

## GOVERNMENT CRIME INSURANCE APPLICATION

### I. GENERAL INFORMATION

**Name Of Insured (Applicant)** (List all Insureds, including Employee Benefit Plans you sponsor.): \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**Mailing Address:**

Street: \_\_\_\_\_  
 City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

**Type Of Insurance Requested:**

- Government Crime Coverage Form (for Commercial Package Policy)  
 Government Crime Policy

**Policy Period Requested:**

12:01 AM on: \_\_\_\_\_ to 12:01 AM on: \_\_\_\_\_

**Applicant Is A:**

- State       County       City       Town       Township  
 Village       Borough       Other (specify): \_\_\_\_\_

Name of current insurance carrier (if different): \_\_\_\_\_

Is insurance being provided for a school system? .....  Yes  No

Does this insurance indemnify an Obligee other than the Applicant? .....  Yes  No

If "Yes," list the name and address of the Obligee:

NAME	ADDRESS

### II. COVERAGE REQUESTED

Complete the following for Insuring Agreements, Limits and Deductibles desired:

	INSURING AGREEMENTS(*)	LIMIT OF INSURANCE	DEDUCTIBLE AMOUNT
1.	Employee Theft—Per Loss	\$	\$
	Add Faithful Performance of Duty Coverage	\$	\$
2.	Employee Theft—Per Employee	\$	\$
	Add Faithful Performance of Duty Coverage	\$	\$
3.	Forgery or Alteration	\$	\$
4.	Inside the Premises—Theft of Money and Securities	\$	\$

Includes copyrighted material of ISO Properties, Inc., with its permission.  
 Copyright, ISO Properties, Inc., 2015



INSURING AGREEMENTS(*)		LIMIT OF INSURANCE	DEDUCTIBLE AMOUNT
5.	Inside the Premises—Robbery or Safe Burglary of Other Property	\$	\$
6.	Outside the Premises	\$	\$
7.	Computer and Funds Transfer Fraud	\$	\$
8.	Money Orders and Counterfeit Money	\$	\$
<b>Insuring Agreements Added By Endorsement(†)</b>			
		\$	\$
		\$	\$
		\$	\$

(\*) For coverage amendments desired, attach Government Crime Insurance Supplemental Application—Coverage Amendments **CR A 051**.

(†) For additional Insuring Agreements desired, list below or attach:

Government Crime Insurance Supplemental Application—Additional Insuring Agreements **CR A 052**.

Crime Insurance Supplemental Application—Fraudulent Impersonation Insuring Agreement **CR A 090**.

### III. RATING INFORMATION

A. Number of employees consisting of:

1. Officials/officers (other than noncompensated officers) not required by law to be individually bonded who are authorized to manage, govern or control your employees: .....
2. Officials/officers (other than noncompensated officials/officers) required by law to be bonded (but where blanket coverage satisfies the bond requirement) who are authorized to manage, govern or control your employees: .....
3. Full- and part-time employees who handle, have custody or maintain records of money, securities or other property; also include: .....
  - a. Department and division heads and assistant department and division heads; and.....
  - b. Peace officers (including patrolmen/women) only when Faithful Performance Of Duty Coverage is being written (otherwise, include these persons in item 12. below):.....
4. Officials, trustees, officers, employees, administrators and managers (other than independent contractors) not included in 1.-3. above who handle funds or other property of employee benefit plans: .....
5. Leased employees and former employees hired as consultants: .....
6. Natural persons, whether or not compensated, while performing services as chairpersons or members of committees: .....
7. Treasurers or tax collectors by whatever name known (if not required to be individually bonded):.....
8. Noncompensated officers:.....
9. Volunteer workers who **do not** solicit funds: .....
10. Volunteer workers who solicit funds: .....

Includes copyrighted material of ISO Properties, Inc., with its permission.  
Copyright, ISO Properties, Inc., 2015

- 11. If insured is a school system, students who handle property or funds in connection with sanctioned student activities: .....
  - 12. All others not included in 1.-11. above: .....
  - 13. **Total** (Items 1.-12. above): .....
- B. Number of premises (other than the head office) located in the United States of America (including its territories and possessions) and Puerto Rico: .....

**IV. UNDERWRITING**

Attach a separate sheet to explain any "No" answers.

**A. Audit Procedures**

- 1. Is there an annual audit conducted by an independent CPA? .....  Yes  No  
 If "Yes":  
 Is it a complete audit made in accordance with generally accepted auditing standards and so certified? .....  Yes  No  
 Are all locations and subsidiaries included in the audit? .....  Yes  No
- 2. Is there a CPA Management Letter and response by management on internal control weaknesses or recommendations for improvement? .....  Yes  No  
 If "Yes," please attach Management Letter and response.  
 If "Yes," have all recommendations made by the accountant been implemented? .....  Yes  No
- 3. Is there an Internal Audit Department that is responsible for the review of all business operations? .....  Yes  No  
 If "Yes," how many employees are in the Internal Audit Department: .....
- 4. If weaknesses are discovered by the internal auditor, are they reported directly to senior management? .....  Yes  No

**B. Internal Controls**

- 1. Are all Internal Controls and informational systems consistent among locations? .....  Yes  No

**Human Resources And Payroll**

- 2. Does pre-employment screening performed on all prospective employees include the following:  
 Background check for criminal activity? .....  Yes  No  
 Credit history? .....  Yes  No  
 Drug testing? .....  Yes  No  
 Education and training verification? .....  Yes  No  
 Reference checks with prior employers? .....  Yes  No  
 Other (please explain): \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_
- 3. Are controls in place to prevent persons who approve new hires from adding them to the payroll? .....  Yes  No

Includes copyrighted material of ISO Properties, Inc., with its permission.  
 Copyright, ISO Properties, Inc., 2015



- 4. Are additions or changes to the payroll system for new or existing employees automatically reported to a Human Resources manager (or equivalent person) for verification? .....  Yes  No
- 5. Does the Audit Department have a program in place to detect possible ghost employees? .....  Yes  No

**Bank Accounts**

- 6. Are bank accounts reconciled at least monthly? .....  Yes  No
- 7. Are bank accounts reconciled by someone not authorized to deposit or withdraw? .....  Yes  No

**Accounts Payable**

- 8. Is countersignature of all checks required? .....  Yes  No  
 If "Yes," above what amount? ..... \_\_\_\_\_  
 If "No," who has check signing authority: \_\_\_\_\_
- 9. Do all vouchers or other supporting records accompany all checks to be signed? .....  Yes  No
- 10. Are vouchers/supporting records stamped "Paid" at the time checks are issued? .....  Yes  No
- 11. Are internal controls designed so that no employee can control any transaction from beginning to end (e.g., approve a voucher, request and sign a check)? .....  Yes  No
- 12. Are disbursement functions separated from those who have cash receipt or cash refund duties? .....  Yes  No

**Accounts Receivable**

- 13. Are all incoming checks stamped "For Deposit Only" upon receipt? .....  Yes  No
- 14. Are at least twenty percent (20%) of accounts receivable periodically verified by contact with the customer? .....  Yes  No

**Purchasing And Receiving**

- 15. Are employees engaged in purchasing activities prohibited from taking part in receiving activities? .....  Yes  No
- 16. Are all receiving activities reconciled to applicable purchasing activities? .....  Yes  No
- 17. Does any employee have access to both the purchasing system and the accounts payable system? .....  Yes  No
- 18. Do you have a program in place to detect payment to fictitious suppliers? .....  Yes  No

**C. Vendor Controls**

- 1. Is an authorized vendor list utilized and updated annually? .....  Yes  No
- 2. Are background checks performed on vendors in order to determine ownership and financial capability? .....  Yes  No
- 3. Is competitive bidding required for all purchases above stated amounts? .....  Yes  No
- 4. Is the responsibility for authorizing vendors, approving invoices and processing payments segregated among different employees? .....  Yes  No
- 5. Are requisitions and purchase orders issued only after the approval of specified employees within specified limits? .....  Yes  No

Includes copyrighted material of ISO Properties, Inc., with its permission.  
 Copyright, ISO Properties, Inc., 2015



**D. Computer And Funds Transfer Controls**

1. Are there controls in place so that employees can not gain access to programs and files for which they have not been granted authorized access? .....  Yes  No
2. Is an intrusion detection system utilized and are all patches up to date? .....  Yes  No
3. Are computer access controls in place that include the following:  
 Passwords that are alphanumeric and changed at regular intervals by all users? .....  Yes  No  
 Revocation of user IDs upon separation of employment? .....  Yes  No
4. Are transactions, including the buying and selling of goods and services, performed via the Internet? .....  Yes  No  
 If "Yes," do you have a firewall and are all security patches up to date? .....  Yes  No
5. Is the authority to initiate and approve a wire transfer separated between employees? .....  Yes  No
6. Are wire transfers reconciled daily by an employee not involved in approving or initiating the wire transfer? .....  Yes  No
7. Have approval authorities been established in writing and are they up to date? .....  Yes  No
8. Are wire transfer controls and procedures consistent among domestic and foreign locations?  Yes  No

**V. PRIOR INSURANCE**

(Note: Not applicable in Missouri)

Has any insurance, similar to the kinds requested in this application, been declined or cancelled during the past three years? .....  Yes  No

If "Yes," please explain: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**VI. LOSS HISTORY**

List all losses sustained, during the past three years, whether or not reimbursed:

From: \_\_\_\_\_ To: \_\_\_\_\_  Check If None

Date Of Loss	Type Of Loss	Amount Of Loss	Amount Received From Insurance	Amount Received From Other Than Insurance	Amount of Loss Pending
		\$	\$	\$	\$
		\$	\$	\$	\$
		\$	\$	\$	\$
		\$	\$	\$	\$
		\$	\$	\$	\$
		\$	\$	\$	\$

Describe remedial action(s) taken to prevent similar loss(es) in the future: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Includes copyrighted material of ISO Properties, Inc., with its permission.  
 Copyright, ISO Properties, Inc., 2015



The persons signing this **Application** declare that to the best of their knowledge the statements set forth herein and the information in the materials submitted herewith are true and correct and that reasonable efforts have been made to obtain sufficient information from all proposed **Insureds** to facilitate the proper and accurate completion of this **Application** for the proposed policy. Signing this **Application** does not bind the undersigned to purchase the insurance, but this **Application** shall be the basis of the contract should a policy be issued.

It is agreed by all concerned that the particulars and statements contained in this **Application** are true and shall be deemed material to the decision of the **Insurer** to issue the insurance. The undersigned agree that if after the date of this **Application** and prior to the effective date of any policy based on this **Application**, any occurrence, event or other circumstance should render any of the information contained in this **Application** inaccurate or incomplete, then the undersigned shall notify the **Insurer** of such occurrence, event or circumstance and shall provide the **Insurer** with information that would complete, update or correct such information. In such event, the **Insurer** in its sole discretion may modify or withdraw any outstanding quotation.

The **Insurer** shall maintain on file this **Application**, including material submitted therewith, which shall be considered to be physically attached to and part of the Policy, if issued. The information requested in this **Application** is for underwriting purposed only and does not constitute notice to the **Insurer** under any policy of a **Claim** or potential claim. All such notices must be submitted to the **Insurer** pursuant to the terms of the Policy, if and when issued.

**FRAUD WARNING:** 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 applicable in AL, CO, DC, FL, KS, LA, ME, MD, MN, NE, NY, OH, OK, OR, RI, TN, VA, VT or WA.)

**NOTICE TO ALABAMA APPLICANTS:** 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.

**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.

**WARNING TO 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.

**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 KANSAS APPLICANTS:** 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, which is a crime and subjects such person to criminal and civil penalties.

Includes copyrighted material of ISO Properties, Inc., with its permission.  
Copyright, ISO Properties, Inc., 2015

**NOTICE TO 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.

**NOTICE TO 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.

**NOTICE TO 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 MINNESOTA APPLICANTS:** A person who files a claim with intent to defraud or helps commit a fraud against an insurer is guilty of a crime.

**NOTICE TO 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.

**NOTICE TO OKLAHOMA APPLICANTS:** 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 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.

**FRAUD WARNING (APPLICABLE IN VERMONT, NEBRASKA AND OREGON):** Any person who intentionally presents a materially false statement in an application for insurance may be guilty of a criminal offense and subject to penalties under state law.

**FRAUD WARNING (APPLICABLE IN TENNESSEE, VIRGINIA AND 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.

**NEW YORK FRAUD WARNING:** 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.

**Person Authorized To Complete This Application For The Insured (Applicant)**

**Name (Print):** \_\_\_\_\_

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

**Title:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Producer Information (Required in Florida, Iowa and New Hampshire)**

**Producer Name (Print):** \_\_\_\_\_

**Producer Signature:** \_\_\_\_\_

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

**Agency Code:** \_\_\_\_\_ **License Number:** \_\_\_\_\_

Includes copyrighted material of ISO Properties, Inc., with its permission.  
Copyright, ISO Properties, Inc., 2015

