

**CrimeSHIELD POLICY NEW BUSINESS APPLICATION  
for COMMERCIAL AND GOVERNMENTAL ENTITIES  
(LIMITS EQUAL TO OR GREATER THAN \$1,000,000)**



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

Application is hereby made by: \_\_\_\_\_

*(First Named Insured and all additional insureds, including Employee Benefit Plans to be insured. Attach separate sheet, if necessary.)*

Principal address: \_\_\_\_\_

*(No., Street)*

*City*

*State*

*Zip Code*

<b>EFFECTIVE DATE OF COVERAGE</b>	FROM:	TO:
<b>BILLING METHOD</b>	<input type="checkbox"/> AGENCY BILL	<input type="checkbox"/> DIRECT BILL (annual payment plan only)
<b>PAYMENT PLAN</b>	<input type="checkbox"/> ANNUAL	<input type="checkbox"/> 3 YEAR PREPAID

Are you applying for:  **PRIMARY COVERAGE**  **EXCESS COVERAGE**

**Present Crime Insurance Program: (Include primary AND excess, if applicable)**  
*If not applicable, please check here:*

Insurance Carrier	Type (Primary or Excess)	Policy Period	Limit of Liability	Deductible	Premium
			\$	\$	\$
			\$	\$	\$
			\$	\$	\$

Has any similar insurance been declined or canceled during the past three years?  **YES**  **NO**  
**If yes, please explain:**

INSURING AGREEMENT	LIMIT	DEDUCTIBLE <i>(for excess coverage, deductible is primary coverage + primary deductible).</i>
<i>Commercial Entities Only:</i>		
<b>1. Employee Theft</b>	\$	\$
<i>Governmental Entities Only:</i>		
Choose 1.A. or 1.B.		
<b>1.A. Employee Theft Per Loss</b>	\$	\$
<b>1.B. Employee Theft Per Employee</b> Is Faithful Performance desired?	\$ <input type="checkbox"/> Yes	\$ <input type="checkbox"/> No
<i>Optional Coverages:</i>		
<b>2. Depositors Forgery or Alteration</b>	\$	\$
<b>3. Theft, Disappearance &amp; Destruction</b> (Money, Securities and Other Property)	\$	\$
<b>4. Robbery and Safe Burglary</b> (Money and Securities)	\$	\$
<b>5. Computer and Funds Transfer Fraud</b>	\$	\$
<b>6. Money Orders and Counterfeit Currency</b> (automatically included)	\$50,000	\$ 0

**Fax to Statewide Bonding Co., Inc.: 800-606-8509**

**A. ORGANIZATIONAL BACKGROUND FOR COMMERCIAL ENTITIES** *(Complete only for commercial entities)*

1. Are you a:  Proprietorship  Partnership  Corporation  Other (e.g. LLC)  
 2. Classify your predominant activity:  Manufacturer  Processor  Wholesaler  
 Distributor  Retailer  Service

Other (explain): \_\_\_\_\_

3. Describe the products or services of your predominant business or activity: \_\_\_\_\_

4. Date you were established: \_\_\_\_\_

5. Annual Sales for most recent fiscal year end: \$ \_\_\_\_\_

**ORGANIZATIONAL BACKGROUND FOR GOVERNMENTAL ENTITIES** *(complete only for governmental entities)*

Are you a:  State  County  City  Town  Township  Village  
 Borough  Other Political Subdivision Explain here \_\_\_\_\_

**B. CLASSIFICATION OF EMPLOYEES AND LOCATION INFORMATION**

Total # of Employees	
Domestic	
Foreign	
Canadian	
<b>Grand Total</b>	

Total # of Locations: <i>(Not needed for governmental entities)</i>	
Manufacturing	
Warehouse	
Distribution	
Retail	
<b>Grand Total</b>	

Number of employees, **of the grand total shown above**, who are either in management or handle, have custody or maintain records of money, securities or **other property** \_\_\_\_\_

**FOREIGN LOCATIONS**

Check here if none:

Total # of Foreign Locations: \_\_\_\_\_

For each foreign location, please detail the following information (Attach separate sheet, if necessary):

COUNTRY	TYPE OF OPERATION	# OF EMPLOYEES	REVENUES (if applicable)

**C. AUDIT CONTROLS**

<p>1. Are your financial statements audited annually by an independent Certified Public Accountant? If yes, please attach most recent copy of CPA Audit or 10K Report.</p> <p>2. Are all subsidiaries and locations, or similarly controlled and operated companies, included in the audit?</p> <p>3. Does the auditing firm regularly review the system of internal controls and furnish written reports to the applicant? (If yes, please attach the most recent report).</p> <p>4. Has the auditing firm made any recommendations that have not been adopted? If yes, please explain below _____</p> <p>5. Do you have an Internal Audit Department? If yes, what is the staff size? _____</p> <p>6. To whom does your Internal Audit staff report? _____</p> <p>7. If any weaknesses are noted, is the department in question notified in writing by the Internal Audit Department and are corrective actions monitored?</p> <p>8. Is accounting centralized or decentralized? _____</p> <p>_____</p> <p>If decentralized, how often are branch transactions reviewed by the central office? _____</p> <p>_____ AND how often does the internal audit department review/visit the branch locations?</p> <p>_____</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
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<b>D. DISBURSEMENT AND CHECK HANDLING CONTROLS</b>		
1.	Are at least two signatures required on checks? If yes, over what dollar amount? \$ _____ If no, who signs checks? _____	<input type="checkbox"/> Yes <input type="checkbox"/> No
2.	If a facsimile plate is used:	
	a) Is it kept in a safe?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	b) Is there limited access?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	c) Is a record kept of its use?	<input type="checkbox"/> Yes <input type="checkbox"/> No
3.	Do employees who reconcile monthly bank statements also:	
	a) Sign checks?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	b) Handle bank deposits?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	c) Have access to check signing machines or signature plates?	<input type="checkbox"/> Yes <input type="checkbox"/> No
4.	Are check signers instructed to require that all checks be accompanied by:	
	a) properly approved vouchers?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	b) invoices showing that a count has been made?	<input type="checkbox"/> Yes <input type="checkbox"/> No
5.	Are internal control systems designed so that no employee can control a process from beginning to end (e.g. request a check, approve a voucher and sign the check)?	<input type="checkbox"/> Yes <input type="checkbox"/> No
6.	How often is the blank check stock inventoried? _____ By whom? _____	
7.	Are all incoming checks stamped "For Deposit Only" immediately upon receipt?	<input type="checkbox"/> Yes <input type="checkbox"/> No

<b>E. PURCHASING AND INVENTORY CONTROLS</b>		
1.	Is your purchasing department separated from receiving responsibilities and supervised by a person who is not authorized to pay bills?	<input type="checkbox"/> Yes <input type="checkbox"/> No
2.	Are the duties of purchasing, receiving, storekeeping and shipping separate so that no one individual can control these functions from beginning to end?	<input type="checkbox"/> Yes <input type="checkbox"/> No
3.	Is a complete inventory made with a physical check of stock and equipment? If yes, by whom? _____ How often? _____	<input type="checkbox"/> Yes <input type="checkbox"/> No
4.	Do you have a security alarm system and video camera to protect your inventory in each of your plants or warehouses?	<input type="checkbox"/> Yes <input type="checkbox"/> No
5.	Is the responsibility for checking in merchandise received subject to ultimate control of more than one individual?	<input type="checkbox"/> Yes <input type="checkbox"/> No
6.	Are cash or credits on return purchases supervised by at least two persons?	<input type="checkbox"/> Yes <input type="checkbox"/> No

<b>F. COMPUTER CONTROLS</b>		
1.	Are there any areas/departments which are <b>not</b> computerized? (e.g. inventory, accounts receivable/payable, etc.). If yes, what are they? _____	<input type="checkbox"/> Yes <input type="checkbox"/> No
2.	Is output reconciled by persons who do not prepare or process the input?	<input type="checkbox"/> Yes <input type="checkbox"/> No
3.	Is your system programmed to detect and call to your attention all unusual account activity?	<input type="checkbox"/> Yes <input type="checkbox"/> No
4.	Are employees who handle cash or merchandise restricted from access to the computer equipment?	<input type="checkbox"/> Yes <input type="checkbox"/> No

<b>G. WIRE TRANSFER CONTROLS - Indicate here if not applicable (i.e. wire transfers not done).</b>		
1.	Is there a written policy regarding wire transfers?	<input type="checkbox"/> Yes <input type="checkbox"/> No
2.	Is one employee responsible for wire transfers? If yes, what position does this employee hold? _____	<input type="checkbox"/> Yes <input type="checkbox"/> No
3.	What is your average daily number of fund transfers? _____	
4.	What is the largest single amount that can be transferred? _____	
5.	If a telephone call can activate a transfer of funds, does your financial institution call an employee other than the one who requested the transfer before acting on the transfer request?	<input type="checkbox"/> Yes <input type="checkbox"/> No
6.	Does the receiving financial institution immediately verify the completion of transfer of funds?	<input type="checkbox"/> Yes <input type="checkbox"/> No
7.	If yes to question #6, does such verification go to an employee other than the one who initiated the transfer?	<input type="checkbox"/> Yes <input type="checkbox"/> No
8.	Do you receive hard copy confirmations of all wire transfers?	<input type="checkbox"/> Yes <input type="checkbox"/> No
9.	Are they sent directly to a department not authorized to initiate transfers?	<input type="checkbox"/> Yes <input type="checkbox"/> No
10.	Is reconciliation performed on the same day as the confirmation is received?	<input type="checkbox"/> Yes <input type="checkbox"/> No

<b>Are the same internal controls listed above in sections C-G imposed on foreign locations?</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No
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**H. ADDITIONAL INTERNAL CONTROL QUESTIONS FOR GOVERNMENTAL ENTITIES**

1. Is there a written investment policy?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
2. Is there an investment department which is separate from the Treasurer's Department?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
3. Is there a periodic review by an investment committee or board?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
4. Who makes investment decisions?		

**I. MONEY, SECURITIES AND PAYROLL EXPOSURES** *(Complete only if Insuring Agreement 3 or 4 is requested)*

	Money and Securities	Checks (Non Retail)	Other Property
Maximum Exposures in \$'s:			

**J. LOSS EXPERIENCE**

List all fidelity and crime losses discovered or sustained in the last three years. Check here if none:

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.

**Important State Specific Information***Applicable in Arkansas:*

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.

*Applicable in Colorado:*

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 California:*

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.

*Applicable in Florida and Idaho:*

Any person who Knowingly and with the intent to injure, Defraud, or Deceive any Insurance Company Files a Statement of Claim Containing any False, Incomplete or Misleading information is Guilty of a Felony.\*

\*In Florida - Third Degree Felony

*Applicable in Indiana:*

A person who knowingly and with intent to defraud an insurer files a statement of claim containing any false, incomplete, or misleading information commits a felony.

*Applicable in Kentucky and New Jersey:*

Any person who knowingly and with intent to defraud any insurance company or other persons, files a 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, subject to criminal prosecution and civil penalties.

*Applicable in Maine*

We do not provide coverage to one or more insureds ("insured") who, at any time:

- 1) Intentionally concealed or misrepresented a material fact;
- 2) Engaged in fraudulent conduct; or
- 3) Made a false statement relating to this insurance.

*Applicable in Maryland:*

Any person who, with intent to defraud or knowingly that he is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement may be guilty of insurance fraud.

*Applicable in Michigan:*

Any person who knowingly and with intent to injure or defraud any insurer submits a claim containing any false, incomplete, or misleading information shall, upon conviction, be subject to imprisonment for up to one year for a misdemeanor conviction or up to ten years for a felony conviction and payment of a fine of up to \$5,000.00.

*Applicable in Minnesota:*

A person who files a claim with intent to defraud or helps commit a fraud against an insurer is guilty of a crime.

*Applicable in Nevada:*

Pursuant to NRS 686A.291, any person who knowingly and willfully files a statement of claim that contains any false, incomplete or misleading information concerning a material fact is guilty of a felony.

*Applicable in New Hampshire:*

Any person who, with purpose to injure, defraud or deceive any insurance company, files a statement of claim containing any false, incomplete or misleading information is subject to prosecution and punishment for Insurance fraud, as provided in RSA 638:20.

*Applicable in New Mexico*

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.

*Applicable in New York:*

Any person who knowingly and with intent to defraud any insurance company or other person files a 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.

*Applicable in Ohio:*

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 or deceptive statement is guilty of insurance fraud.

*Applicable in Oregon:*

Any person who with an intent to knowingly defraud any insurance company or other person, files an application for insurance, or a statement of claim containing any materially false information, or conceals for the purpose of misleading information concerning any fact material thereto, may be guilty of insurance fraud.

*Applicable in Oklahoma:*

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,

*Applicable in Pennsylvania:*

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.

*Applicable in Texas:*

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.

*Applicable in Virginia*

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.

Application completed by: \_\_\_\_\_  
(Name and Title)

Signature: \_\_\_\_\_

Date: \_\_\_\_\_