

APPLICANT INFORMATION

Applicant Name: _____
Mailing Address: _____
Requested Limits: \$ _____ Deductible: \$ _____ Prior Coverage? ☐ Yes ☐ No
Carrier: _____ Limit: \$ _____ Deductible: \$ _____

RATING INFORMATION

Please check the appropriate box(es) for the Fraudulent Impersonation Insuring Agreement.

A. EMPLOYEES ☐ Yes ☐ No If yes, please complete below.

1. Verification is required for all transfer instructions: ☐ Yes ☐ No
2. Verification is required for all transfer instructions in excess of: \$ _____

B. CUSTOMERS AND VENDORS ☐ Yes ☐ No If yes, please complete below.

1. Verification is required for all transfer instructions: ☐ Yes ☐ No
2. Verification is required for all transfer instructions in excess of: \$ _____

UNDERWRITING

Please 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
- b. Bank account information: ☐ Yes ☐ No
- c. Confirmation of physical location: ☐ Yes ☐ No
- d. Other: ☐ Yes ☐ No If yes, specify: _____

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, email, text message, fax or similar methods 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 customer 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, email, 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 instruction? ☐ 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 instruction 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 prearranged 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 owners 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, phone or fax numbers, address and other contact information) verified by the Applicant by a direct call to the vendor using only the phone number provided by the vendor before the request was 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 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:

LOSS HISTORY

Has the Applicant at any time during the past three (3) years had any security incidents involving unauthorized access, intrusion or breach of their network, including embezzlement, fraud, electronic vandalism, computer virus or other incident? ☐ Yes ☐ No

If yes, please complete below. *Attach an additional sheet if necessary.*

Date loss discovered	Amount of loss	Amount recovered from insurance	Describe circumstances of loss and action taken to prevent repetition
	\$	\$	

NOTE: This supplement becomes part of your primary application and must be signed and dated. Coverage cannot be bound until the Company approves your completed application. The Company's receipt of premium does not bind coverage until a written quote has been issued. Before electronically signing this document, verify your information is correct.

Person authorized to complete this application for the insured (Applicant): _____

Title: _____ Date: _____

Signature