

Underwritten by National Casualty Company
Home Office:
Columbus, Ohio 43215
Administrative Office:
8877 North Gainey Center Drive • Scottsdale, Arizona 85258

**CRIME INSURANCE SUPPLEMENTAL APPLICATION—
FRAUDULENT IMPERSONATION INSURING AGREEMENT**

I. GENERAL INFORMATION

The supplemental application is to be completed and attached to:

- Commercial Crime Insurance Application FC-APP-1
- Government Crime Insurance Application FC-APP-2

Name Of Insured (Applicant): _____

Mailing Address:

Street: _____

City: _____ State: _____ Zip Code: _____

II. LIMIT OF INSURANCE AND DEDUCTIBLE

Complete the following for Limit and Deductible desired:

Limit Of Insurance: \$ _____

Deductible: \$ _____

III. RATING INFORMATION

Check the appropriate box(es) for the Fraudulent Impersonation Insuring Agreement:

A. Employees Yes No

- 1. Verification is required for all transfer instructions.
- 2. Verification is required for all transfer instructions in excess of: \$ _____
- 3. Verification of transfer instructions is not required.

B. Customers And Vendors Yes No

- 1. Verification is required for all transfer instructions.
- 2. Verification is required for all transfer instructions in excess of: \$ _____
- 3. Verification of transfer instructions is not required.

IV. UNDERWRITING

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

A. Customer Controls

- 1. Does the Applicant have procedures in place to verify new customers prior to initiating any financial transactions with them?..... Yes No
If "Yes," check all that apply:
 - a. Credit/background check, including D&B Report or similar report Yes No

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- b. Bank account information..... Yes No
- c. Confirmation of physical location Yes No
- d. Other (specify): _____ Yes No
2. Does the Applicant accept prepayment by customers for goods or services to be delivered or performed at a later date? Yes No
3. Does the Applicant accept funds transfer instructions from customers by telephone, e-mail, text message, telefacsimile or similar method of communication? Yes No
 If "Yes," please describe the communication method(s) by which such transfer instructions are received by the Applicant: _____

4. Does the Applicant have a procedure in place to verify incoming checks with the issuing financial institution to confirm availability of funds prior to delivering goods or performing services, or transferring funds by wire? Yes No
5. Does the Applicant have custody or control over any funds or accounts of any customer including, but not limited to, escrow or trust accounts? Yes No
 If "Yes," please describe: _____

6. Does the Applicant have access to customers' financial systems (e.g., accounting, payroll, purchasing) or perform bill payment services? Yes No
 If "Yes," please describe: _____

7. Does the Applicant accept funds transfer instructions from customers by telephone, e-mail, text message, telefacsimile or similar method of communication? Yes No
 If "Yes," are the instructions verified by a direct call to the customer using only the telephone number provided by the customer before the transfer instructions are received? Yes No
 If "Yes," please answer the following:
- a. Is the call-back made by an employee other than the employee who receives the funds transfer instructions? Yes No
- b. Are the transfer instructions verified by the Applicant with the customer by someone other than the person who initiates the funds transfer request? Yes No
 If "Yes," does the Applicant refrain from making any funds transfers until after the customer has had the opportunity to respond to the Applicant's inquiry regarding the validity of the funds transfer instructions? Yes No
- c. Does the Applicant require that all such funds transfer instructions be approved by a supervisor of the employee receiving the funds transfer request before it is acted upon? Yes No
8. Does the Applicant transfer funds or other property to the customer according to a pre-arranged procedure established between the Applicant and the customer before making such transfers? Yes No
 If "Yes," please describe the procedure: _____

B. Vendor Controls

- 1. Are background checks performed on vendors in order to determine ownership and financial capability? Yes No
- 2. Is all vendor bank information verified by a direct call to the receiving bank prior to the account being established in the Applicant's account payable system? Yes No
- 3. Are there procedures in place to verify invoices and other payment requests received from the vendor prior to making payment? Yes No
- 4. Are all changes requested by the vendor (including bank account, invoice changes, telephone or FAX numbers, address and other contact information) verified by the Applicant by a direct call to the vendor using only the telephone number provided by the vendor before the request is received? Yes No

If "Yes," please answer the following:

- a. Is the call-back made by an employee other than the employee who receives the change request? Yes No
- b. Are change requests initiated by the vendor verified by the Applicant with someone other than the person requesting the change? Yes No
If "Yes," does the Applicant refrain from implementing such change requests until after the vendor has had the opportunity to respond to the Applicant's inquiry regarding the validity of the change? Yes No
- c. Does the Applicant require all change requests by a vendor to be approved by a supervisor of the employee receiving the change request before it is acted upon? Yes No

- 5. Does the Applicant transfer funds or other property to the vendor according to a prearranged procedure established between the Applicant and the vendor before making such transfers?..... Yes No
If "Yes," please describe the procedure: _____

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.

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: _____ DATE: _____

TITLE: _____

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

PRODUCER NAME (PRINT): _____

PRODUCER SIGNATURE: _____ DATE: _____

AGENCY NAME: _____

AGENCY CODE: _____

LICENSE NUMBER: _____

