



_____ ,
 a stock insurance company, herein
 called the Insurer

**THE HARTFORD CRIMESHIELDSM ADVANCED POLICY
 BOND – SMALL BUSINESS APPLICATION
 FOR COMMERCIAL, NON PROFIT AND GOVERNMENTAL ENTITIES**

AGENCY NAME: _____ **HARTFORD AGENCY CODE:** _____

A. GENERAL INFORMATION

- 1) Name of Company: _____
- 2) Address:
 - a. Mailing Address: _____
 - b. Physical Address: _____
- 3) Web-Site: _____
- 4) Is this Business: Private Non-Profit/Not-For-Profit Publicly Traded Governmental
- 5) Describe your principal business activity: _____
- 6) Proposed Effective Date: _____
 Annual Three-Year Pre-Paid Other (Specify: _____)
- 7) Billing Method: Agency Bill Agency w/Direct on Renewal Direct Bill Direct Bill w/TABS Billing #: _____ Other: _____

B. CURRENT COVERAGE

- 1) Is there currently crime coverage in place? Yes No

Provide the following details regarding the Company's Current Crime Insurance Program					
Primary or Excess	Insurer	Policy Period	Limit of Liability	Deductible or Underlying Limit	Premium
			\$	\$	\$

- 2) Has any similar insurance been declined or canceled during the past three years? Yes No
 If Yes, please explain via a separate attachment.



C. REQUESTED COVERAGE

<u>Insuring Agreement</u>	<u>Limit</u>	<u>Deductible</u>	<u>Underlying Limit</u>
<input type="checkbox"/> 1. Employee Theft	\$ _____	\$ _____	\$ _____
<input type="checkbox"/> 2. Employee Theft – Client Premises	\$ _____	\$ _____	\$ _____
<input type="checkbox"/> 3. Computer & Funds Transfer Fraud	\$ _____	\$ _____	\$ _____
<input type="checkbox"/> 4. Inside the Premises <i>(Money, Securities, Other Property)</i>	\$ _____	\$ _____	\$ _____
<input type="checkbox"/> 5. Outside The Premises <i>(Money, Securities, Other Property)</i>	\$ _____	\$ _____	\$ _____
<input type="checkbox"/> 6. Depositors Forgery or Alteration	\$ _____	\$ _____	\$ _____
<input type="checkbox"/> 7. Credit, Debit or Charge Card Forgery	\$ _____	\$ _____	\$ _____
<input type="checkbox"/> 8. Money Orders and Counterfeit Currency	\$ _____	\$ _____	\$ _____
<input type="checkbox"/> 9. Investigative Expenses	\$ _____	\$ _____	\$ _____
<input type="checkbox"/> 10. Computer Systems Restoration Expenses	\$ _____	\$ _____	\$ _____
<input type="checkbox"/> 11. Identity Recovery Expenses Reimbursement	\$ _____	\$ _____	\$ _____

If coverage is to be written as Excess, indicate the following:

- 1) Underlying Company: _____
- 2) Underlying Policy Number: _____

D. UNDERWRITING INFORMATION

GENERAL:

- 1) Latest Fiscal Year End Revenues: \$ _____
- 2) Total Number of Employees: _____
- 3) Total Number of Volunteers: _____
- 4) Total Number of Locations: _____
- 5) Do you have Foreign (Outside the U.S., Canada, Puerto Rico, Virgin Islands) Exposure? Yes No
If Yes, you must complete the foreign exposure questionnaire.
- 6) How many employees are either in management or have access to, handle or maintain records of money, securities or other property? _____



ALL INSURING AGREEMENTS – CONTROLS

- 1) Is an independent Certified Public Accountant involved in the applicant’s financial reporting? Yes No
- 2) Are countersignatures required on checks, or does the owner sign checks, or is there an acceptable alternative procedure in place so that no one person has control over all check issuance? Yes No
- 3) Do employees who reconcile monthly bank statements also sign checks? Yes No
- 4) Do employees who reconcile monthly bank statements also handle bank deposits? Yes No
- 5) Is a signature stamp or check signing machine utilized? Yes No
If yes,
 - a. Is it kept in a safe? N/A Yes No
 - b. Is a record kept of its use? N/A Yes No
- 6) Is an authorized vendor list utilized to assist in detecting payments to fictitious suppliers? Yes No

INSURING AGREEMENT 2 – EMPLOYEE THEFT – CLIENT PREMISES ONLY – CLIENT PROPERTY CONTROLS

- 1) Do you have custody or control over assets, funds or property of your clients? Yes No
- 2) Do you perform any services for clients on the premises of the client? Yes No
Describe the type of work being performed: _____
- 3) How many of your employees will be working on the premises of your client(s)? _____
How many independent contractors (1099 Employees) do you employ? _____
- 4) Do you perform background checks including record of prior convictions and employment history? Yes No
- 5) Will your employees be supervised and/or monitored by your client(s)? Yes No
- 6) Are you requesting that the policy be client-specific? Yes No
If yes, name of Client to be listed on the policy: _____

Do you understand that a written agreement must be in place between you and your clients? Yes No

INSURING AGREEMENT 3 ONLY – COMPUTER AND WIRE TRANSFER CONTROLS

- 1) Are your systems programmed to detect and call to your attention unusual account activity? Yes No
- 2) Is the authority to initiate and approve a wire transfer separated amongst different employees? Yes No
- 3) Are wire transfers reconciled daily by a person not involved in approving or initiating the wire transfers? Yes No

GOVERNMENTAL ENTITIES ONLY

Is Faithful Performance required? Yes No
Limit: \$ _____
Deductible: \$ _____



E. LOSS EXPERIENCE

List all fidelity and crime losses discovered or sustained in the last three years. Check here if none: <input type="checkbox"/>		
DATE OF LOSS	TYPE OF LOSS (Employee Dishonesty, Forgery, etc.)	AMOUNT OF LOSS

Please attach details of all losses including description, corrective action taken and amount covered by insurance.

Insurance Fraud Warning

Any person who knowingly and with intent to defraud any insurance company or other person, files an application for insurance, or a statement of claim containing any false information, or conceals for the purpose of misleading information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime in certain jurisdictions.

State-Specific Warnings

ALABAMA: ANY PERSON WHO KNOWINGLY PRESENTS A FALSE OR FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT OR WHO KNOWINGLY PRESENTS FALSE INFORMATION IN AN APPLICATION FOR INSURANCE IS GUILTY OF A CRIME AND MAY BE SUBJECT TO RESTITUTION FINES OR CONFINEMENT IN PRISON, OR ANY COMBINATION THEREOF.

ARKANSAS APPLICANTS: 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.

COLORADO APPLICANTS: 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 POLICY HOLDER OR CLAIMANT FOR THE PURPOSE OF DEFRAUDING OR ATTEMPTING TO DEFRAUD THE POLICY HOLDER 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.

DISTRICT OF COLUMBIA APPLICANTS: 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."

FLORIDA APPLICANTS: 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.

HAWAII APPLICANTS: FOR YOUR PROTECTION, HAWAII LAW REQUIRES YOU TO BE INFORMED THAT PRESENTING A FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT IS A CRIME PUNISHABLE BY FINES OR IMPRISONMENT, OR BOTH.



KANSAS APPLICANTS: A " FRAUDULENT INSURANCE ACT " MEANS AN ACT COMMITTED BY 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.

KENTUCKY APPLICANTS: 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.

LOUISIANA APPLICANTS: 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.

MAINE APPLICANTS: 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.

MARYLAND APPLICANTS: ANY PERSON WHO KNOWINGLY OR WILLFULLY PRESENTS A FALSE OR FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT OR WHO 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.

NEW JERSEY APPLICANTS: ANY PERSON WHO INCLUDES ANY FALSE OR MISLEADING INFORMATION ON AN APPLICATION FOR AN INSURANCE POLICY IS SUBJECT TO CRIMINAL AND CIVIL PENALTIES.

NEW MEXICO APPLICANTS: 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 CIVIL FINES AND CRIMINAL PENALTIES.

OHIO APPLICANTS: ANY PERSON WHO, WITH INTENT TO DEFRAUD OR KNOWING THAT HE IS FACILITATING A FRAUD AGAINST AN INSURER, SUBMITS AN APPLICATION OR FILES A CLAIM CONTAINING A FALSE OR DECEPTIVE STATEMENT IS GUILTY OF INSURANCE FRAUD.

OKLAHOMA APPLICANTS: 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.

OREGON APPLICANTS: ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD OR SOLICIT ANOTHER TO DEFRAUD AN INSURER: (1) BY SUBMITTING AN APPLICATION OR; (2) FILING A CLAIM CONTAINING A FALSE STATEMENT AS TO ANY MATERIAL FACT MAY BE VIOLATING STATE LAW.

PENNSYLVANIA APPLICANTS: 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.

PUERTO RICO APPLICANTS: ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD AN INSURANCE COMPANY PRESENTS FALSE INFORMATION IN AN INSURANCE APPLICATION, OR PRESENTS, HELPS, OR CAUSES THE PRESENTATION OF A FRAUDULENT CLAIM FOR THE PAYMENT OF A LOSS OR ANY OTHER BENEFIT, OR PRESENTS MORE THAN ONE CLAIM FOR THE SAME DAMAGE OR LOSS, SHALL INCUR A FELONY AND, UPON CONVICTION, SHALL BE SANCTIONED FOR EACH VIOLATION WITH THE PENALTY OF A FINE OF NOT LESS THAN FIVE THOUSAND (5,000) DOLLARS AND NOT MORE THAN TEN THOUSAND (10,000) DOLLARS, OR A FIXED TERM OF IMPRISONMENT FOR 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 EXTENUATING CIRCUMSTANCES PREVAIL, IT MAY BE REDUCED TO A MINIMUM OF TWO (2) YEARS.

RHODE ISLAND APPLICANTS: "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."

TENNESSEE: 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.

VERMONT APPLICANTS: 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.

VIRGINIA APPLICANTS: 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.

WASHINGTON: 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."

WEST VIRGINIA: 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.

NEW YORK APPLICANTS: 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 MATERIAL FACT THERETO COMMITS A FRAUDULENT INSURANCE ACT, WHICH IS A CRIME, AND SHALL BE ALSO SUBJECT TO A CIVIL PENALTY NOT TO EXCEED FIVE THOUSAND DOLLARS AND THE STATED VALUE OF THE CLAIM FOR EACH SUCH VIOLATION.

The Insured represents that the information furnished in this application is complete, true and correct. Any intentional misrepresentation, omission, concealment or incorrect statement of a material fact, in this application or otherwise, shall be grounds for the rescission of any bond issued in reliance upon such information.

***APPLIES TO GEORGIA, VIRGINIA APPLICANTS ONLY:** The Insured represents that the information furnished in this application is complete, true and correct. It is further agreed that if the above described declarations and statements are not true, accurate and complete, and are deemed material to the issuance of this Policy, any claim arising from any matter not truthfully, accurately or completely disclosed, or disclosed at all, shall be excluded from coverage.

THE SIGNING OF THIS APPLICATION DOES NOT BIND THE COMPANY TO OFFER, NOR THE APPLICANT TO PURCHASE, THE INSURANCE. IT IS AGREED THAT THIS APPLICATION, INCLUDING ANY MATERIAL SUBMITTED THEREWITH, SHALL BE THE BASIS OF THE INSURANCE. THE COMPANY WILL HAVE RELIED UPON THIS APPLICATION, INCLUDING ANY MATERIAL SUBMITTED IN CONNECTION WITH THE APPLICATION PROCESS, IN ISSUING THE POLICY.

ELECTRONICALLY REPRODUCED SIGNATURES WILL BE TREATED AS ORIGINAL.

Application completed by: _____
(Name and Title)
Signature: _____
Date: _____

Producer (Florida, Iowa Only): _____ **Date:** _____

Producer No. (Florida Only): _____

Producer Signature (New Hampshire only): _____

**LOSS CONTROL QUESTIONNAIRE
FOR REAL ESTATE MANAGEMENT COMPANIES**



NAME OF INSURED:

ADDRESS:

DATE:

1. How many properties are: Owned? Managed?
No. of Commercial? No. of Residential?

2. Where are these properties located? (attach separate list if more convenient)
Cities:
States:

3. What is the established procedure for remitting rent payments? (Local bank to main office – Bank lock box, etc.)

4. Are rents paid directly to the manager or are rents paid by the renters directly to the owners or managing company?

5. If managers collect rents, security deposits, etc. what is the maximum amount collected at one time:
Cash Checks
Are pre-numbered receipts issued?

6. Are the bank accounts in which the manager deposits funds “deposit only” accounts?
(Manager can only deposit and cannot withdraw funds from the account) Yes No

7. Does each resident manager have an office which is outside the living quarters area? Yes No

8. Are resident managers employees of the insured? Yes No

9. How frequently are rents or other funds collected?

10. Are the managers required to make deposits on the date they collect rents or does the owner or their representative collect from the managers periodically?

11. Is a separate bank account maintained for each property managed and are funds for each property kept completely segregated from the funds for any other property?

12. How often does the owner of the management company or internal or external auditors review the manager’s collection process to determine that procedures are being properly followed?

13. Is the manager required to periodically submit to the owner a list of the apartment units rented and the rents collected? Yes No

14. How often does the owner personally investigate the managers’ collection activity to determine that the activity is being conducted honestly?

15. Are these visits ever unannounced? Yes No
16. Is the list of rented apartment units periodically verified by the owner with a physical inspection of the building? Yes No
17. Are employees or officers making physical verification rotated so that no one person continuously inspects the same property? Yes No
18. Does the management company require an outside CPA audit?
Does it include all of the premises/property managed? Yes No
 Yes No
19. Is banking for each managed property done locally?
Does each bank provide a monthly statement of account activity to the main office? Yes No
 Yes No
20. Do the properties use independent firms to provide janitorial and other maintenance services?
If Yes, are payments made by the local manager? Yes No
Are they made by a central accounting office? Yes No
a) Are payments made directly to the maintenance service company? Yes No
How does the management company or owner determine that the services have been performed and at the fee charged?
b) Is all work performed on a bid basis? Yes No
If No, how is a determination made of the reasonableness of the charges for the work performed?

Completed by

Title

CALIFORNIA NOTICE

California Notice: The Hartford may charge a fee if this bond or policy is cancelled before the end of its term. The fee can range between 5% to 100% of the pro rata unearned premium. Please refer to the terms and conditions stated in the policy or bond. This notice does not apply to cancellations initiated by The Hartford.