

---

## Crime Application

---

### Private Solution- General Information Section

**NOTICE:** THE LIABILITY COVERAGE PARTS A-C OF THIS POLICY APPLIES ONLY TO CLAIMS FIRST MADE DURING THE POLICY PERIOD. NO COVERAGE EXISTS FOR CLAIMS MADE AFTER THE END OF THE POLICY PERIOD UNLESS, AND TO THE EXTENT THAT, THE DISCOVERY PERIOD APPLIES. COSTS OF DEFENSE UNDER LIABILITY COVERAGE PARTS A-C ARE SUBJECT TO ANY APPLICABLE RETENTION. COSTS OF DEFENSE INCURRED UNDER LIABILITY COVERAGE PARTS A-C IN EXCESS OF ANY APPLICABLE RETENTION SHALL REDUCE THE LIMIT OF LIABILITY AVAILABLE TO PAY ALL OTHER LOSS.

#### A. PROPOSAL FORM INSTRUCTIONS

To obtain a quote for insurance, simply follow these steps:

1. Fill out the **General Information Section**.
2. Fill out a Proposal Form Section for each Coverage Part for which a quote is requested (Proposal Form Sections A-D). These sections follow this General Information Section. When filling out the Proposal Form Sections, be sure to include all requested information and attachments.
3. Fill out the **Summary Information Section**. Be sure to sign and date this form on the last page.

#### B. REQUESTED COVERAGE

##### Liability Coverage Parts

- Section A: Directors' and Officers' Liability
- Section B: Employment Practices Liability
- Section C: Fiduciary Liability

##### Non-Liability Coverage Part

- Section D: Crime

#### C. APPLICANT INFORMATION

1. Name of Company: \_\_\_\_\_
2. Street Address: \_\_\_\_\_
3. City, State, Zip: \_\_\_\_\_
4. Website address: \_\_\_\_\_
5. The Officer designated as agent of the Company and of all Insured Persons to receive any and all notices from the Insurer or their authorized representatives concerning this insurance:  
Name: \_\_\_\_\_ Title: \_\_\_\_\_
6. The Company has continuously operated since: \_\_\_\_\_ State of Incorporation: \_\_\_\_\_
7. Nature of business: \_\_\_\_\_
8. Primary SIC Code(s): \_\_\_\_\_

## Crime Application

9. By attachment to this Proposal Form, provide the name, percentage of direct or indirect ownership, and nature of operations of all Subsidiaries (including Subsidiaries of Subsidiaries).

If "None", please indicate: None

**IT IS UNDERSTOOD AND AGREED THAT COVERAGE IS NOT PROVIDED FOR SUBSIDIARIES UNLESS LISTED IN THE ATTACHMENT REQUESTED ABOVE.**

10. If the Applicant is owned by another company, indicate the name and principal address of the other company:

11. Total employees of the Company at the most recent year end: \_\_\_\_\_

12. During the last three years, has the Company or its Subsidiaries been involved, or is the Company or its Subsidiaries presently involved or contemplating becoming involved, during the next 12 months, in any of the following:

(a) any actual or proposed merger, acquisition, or divestment? Yes No

(b) sale, distribution or divestiture of any subsidiary or division which accounted for 10% or more of annual revenue? Yes No

(c) bankruptcy proceeding, reorganization or other arrangement with creditors under federal or state law? Yes No

(d) change in outside auditors? Yes No

(e) downsizing, rightsizing, layoffs, or any other reduction in number of employees? Yes No

(f) registration for a public offering or private placement of securities? Yes No

13. Does the Company perform any services for others for a fee? Yes No  
**If "Yes", please describe:**

14. Does the Company act as a general partner or partnership manager? Yes No  
**If "Yes", please describe:**

D. Financial Information

Please indicate the following as it relates to the Applicant's fiscal year end (FYE) Indicate negative figures with "("	Most recent FYE Month/Year
1. Current Assest	
2. Total Assets	
3. Current Liabilities	
4. Long Term Debt	
5. Retainted Earnings	
6. Revenues	
7. Net Income (Net Loss)	
8. Is the Company in compliance with all debt and/or loan covenants? If no, please attach complete explanation	Yes No N/A

## Crime Application

### Section D- Crime

**NAME OF COMPANY:** \_\_\_\_\_

**When answering the following questions, please consider all subsidiaries, affiliates and locations, including those outside of the United States.**

**A. General Information**

1. What are your business hours? \_\_\_\_\_
2. What is the average number of employees on duty? \_\_\_\_\_
3. Does the Company have retail operations? Yes    No  
 If Yes, please provide the number of locations. \_\_\_\_\_
4. What is the frequency of deposits? \_\_\_\_\_
5. Is a night depository used? Yes    No

**B. Audit Procedures**

1. Are your annual financial statements audited by a public accountant? Yes    No
2. Is the public accountant's opinion in accordance with GAAP \_\_\_\_\_ or GAAS \_\_\_\_\_ ?  
 and so certified?
3. Have the outside auditors stated there are no material weaknesses in the Company's system of internal controls? Yes    No  
 If No, please attach the CPA letter to management and management's response.

**C. Internal Controls**

1. Are bank accounts reconciled monthly? Yes    No
2. By someone who is not authorized to deposit or withdraw? Yes    No
3. Is countersignature of all checks required? Yes    No  
 Above what amount? \$ \_\_\_\_\_
4. Do all vouchers or other supporting receipts accompany all checks to be signed? Yes    No
5. Are vouchers/receipts stamped "PAID" when checks are signed to prevent re-use? Yes    No
6. Do you maintain a list of approved vendors? Yes    No
7. Do you have a system to detect payment to fictitious suppliers? Yes    No
8. Are your systems designed so that no single employee can control a transaction from beginning to end (e.g. approve a voucher, request and sign a check)? Yes    No



## Crime Application

**H. Internet Security**

1. Do you have an Intrusion Detection System that identifies unauthorized access?      Yes      No
  2. Do you have documented emergency procedures?      Yes      No
  3. Has your computer system ever been invaded by a Hacker or Virus?      Yes      No
- If "Yes" when and what controls have been implemented to prevent further incidences?  
\_\_\_\_\_

**I. Total Pension and Welfare Plan** assets and contributions for the latest fiscal year:  
\$ \_\_\_\_\_

**J. Employee Information**  
(Not Required if Section B Employment Practices Liability has been completed)

Total number of employees for last three years				Employee Turnover			
Year:				Year:			
Full Time				Terminated *(Involuntary)			
Part Time				Resigned (Voluntary)			
Total							

**Number of workers in the following classifications in the previous 12 months**

Temporary		Seasonal	
Labor Unions		Leased	
Independent Contractors		Foreign domiciled	

**K. Requested Coverage**

Please complete the following table including limit and deductible desired.

REQUESTED COVERAGE	Limit	Deductible
A. Coverage Part Limit of Liability (Optional)		
B. Single Loss Limit of Liability for Each Insuring Agreement (Required)		
Insuring Agreement A. Employee Theft		
Insuring Agreement B. Forgery or Alteration		
Insuring Agreement C. Inside the Premises		
Insuring Agreement D. Outside the Premises		
Insuring Agreement E. Computer Fraud		
Insuring Agreement F. Money Orders and Counterfeit Paper Currency		

---

## Crime Application

---

### Summary Information

#### A. PRIOR ACTIVITIES

1. Have there been during the last five years, or are there now pending, any civil, criminal, administrative or arbitration proceedings (including any proceeding initiated before the Equal Employment Opportunity Commission) brought against:

- |   |     |    |
|---|-----|----|
| (a) the Company or its Subsidiaries?  | Yes | No |
| (b) any person proposed for this insurance in their capacity as either Director, Officer, or employee of the Company or its Subsidiaries? | Yes | No |
| (c) the Employee Benefit Plans of the Company or its Subsidiaries?  | Yes | No |

If "Yes" to any of the above, provide details in an attachment to this Proposal Form including the total defense costs, judgments and/or settlements.

**IT IS AGREED THAT ANY CLAIM ARISING FROM ANY PRIOR OR PENDING PROCEEDING IS EXCLUDED FROM THE PROPOSED COVERAGE.**

2. Have there been during the last three years any employee theft, burglary, robbery, forgery or any other crime losses, whether or not insured, that would fall within the scope of the Crime Coverage Part of this Policy? Yes    No

If "Yes", provide details in an attachment to this Proposal Form including the date of loss, description of loss, total amount of loss, and corrective action taken to prevent such loss from occurring in the future. In the loss was covered by another insurance policy, please include the Insurer's name.

#### B. FALSE INFORMATION

**NOTICE TO 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.

**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 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.

**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 reported 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.

#### C. MATERIAL CHANGE

If there is any material change in the answers to the questions in this Proposal Form prior to the inception date of any policy that may be issued, the Company must notify the Insurer in writing and any outstanding quotation or binder may be modified or withdrawn.

## Crime Application

### D. PRIOR INSURANCE

Current or Previous Executive Liability and Fidelity/Crime Insurance Coverages:

**(a) Directors and Officers Liability:**

Insurer Limit    Retention    Premium    Policy Period

**(b) Fiduciary Liability:**

Insurer Limit    Retention    Premium    Policy Period

**(c) Employment Practices Liability (as separate policy or part of D&O or CGL policies):**

Insurer Limit    Retention    Premium    Policy Period

**(d) Fidelity/Crime Insurance**

Insurer Limit    Retention    Premium    Policy Period

In regard to the policies listed above:

- |  |                |     |    |
|--|----------------|-----|----|
| (a) has any claim been made or has any notice been given to any insurer? | Not Applicable | Yes | No |
| (b) has any insurer cancelled or non-renewed any of the above coverages? | Not Applicable | Yes | No |

If "Yes" to any of the above, provide details in an attachment to this Proposal Form.

### E. CONTINUITY OF COVERAGE AND PRIOR KNOWLEDGE

(NOTE: THIS APPLIES TO THE LIABILITY COVERAGE PARTS ONLY)

- For any Liability Coverage Part for which the Company currently has insurance coverage, the Company may request continuity of coverage. If continuity of coverage is requested for any Liability Coverage Part, for each such coverage part, indicate the coverages currently purchased on the following chart.

Liability Coverage Parts	Coverage is currently purchased and continuity is requested?  "Yes" or "No"	Current Limit of Liability	Current Insurer	Larger Limit Requested
Directors' and Officers' Liability				
Insured Entity Liability				
Employment Practices Liability				
Third Party Liability				
Fiduciary Liability				

---

## Crime Application

---

**Note:** The Company must complete question 2, the “Prior Knowledge Question” below if the Company answered “No” to any Liability Coverage Parts listed above, or the Company is requesting larger limits of liability. The Prior Knowledge Question below will only apply to those coverages not currently maintained and any increased limits of liability requested.

2. Is the undersigned or any Director or Officer proposed for this insurance aware of any fact, circumstance or situation involving the Company or its Subsidiaries, the Directors or Officers of the Company or its Subsidiaries, or the Plans of the Company or its Subsidiaries which they have reason to believe might result in any future Claim under the Policy to which this Proposal Form will be attached?    Yes    No  
If “Yes”, please provide details in an attachment to this Proposal Form.

**IT IS AGREED THAT IF KNOWLEDGE OF ANY SUCH FACT, CIRCUMSTANCE OR SITUATION EXISTS, ANY CLAIM SUBSEQUENTLY ARISING THEREFROM SHALL BE EXCLUDED FROM COVERAGE.**

The undersigned Officer of the Company declares that to the best of his or her knowledge the statements set forth herein are true and correct and that reasonable efforts have been made to obtain sufficient information from each and every Director and Officer proposed for this insurance to facilitate the proper and accurate completion of this Proposal Form. The undersigned further agrees that if any significant adverse change in the condition of the applicant is discovered between the date of this Proposal Form and the effective date of the Policy, which would render this Proposal Form inaccurate or incomplete, notice of such change will be reported in writing to the Insurer immediately. The signing of this Proposal Form does not bind the undersigned to purchase the insurance.

With respect to any Liability Coverage Part, it is agreed by the Company and the Insured Persons that the particulars and statements contained in this Proposal Form and any information provided herewith (which shall be on file with the Insurer and be deemed attached hereto as if physically attached hereto) are the basis of this Policy and are to be considered as incorporated in and constituting a part of this Policy. It is further agreed by the Company and the Insured Persons that the statements in this Proposal Form or any information provided herewith are their representations, they are material and this Policy is issued in reliance upon the truth of such representations; provided, however, that except for material facts or circumstances known to the person who signed this Proposal Form, any misstatement or omission in this Proposal Form or information provided herewith in respect of a specific Wrongful Act by a particular Insured Person or their cognizance of any matter which they have reason to suppose might afford grounds for a future Liability Claim against them shall not be imputed to any other Insured Person for purposes of determining the validity of this Policy as to such other Insured Person.

This Proposal Form must be signed by the Chairman of the Board, President, Chief Executive Officer, Chief \ Operating Officer, or Chief Financial Officer of the Company.

---

Signature

Title

Date

**NOTE:** This Proposal including any material submitted herewith shall be treated in strictest confidence.