

**NATIONWIDE PRIVATE COMPANY 360
MANAGEMENT LIABILITY PACKAGE POLICY
CRIME COVERAGE PART SUPPLEMENTAL APPLICATION
CLIENT TRUST/ESCROW ACCOUNT**

Fully answer all questions and submit all requested information. Terms appearing in bold in this **Application** are defined in the Policy and have the same meaning in this **Application** as in the Policy. The **Insurer** will hold this **Application**, including all materials submitted herewith, in confidence. Whenever used in the **Application**, the term “**Applicant**” shall mean the **Parent Organization** and any of its **Subsidiaries**. Please complete this Supplemental Application if the **Applicant** seeks **Client Property** coverage and maintains trust or escrow accounts on behalf of its **Clients** as part of the normal course of the **Applicant’s** business. If needed, the **Applicant** may attach any additional information to this **Application** for the **Insurer’s** use and consideration.

CLIENT TRUST/ESCROW ACCOUNT SUPPLEMENTAL CRIME APPLICATION

1. Applicant’s Information

Parent Organization Name: _____
Address: _____
City: _____ **State:** _____ **Zip:** _____
Website Address: _____ **Phone:** _____

2. Applicant’s Contact Information

Name: _____ **Title:** _____
E-mail: _____ **Phone:** _____

3. Client Trust/Escrow Account Information

- a. Please state the number of trust/escrow accounts the **Applicant** maintains for its **Clients:** _____
- b. What is average amount of funds held in a **Client** trust/escrow account?\$ _____
- c. Are **Client** trust/escrow accounts opened, maintained and closed by a central financial department of the **Applicant’s**? Yes No
- d. Does the **Applicant** require two signatures on all checks that are written on a **Client** account? Yes No
- f. Alternatively, does the **Applicant** require two signatures on checks written on a **Client** account that reach a certain threshold amount? Yes No
If “Yes,” please state the threshold amount: _____
- g. Does the **Applicant** segregate the responsibilities of recording **Client** account transactions and reconciling **Client** account bank statements amongst different employees? Yes No
- h. How often does the **Applicant** reconcile **Client** accounts? _____
- i. Does the **Applicant** require live or original signatures on each check issued on each **Client** account? Yes No
- j. Does the **Applicant:**
 - (1) Issue monthly statements to its **Clients** indicating **Client** account balances at the beginning of the month, receipts of new funds, disbursements made for fees and costs, and the balance at the end of the month? Yes No

- (2) Send a statement to its **Client** whenever the **Applicant** receives funds on behalf of the **Client**? Yes No
 - (3) Issue a notice to its **Client** before the **Applicant** withdraws funds from the **Client's** account to pay the **Applicant's** fees?..... Yes No
 - (4) Perform background checks on all **Clients** prior to opening an account on the **Client's** behalf? ... Yes No
- k. How long does the **Applicant** maintain the transaction records of a **Client's** account? _____

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 purposes 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, AR, CA, CO, DC, FL, KS, KY, LA, ME, MD, MN, NE, NJ, 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 CALIFORNIA APPLICANTS. For your protection California law requires the following to appear on this form: Any person who knowingly presents false or fraudulent information to obtain or amend insurance coverage or to make a claim for the payment of a loss is guilty of a crime and may be subject to fines and confinement in state 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 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 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 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 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 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.

FRAUD WARNING (APPLICABLE IN ARKANSAS, LOUISIANA AND RHODE ISLAND): 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.

APPLICANT NAME AND TITLE: _____

APPLICANT'S SIGNATURE: _____ **DATE:** _____

PRODUCER'S SIGNATURE: _____ **DATE:** _____

AGENT NAME: _____ **AGENT LICENSE NUMBER:** _____
(Applicable to Florida Agents Only)

IOWA LICENSED AGENT: _____
(Applicable in Iowa Only)

A POLICY CANNOT BE ISSUED UNLESS THIS APPLICATION IS PROPERLY SIGNED AND DATED.

For purposes of creating a binding contract of insurance by this application or in determining the rights and obligations under such contract in any court of law, the parties acknowledge that a signature reproduced by either digital signature, electronic signature, facsimile or photocopy shall be the same force and effect as an original signature and that the original and any such copies shall be deemed one and the same document.