



FREEDOM SPECIALTY
 INSURANCE COMPANY®
 a Nationwide Insurance® company
 Freedom Specialty Insurance Company
 7 World Trade Center, 37th Floor
 250 Greenwich Street
 New York, NY 10007-0033

**FREEDOM 360°
 PRIVATE COMPANY PACKAGE POLICY
 CRIME COVERAGE PART SUPPLEMENTAL APPLICATION
 SOCIAL ENGINEERING**

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 coverage for loss arising from theft of any Automated Teller Machines. If needed, the **Applicant** may attach any additional information to this **Application** for the **Insurer’s** use and consideration.

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. Social Engineering Information *

* Social Engineering refers to a **Fraudulent Transfer Instruction**, issued by an **Imposter** purporting to be an **Employee/Executive, Vendor, or Client**, directing an **Applicant’s Employee/Executive** to transfer **Money, Securities or Other Property** to the **Imposter**.

a. Does the **Applicant** operate any gaming establishment or any financial institution, advisor, bank, escrow company, collections agency, or similar type of business? Yes ___ No___ If Yes, please provide full details.

b. Does the **Applicant** have a Chief Information Security Officer or equivalent position? Yes ___No ___. If Yes, please identify the person and title. If not, where does principal responsibility for overseeing information security reside within the organization?

- c. Does the **Applicant** provide guidance and periodic anti-fraud training to employees concerning the detection of phishing and other social engineering scams? Yes ___ No ___

If Yes, please state the date of the last training. _____

- d. Within the last 12 months, has the **Applicant** received fraudulent emails, purportedly from customers, vendors, or employees seeking to direct transfers of the **Applicant's** funds or securities? Yes ___ No ___

If Yes, please provide a brief summary of each incident or a record describing each incident.

- e. When verifying new customers or clients prior to initiating any financial transaction with them, does the **Applicant** verify:

i. bank account information (name, address, contact info matching customer or client file) Yes ___ No ___

ii. physical address Yes ___ No ___

- f. Please check below each procedure used to authenticate funds or securities transfer instructions prior to transfer:

___ Call the customer or client at a predetermined number

___ Send a text message to the customer or client at a predetermined number

___ Receipt by the **Applicant** of a code known only to the customer or client

___ Other (please describe): _____

- g. Does the **Applicant** verify all vendor or supplier bank accounts by a direct call to the receiving bank prior to adding the vendor or supplier to the authorized master vendor list? Yes ___ No ___

If No, please provide full details. _____

- h. When a vendor or supplier requests any changes to its account details (including, but not limited to, bank routing numbers, account numbers, telephone numbers, or contact information), does the **Applicant**:

i. confirm all requests by a direct call to the vendor or supplier using only a contact number provided by the vendor supplier before the request was received? Yes ___ No ___

ii. send notice of receipt of the request to someone other than the person who sent the request, before making the change? Yes ___ No ___

iii. require review of all requests by a supervisor or next-level approver before any change is made? Yes ___ No ___

If No to i, ii, or iii above, please provide full details.

- i. Does the **Applicant** incorporate any of the procedures described in question h above into its contracts with vendors or suppliers? Yes ___ No ___

j. Does the **Applicant** run exception reports showing all changes to vendor or supplier details? Yes ___No___

If Yes, please state how often are the reports run, and by whom they are reviewed.

k. Who in the **Applicant's** organization has the authority to initiate funds or securities transfers?

l. Can funds or securities wire transfer authority be delegated to anyone else within the Applicant's organization, whether verbally or in writing? Yes___ No ___

If Yes, please provide full details.

m. If online banking software is used to perform funds transfer functions, is access to the portal restricted to specific users and terminals? Yes___ No ___

If No, please provide full details.

n. Are international and domestic funds and securities transfer procedures performed consistently across all business units? Yes ___ No ___

If No, please provide full details.

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 compete, 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, 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 in-surer 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.

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.