



APPLICATION FOR A CRIME PROTECTION POLICY FOR MERCANTILE ENTITIES

Named Insured: _____
 (Please list all insured's, including Employee Benefit Plans)

Principal Address: _____

City, State, Zip _____

Policy Coverage offered: Crime Protection Policy for Mercantile Entities, **Loss Sustained Form**

Primary, excess, contributing with: _____

INSURING AGREEMENTS, LIMITS OF INSURANCE AND DEDUCTIBLES

INSURING AGREEMENT	Limit of Insurance	Deductible Amount
1. Employee Dishonesty	\$	\$
2. Forgery or Alteration	\$	\$
3. Inside the Premises	\$	\$
4. Outside the Premises	\$	\$
5. Computer Fraud	\$	\$
6. Money Orders and Counterfeit Paper Currency	\$	\$
Insuring Agreements added by Endorsement:		
7. Loss of Clients' Property (SE 00 48, FEN 004)	\$	\$
8. Funds Transfer Fraud (SE 00 41)	\$	\$
9. Fraudulently Induced Transfers (SE 01 67)	\$	\$
10. ERISA Dishonesty Coverage (SE 01 71)	\$	\$

To become effective or to be continued as of 12:01 a.m. on _____ to 12:01 a.m. on _____
Premium is payable: Annually

1. DESCRIPTION OF YOUR ORGANIZATION

(a) Type of business (check appropriate box):
 Proprietorship Partnership Corporation Other If other, explain _____

(b) Date your business was established: _____

(c) Classify your predominant activity: (Check box below)
 Manufacturer Processor Wholesaler Distributor Retailer Servicer Other

(d) Describe the products or services of your predominant business or activity: _____

(e) Has there been any change in ownership or management within the past three years? Yes No
 If "Yes", explain _____

2. RATING DATA FOR INSURING AGREEMENTS

Insuring Agreements 1, 2 and 5
 Classification of Employees: #of Officers _____ # of Employees _____

Insuring Agreement 7
 List the number of employees who handle, have custody of, maintain records of or have access to money, securities or other property owned by **your clients**. _____

Insuring Agreements 3 and 4

(a) Indicate the number of locations _____

(b) Indicate the number of outside messengers _____

(c) Do guards accompany each messenger? Yes No

(d) Are your premises secured by watchpersons? Yes No

(e) Are your premises secured by an alarm system? Yes No

Please provide details: _____

- (f) Is a safe used at all locations? Yes No
 Please provide details: _____
- (g) What other measures have been taken to provide physical protection (private conveyance, messenger bags, safe alarms, Armored Car, etc.)? _____

3. AUDIT PROCEDURES

- (a) Is there an audit by a CPA, public accountant, independent of your organization? Yes No
 If "Yes", how often (check the appropriate box): Quarterly Semi-Annually Annually
- (b) Name and address of person performing audit: _____
- (c) Are all locations audited? Yes No
- (d) Is the audit in compliance with generally accepted auditing standards and so certified? Yes No
 If "No", indicate the scope of services (check the appropriate box): Review Compilation
 Other, Explain _____
- (e) Is the report rendered directly to the Owner, Partners or Directors? Yes No
- (f) Date of completion of last audit of: Cash and Accounts _____ Inventory _____
- (g) Were any discrepancies or loose practices commented upon in the audit? Yes No
 If "Yes", submit a copy of the auditor's comments.
- (h) Is there an internal audit by an Internal Audit Department under the control of an employee who is a Certified Public Accountant or equivalent? Yes No
 If "Yes", are the reports rendered directly to the Owner, Partners or Directors? Yes No
 * **If coverage desired is at \$250,000 please submit a copy of the annual financial report**

4. INTERNAL CONTROLS

- (a) Are bank accounts reconciled monthly? Yes No
- (b) Are bank accounts reconciled by someone not authorized to deposit or withdraw? Yes No
 If "No", explain _____
- (c) Is countersignature of all checks required? Yes No
 Above what amount? \$ _____
- (d) Do you have (use) funds transfer transactions (i.e. Wire Transfers, ACH, EFT, etc.)? Yes No
 If "Yes", How often are funds transfer transactions reconciled? _____
 Are they reconciled by someone not authorized to approve, initiate or handle them? Yes No
- (e) Does supporting documentation accompany all checks to be signed? Yes No
 If "No", explain _____
- (f) Do you maintain a list of approved vendors? Yes No
- (g) Are securities subject to the joint control of two or more employees? Yes No
- (h) Are your employees required to take at least 1 or 2 consecutive weeks of vacation? Yes No
- (i) Explain screening procedures for new employees: _____

5. PRIOR INSURANCE

- (a) Has any similar insurance been declined or canceled during the past three years? **(MO applicants DO NOT answer this question)** Yes No
 If "Yes", explain: _____
- (b) Prior insurance to be superseded _____ Check here if none

Policy Number	Discovery or Loss Sustained	Effective Date	Expiration Date	Limit of Insurance	Name of Insurance Company

6. PRIOR LOSSES

- (a) List below all losses sustained during the past three years that were caused by a loss that would have been covered by an Insuring Agreement you are now applying for. Please list all losses, whether reimbursed or not.
 Check here if none

Date of Loss	Type of loss	Amount Recovered From Insurance	Amount Recovered from Other than Insurance	Amount of Loss Pending	Location of Loss

*** If more than 2 losses, please attach a separate sheet with full details as outlined above.**

7. GENERAL INFORMATION

Business Hours	Average # of Employees on Duty	Frequency of Deposits	Night Depository Used?	Annual Gross Sales or Receipts for Last fiscal year.	Other Information

8. COVERAGE AMENDMENTS

(a) Insuring Agreement 1

If insurance is desired on any of your appointed **Agents**, whether they be persons, partnerships or corporations performing any act or service in connection with the ordinary conduct of your business, complete the following:

<u>Names, Addresses of each Agent:</u>	Type of Service provided:	<u>Limit of Insurance</u>
_____		\$ _____
_____		\$ _____

(b) Insuring Agreement 2

If insurance is desired, complete the following:

(1) Credit, Debit or Charge Card Instruments:

Covered Instruments (check the appropriate box):
 include or are limited to Credit, debit or charge cards
 Issued to you or any employee for business purposes

No. of Cardholders: _____ Limit of Insurance: _____

(2) Personal Accounts of your officers or partners:

Name(s)

_____	\$ _____
_____	\$ _____
_____	\$ _____

(c) Insuring Agreements 3 and 4

Increased or Reduced Limits

(a) If an increased limit is desired for a specified period, indicate:

Insuring Agreement 3 (*Inside the Premises*)

Limit of Insurance Specified Period

\$ _____

Insuring Agreement 4 (*Outside the Premises*)

\$ _____

(b) If a decreased limit is desired while the business is closed and a custodian is not on duty, indicate Overnight Limit

\$ _____

(c) If a reduced limit is desired for designated premises, messengers or armored motor vehicle companies, complete the following:

Address of Premises	Names of Messengers	Names of Armored Motor Vehicle Companies	Limit of Insurance

READ CAREFULLY AND SIGN

The employees of the Insured have all, to the best of the Insured's knowledge and belief, while in the service of the Insured always performed their respective duties honestly. There has never come to its notice or knowledge any information, which in the judgment of the Insured indicates that any of the said employees are dishonest. Such knowledge as any officer signing for the Insured may now have in respect to his own personal acts or conduct, unknown to the Insured, is not imputable to the Insured.

FRAUD STATEMENT:

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 and subjects that person to criminal and civil penalties.

(Not applicable in AL, AR, CO, DC, FL, KY, KS, LA, ME, MD, NJ, NM, NY, OH, OK, OR, PA, RI, TN, VA, VT, WA and WV).

APPLICABLE IN: AL, AR, DC, LA, MD, NM, RI AND WV

Any person who knowingly (or willfully)* presents a false or fraudulent claim for payment of a loss or benefit or knowingly (or willfully)* presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison. *Applies in MD only.

APPLICABLE IN: CO

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.

APPLICABLE IN: FL AND OK

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)*. *Applies in FL only.

APPLICABLE IN: KS

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, electronic, electronic impulse, facsimile, magnetic, oral, or telephonic communication or 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.

APPLICABLE IN: KY, NY, OH AND PA

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 (not to exceed five thousand dollars and the stated value of the claim for each such violation)*. *Applies in NY only.

APPLICABLE IN: ME, TN, VA AND WA

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 and denial of insurance benefits. *Applies in ME only.

APPLICABLE IN: NJ

Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties.

APPLICABLE IN: OR

Any person who knowingly and with intent to defraud or solicit another to defraud the insurer by submitting an application containing a false statement as to any material fact may be violating state law.

APPLICABLE IN: VT

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.

Signed at: _____ Insured: _____

This ____ Day of _____, _____ By: _____
(Signature) (Title)

(Print Name)

SUBMITTING AGENCY'S INFORMATION

Contact Name: _____ Phone Number: _____

Mailing Address: _____