



**BY COMPLETING THIS APPLICATION YOU ARE APPLYING FOR COVERAGE WITH
FEDERAL INSURANCE COMPANY (THE "COMPANY")**

NOTICE: THE COVERAGE AFFORDED UNDER THIS COVERAGE SECTION DIFFERS IN SOME RESPECTS FROM THAT AFFORDED UNDER OTHER POLICIES. READ THE ENTIRE APPLICATION CAREFULLY BEFORE SIGNING.

APPLICATION INSTRUCTIONS:

1. Whenever used in this Application, the term "**Applicant**" shall mean the Parent Organization and all organizations applying for coverage.
2. Include all requested underwriting information and attachments. Provide a complete response to all questions and attach additional pages if necessary.

I. GENERAL INFORMATION:

1. Name of **Applicant**: _____
2. Address of **Applicant**: _____
City: _____ State: _____ Zip Code: _____
3. **Applicant's** State of Incorporation: _____ and date established: _____
4. **Applicant** Web Site(s): _____
5. Limit Requested by **Applicant**: _____

II. SPECIFIC INFORMATION:

1. BUSINESS OPERATIONS

Explain any "NO" answers, except indicated otherwise, at the END of this application.

1. Does the **Applicant** provide any financing in the course of its business, including but not limited to leases or loans to customers? Yes No
If "Yes", please describe in detail by attachment to the application.
2. Does the **Applicant** operate any financial institution, advisor, bank, escrow company, collections agency, or similar type of business? Yes No
If "Yes", please describe in detail by attachment to this application.
3. Does the **Applicant** operate any gaming establishment, armored car service, messenger service or other operation which involves the transport of money or securities? Yes No



2. CUSTOMER AND CLIENT CONTROLS

Explain any "NO" answers, except indicated otherwise, at the END of this application.

1. Does the **Applicant** have a procedure in place to verify new customers or clients prior to initiating any financial transaction with them?

Yes No

 If "Yes", check all that apply:
 - a. D&B Report or other credit worthiness check? Yes No
 - b. Bank account verification (name, address, contact info matching customer file)? Yes No
 - c. Confirmation of physical address? Yes No
 - d. Other (please describe) _____

2. Does the **Applicant** accept funds transfer instructions from clients over the telephone, email, text message or similar method of communication? Yes No

If "Yes", prior to complying with the instruction do you authenticate such instructions? (Check all methods that apply) Yes No

 - a. Calling the customer at a predetermined number? Yes No
 - b. Sending a text message to a predetermined number? Yes No
 - c. Requiring receipt of a code known only to the customer to confirm identity? Yes No
 - d. Some other method or combination of the above? Yes No
 (Please describe in an attachment to the Application).

3. Does the **Applicant** allow prepayment by customers or clients for products or services to be performed at a later date? If "Yes", please describe by attachment to the application. Yes No

4. Does the **Applicant** have a procedure to verify incoming checks with the issuing financial institution to confirm funds are available, prior to performing services, or wire transferring money? Yes No

5. Does the **Applicant** have custody or control over any funds or accounts of any of its clients, including but not limited to escrow or trust accounts? Yes No

If "Yes", please describe (attach additional pages if necessary):

6. Do the **Applicant's** employees have access to clients' accounting, payroll, purchasing systems, or perform bill payment services? Yes No

If "Yes", please describe (attach additional pages if necessary):

3. VENDOR AND SUPPLIER CONTROLS

Explain any "NO" answers, except indicated otherwise, at the END of this application.

1. Does the **Applicant** verify all vendor/supplier bank accounts by a direct call to the receiving bank, prior to being established in the accounts payable system? Yes No



2. Does the **Applicant** confirm all changes to vendor/supplier details (including routing numbers, account numbers, telephone numbers and contact information) by a direct call using only the contact number previously provided by the vendor/supplier before the request was received? Yes No
3. Does the **Applicant** send all confirmations of changes requested by the vendor/supplier to a person independent of the requestor of the change, with any changes being implemented only after the vendor/supplier has the opportunity to challenge them? Yes No
4. Does the **Applicant** require review of all changes to vendor/supplier records by a supervisor or next-level approver before any change to the record is processed? Yes No
5. Does the **Applicant** run exception reports, either automatic, or manually created, showing all changes to the standing data of vendors/suppliers? Yes No
 If "Yes", how often are the reports run, and by whom are they reviewed? _____
6. Does the **Applicant** require by contractual agreement that all vendors/suppliers purchase and provide evidence of crime or fidelity insurance covering the **Applicant's** money or securities when it is in the vendor's care, custody or control? Yes No

4. VOICE AND ELECTRONIC INITIATED TRANSFER CONTROLS

Explain any "NO" answers, except indicated otherwise, at the END of this application.

1. Who in the **Applicant's** organization has the authority to initiate a wire transfer? _____
2. Can wire transfer authority be delegated to anyone verbally or in writing? Yes No
3. If online banking software is used to perform wire transfer functions, is access to the portal restricted to specific users and terminals? Yes No
4. Are finance employees that are responsible for wire transfer provided anti-fraud training, including but not limited to detection of social engineering, phishing and other scams? Yes No
5. Are international and domestic wire transfer procedures performed consistently across all business units? Yes No

If "No", please explain any differences in an attachment to this application.

5. LOSS EXPERIENCE

List all employee theft, burglary, robbery, forgery, computer fraud or other crime losses discovered by the **Applicant** in the last five years, itemizing each loss separately (attach additional pages if necessary): Check if none.

Date of Loss	Description of Loss (Include controls that were circumvented, controls that were missing, and steps taken to remediate the causes of the loss)	Total Amount of Loss	Please indicate whether or not the loss was covered under another insurance policy and include the carrier's name	
			Covered: Yes or No?	Carrier's Name
			<input type="checkbox"/> Yes <input type="checkbox"/> No	
			<input type="checkbox"/> Yes <input type="checkbox"/> No	



6. PLEASE ATTACH THE FOLLOWING ADDITIONAL INFORMATION:

- An explanation of any answers requiring additional information as referenced in the application.

III. NOTICES:

The **Applicant's** submission of this Application does not obligate the Company to issue, or the **Applicant** to purchase, a policy. The **Applicant** will be advised if the Application for coverage is accepted. The **Applicant** hereby authorizes the Company to make any inquiry in connection with this Application.

Notice to Alabama and 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.

Notice to Arkansas, New Mexico and Ohio Applicants: Any person who, with intent to defraud or knowing that he/she is facilitating a fraud against an insurer, submits an application or files a claim containing a false, fraudulent or deceptive statement is, or may be found to be, guilty of insurance fraud, which is a crime, and may be subject to civil fines and criminal penalties.

Notice to 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.

Notice to District of Columbia Applicants: WARNING: 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.

Notice to 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.

Notice to 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.

Notice to Louisiana and 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.

Notice to Maine, Tennessee, Virginia and Washington 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.

Notice to 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.

Notice to 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.



Notice to Oregon and Texas Applicants: Any person who makes an intentional misstatement that is material to the risk may be found guilty of insurance fraud by a court of law.

Notice to 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.

Notice to Puerto Rico Applicants: Any person who knowingly and with the intention of defrauding 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. Should aggravating circumstances are present, the penalty thus established may be increased to a maximum of five (5) years, if extenuating circumstances are present, it may be reduced to a minimum of two (2) years.

Notice to 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 fact material thereto, commits a fraudulent insurance act, which is a crime 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.

IV. MATERIAL CHANGE:

If there is any material change in the answers to the questions in this Application before the policy inception date, the **Applicant** must immediately notify the Company in writing, and any outstanding quotation may be modified or withdrawn.

V. DECLARATION AND SIGNATURE:

For the purposes of this Application, the undersigned authorized agents of the person(s) and entity(ies) proposed for this insurance declare to the best of their knowledge and belief, after reasonable inquiry, the statements made in this Application and any attachments or information submitted with this Application, are true and complete. The undersigned agree that this Application and its attachments shall be the basis of a contract should a policy providing the requested coverage be issued and shall be deemed to be attached to and shall form a part of any such policy. The Company will have relied upon this Application, its attachments, and such other information submitted therewith in issuing any policy.

The information requested in this Application is for underwriting purposes only and does not constitute notice to the Company under any policy of a Claim or potential Claim.

This Application must be signed by the risk manager or a senior officer of the Parent Organization, acting as the authorized representative of the person(s) and entity(ies) proposed for this insurance.

Date

Signature

Title



Chubb Group of Insurance Companies
15 Mountain View Rd.
Warren, NJ 07059

ForeFront Portfolio 3.0SM
Social Engineering Fraud
Supplemental Application

<p><u>Produced By:</u></p> <p>Agent (Print & Sign): _____</p> <p>Agency: _____</p> <p>Agency Taxpayer ID or SS No.: _____ Agent License No.: _____</p> <p>Address: _____</p> <p>City: _____ State: _____ Zip: _____</p> <p><u>Submitted By:</u></p> <p>Agency: _____</p> <p>Agency Taxpayer ID or SS No.: _____ Agent License No.: _____</p> <p>Address: _____</p> <p>City: _____ State: _____ Zip: _____</p>
