1 to CLAIMS QUESTIONNAIRE**

### **RELEVANT EXCERPTS OF THE CONTRACTORS LICENSE LAW (BUSINESS & PROFESSIONS CODE §§7000, ET SEQ.) INCLUDE THE FOLLOWING:**

Business and Professions Code Section 7071.5 provides that the contractor's bond benefits:

(a) A homeowner contracting for home improvement upon the homeowner's personal family residence damaged as a result of a violation of this chapter by the licensee.

(b) A property owner contracting for the construction of a single-family dwelling who is damaged as a result of a violation of this chapter by the licensee. That property owner shall only recover under this subdivision if the single-family dwelling is not intended for sale or offered for sale at the time the damages were incurred.

(c) A person damaged as a result of a willful and deliberate violation of this chapter by the licensee, or by the fraud of the licensee in the execution or performance of a construction contract.

**§ 7071.6(b)** Excluding the claims brought by the beneficiaries specified in subdivision (a) of Section 7071.5, the aggregate liability of a surety on claims brought against a bond required by this section shall not exceed the sum of seven thousand five hundred dollars (\$7,500). The bond proceeds in excess of seven thousand five hundred dollars (\$7,500) shall be reserved exclusively for the claims of the beneficiaries specified in subdivision (a) of Section 7071.5. However, nothing in this section shall be construed so as to prevent any beneficiary specified in subdivision (a) of Section 7071.5 from claiming or recovering the full measure of the bond required by this section.

Typical violations include:

**§ 7108** Diversion of funds or property received for prosecution or completion of a specific construction project or operation, or for a specified purpose in the prosecution or completion of any construction project or operation, or failure substantially to account for the application or use of such funds or property on the construction project or operation for which such funds or property were received constitutes a cause for disciplinary action.

**§ 7120** Willful or deliberate failure by any licensee or agent or officer thereof, to pay any moneys , when due for any materials or services rendered in connection with his operations as a contractor, when he has the capacity to pay or when

he has received sufficient funds therefor as payment for the particular construction work project, or operation for which the services or materials were rendered or purchased constitutes a cause for disciplinary action, as does the false denial of any such amount due or the validity of the claim thereof with intent to secure for himself, his employer, or other person, any discount upon such indebtedness or with intent to hinder, delay, or defraud the person to whom such indebtedness is due.

**Contractors State License Information can be found at:**  
<http://www.cslb.ca.gov/default.asp>