



National Union Fire Insurance Company of Pittsburgh, Pa.®
(a capital stock company, herein called the "Company")
Executive Offices: 175 Water Street
New York, NY 10038

CRIMEGUARD CHOICESM
Fidelity and Crime Insurance
APPLICATION

GENERAL INFORMATION

Name of Applicant: _____

Principal Address: _____

Date Business Established: _____

Annual Revenues: _____

INSURANCE INFORMATION

Present Coverage: _____

Carrier: _____

Limit: _____ Deductible _____

Expiration Date: _____

Coverage Requested: _____

Insuring Agreements: _____

Limit: _____ Deductible _____

Attach a list of all welfare & pension plans and subsidiaries to covered _____

CLAIMS HISTORY

List all losses (including loss of any personal identity information of employees or customers) during the last 6 years:

Date of Loss	Description	Gross Amount	Date Paid	Corrective Measures

UNDERWRITING INFORMATION

- Describe your principal business activity _____
- Total number of employees US _____ Canadian _____ Foreign _____

EMPLOYEES LOCATED IN THE UNITED STATES, ITS POSSESSIONS AND CANADA:

(Please list Canadian Personnel in column provided)

	Numb. U.S.	Canada		Numb. U.S.	Canada		Numb. U.S.	Canada
Chairman of the Board			Assistant Sales Managers			Payroll Clerks		
President			Branch Sale Manager			Collectors		
Vice President			Purchasing Agents			Outside Messenger		
Treasurer			Buyers			General Superintendent		
Asst. Treasurer			Assistant Purchasing Agent			Asst. or Factory Superintendent		
Secretary			Asst. Buyers			Timekeepers		
Asst. Secretary			Salesmen			Paymasters		
Comptroller			Outside & Collecting			Traffic Managers		
Assistant Comptroller			Salesman			Receiving Clerks		
Adverting Managers			Outside & No Collecting			Shipping Clerks		
Office Manager			Cashiers			Watchmen		
Department Managers			Accountants & Auditors			Gatemen & Guards		
Branch Managers			Bookkeeper			Drivers (Collections)		
Assistant Branch Managers			Credit Managers			Drivers (No Collections)		
Sales Managers			Cash Handling Clerk					
TOTAL			TOTAL			TOTAL		

OTHER EMPLOYEES

Office clerks, Secretaries, Stenographers, Typists, Telephone Operators, Inside Salesmen, Inside Messengers Business Machine Operators, Porters & other Like Personnel.

	U.S.A	CANADA	FOREIGN	GRAND TOTAL
TOTAL				

Total numbers of locations U.S. _____ Canadian _____ Foreign _____

- 3. Total number of retail locations _____
- 4. Do you have cash or precious metal exposure that exceeds the lowest request deductible amount? If yes, provide details of exposure and controls relevant to that exposure.
- 5. Is your organization involved in the trading of stocks, bonds, commodities or currency? Yes No (If yes, please complete the Supplemental Trading Questionnaire)
- 6. Describe any others that you are looking to include as employees. Include number, job function as well as control procedures for these individuals.

AUDIT/INTERNAL CONTROL PROCEDURES

- 1. How many employees do you have within the following departments?
 Internal Audit Department _____
 Loss Prevention Department _____
 Corporate Security Department _____
 IT Auditors (not included above) _____
- 2. Has the internal audit department audited all domestic and foreign locations during the prior two years or will it be during the current year? Yes No N/A If no, please explain.
(Provide a copy of the current internal audit plan or executive summary)
- 3. Regarding your annual financial statement audit, have you changed CPA firms during the past seven years? Yes No If yes, please explain the reason.
- 4. Is the company compliant with the Sarbanes Oxley guidelines regarding internal controls and related reporting? Yes No N/A If no, please explain.

Please describe similar regulatory and non-regulatory efforts at foreign locations.

- 5. Were any material weaknesses or significant deficiencies in internal controls identified by your CPA firm or internal audit staff during the current or prior year? **(if yes, please include a description and corrective measures and implementation timeframe)** Yes No N/A
 - 6. Briefly describe the company’s fraud reporting mechanisms (e.g., telephone hotline or anonymous reporting mechanism) used to report allegations of fraud at domestic and any foreign locations.
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7. Are background checks performed on all new hires? Yes No
Please check all that apply: Criminal ___ Credit ___
Prior Employment ___ References ___ Drug Testing ___
8. Are mid-employment background checks or screenings performed (e.g., when employees are promoted to managerial or sensitive positions)? Yes No
9. Are your Code of Ethics and/or Code of Conduct policies distributed to all domestic and foreign employees? Yes No
10. Do you have a procedure in place to ensure the Code of Ethics / Conduct policies have been read and understood by all employees (e.g., employee signatures, electronic testing)? Yes No
11. Do you provide specific fraud awareness training for managers and employees? Yes No
12. Do you train employees on privacy, information security and related issues annually or more frequently? If yes, please provide information about the training provided. Yes No
13. Are all expense reports reviewed by a supervisor or by someone knowledgeable of the employee's work and travel itineraries? Yes No
14. When an employee is terminated or resigns, does the company immediately cancel and deny access to sensitive data (building access, corporate credit cards, computer systems, etc)?
Yes No
15. Are perpetual inventory systems maintained at all domestic and foreign locations?
Yes No N/A
16. Are complete physical inventory counts conducted at least annually and independently reconciled to recorded / book quantities at all locations?
Yes No N/A
17. Are physical and other inventory controls consistent at all warehouse and branch locations?
Yes No N/A
18. Does anyone within the payroll area perform more than one of the following duties: payroll preparation, approval, recording, and reconciling? Yes No
19. Is payroll distributed to any employees at domestic or foreign locations via cash or using a cash envelope system?
Yes No If yes, please describe the process and controls in place.
20. Does the company receive rebates or sales incentives from manufacturers or third parties?
Yes No
If "yes", when was the most recent audit of this area and by whom?

21. Does the company utilize a Positive Pay system to reduce the risk of unauthorized payments presented to and paid by its banks? Yes No

22. Do any employees responsible for reconciling bank statements also perform the following?

- Approve or disburse payments Yes No
Access the master vendor file Yes No
Receive checks or make deposits Yes No

23. Is countersignature (dual signature) of checks required at all locations? Yes No

- a) If "yes", at what dollar threshold is countersignature required? _____
b) If "no", describe the system in effect to prevent unauthorized issuance of checks (e.g., countersignatures of purchase orders or invoices)

24. Are summary disbursements reports or audit exception reports prepared that list payments made via check and wire and reviewed by management or internal audit staff for unusual payments ("data mining")? Yes No

25. Do the above controls differ for foreign locations? Yes No (If yes, please explain) _____

26. Describe any other relevant company programs, policies, or procedures designed to reduce the risk of fraud abuse within the company not discussed above?

VENDOR INFORMATION

1. Are background checks performed on vendors prior to doing business with them to determine:
 - a) Ownership? Yes No
 - b) Physical address? Yes No
 - c) Tax ID (or SSN)? Yes No
 - d) Financial capability? Yes No
2. Are employee databases searched to determine whether there are unusual matches between the vendor data obtained above and employee data? Yes No
3. Which department maintains and updates the authorized / pre-approved listing of vendors (e.g., accounts payable, procurement)? _____.
4. Do any of these department employees (from previous question) have invoice approval, check / payment approval, signature, or bank account reconciliation responsibilities? If yes, provide details.
Yes No
5. Does the company utilize a purchase order or payment requisition system requiring two signatures prior to ordering all goods and services? Yes No
6. Are vendors provided with a statement of your conflict of interest and gift policy (prohibiting gifts of any significant value) Yes No
7. Are vendors asked to disclose any gifts or favors offered or requested or other questionable behavior by employees? Yes No

8. Do the same controls apply to locations outside the United States? Yes No (If no, please explain) _____

FUNDS TRANSFER / COMPUTER SYSTEM

1. What is the daily average number and dollar amount of wire transfers?

Domestic: Number _____ Dollar \$ _____
Foreign: Number _____ Dollar \$ _____

2. Is approval by more than one person required to initiate a wire transfer?

Yes No

3. Does anyone within the wire transfer area perform more than one of the following duties: requesting, initiating, recording, and reconciling?

Yes No

4. Are similar internal controls established surrounding vendor set-up, requesting, approving, recording, and reconciling within the wire transfer area as with the accounts payable area?

Yes No

5. For non-repetitive (non-routine) wire transfers, are internal controls in place that are similar to the regular cash and check disbursement procedures (e.g., required approval signatures, supporting documents, etc.)? Yes No

6. Do internal controls surrounding wire transfers vary among domestic and foreign locations?

Yes No N/A

7. When was the most recent wire transfer department audit performed by:

- a) Internal auditors? _____
- b) External auditors? _____

8. Are computer access codes and passwords changed every 90 days or less?

Yes No

9. Do any non-employees have access to the company's computer systems?

Yes No If yes, provide details and control information

10. Has the company had a theft of or unintended release of sensitive personal information of employees or customers in the past three years? Yes No

If yes, did you notify the individuals whose information was stolen or released? Yes No

If yes, please describe the nature and size of the release and any corrective action taken: _____

11. When was the most recent IT / computer system audit performed by:

- a) Internal auditors? _____
- b) External auditors? _____

CLIENT ASSETS

1. What type of services/work will you perform for your client(s)? Provide details:

2. Will you have access to your client's funds/property (including money, securities, inventory, high value property, banking systems, wire transfer systems, computer systems, sensitive computer data, etc.)?
 YES NO
If YES, advise to what extent you will have access to this property along with the approximate dollar value:

3. Number of employees who will be performing work for your client(s)? _____

4. To what extent do you perform background checks on your employees?
 Prior employment Reference checks Criminal records Credit history Drug testing

5. Will you be performing services for your client(s) during normal business hours? YES NO
If NO, at what time will you be performing your work? _____

6. Will your employees be supervised by your client(s) while performing services? YES NO
If NO, what safeguards will be in place?

7. What physical and internal controls are in place to prevent and detect Employee Theft losses involving your client's funds/property? Provide details:

8. To what extent will your client(s) audit the services you provide for them? Provide details:

9. Do you have any knowledge of an employee stealing from a client in the past or at this time?
 YES NO If YES, provide complete details including all corrective measures implemented.

10. Total number of client(s): _____

Provide a list of the client(s) you will be providing services for. If services are being provided under a contract, indicate the start and completion date and attach a copy of the contract(s).

NAME OF CLIENT	LIMIT OF COVERAGE REQUESTED	START & END DATE OF CONTRACT	DOLLAR AMOUNT OF CONTRACT
	\$		\$
	\$		\$
	\$		\$
	\$		\$
	\$		\$
	\$		\$

NETWORK SECURITY INFORMATION

1. How is your network security managed?

- In-House
- or*
- By a third party vendor

Name of Vendor _____

2. If your network security is managed In-House, please check the applicable network security services that you use to safeguard the personal information of your customers/members/employees.

- Physical security
- Firewall
- Data Encryption
- Access control
- Periodic security assessments
- Incident response
- Dedicated IT personnel

IDENTITY THEFT INSURANCE PROGRAM

1. Do you currently have an identity theft insurance program in place? Yes No
If yes, please attach policy.

2. Have you ever had an application for identity theft insurance declined or has a policy issued to you been cancelled or non-renewed by the insurance carrier? Yes No _____
If yes, please give details.

NOTICE TO APPLICANTS: 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 ACT, WHICH IS A CRIME AND MAY SUBJECT SUCH PERSON TO CRIMINAL AND CIVIL PENALTIES.

NOTICE TO ARKANSAS, NEW MEXICO AND WEST VIRGINIA 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 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 POLICYHOLDER OR CLAIMANT FOR THE PURPOSE OF DEFRAUDING OR ATTEMPTING TO DEFRAUD THE POLICYHOLDER 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 AUTHORITIES.

NOTICE TO DISTRICT OF COLUMBIA APPLICANTS: WARNING: 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 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 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 AND WILLFULLY PRESENTS A FALSE OR FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT OR WHO KNOWINGLY AND 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 NEW YORK APPLICANTS: 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.

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: WARNING: 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 (365:15-1-10, 36 §3613.1).

NOTICE TO OREGON APPLICANTS: 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 ACT, WHICH MAY BE A CRIME AND MAY SUBJECT SUCH PERSON TO CRIMINAL AND CIVIL PENALTIES.

NOTICE TO PENNSYLVANIA APPLICANTS: 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.

NOTICE TO TENNESSEE, VIRGINIA AND WASHINGTON 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 INCLUDE IMPRISONMENT, FINES AND DENIAL OF INSURANCE BENEFITS.

NOTICE TO VERMONT APPLICANTS: ANY PERSON WHO KNOWINGLY PRESENTS A FALSE STATEMENT IN AN APPLICATION FOR INSURANCE MAY BE GUILTY OF A CRIMINAL OFFENSE AND SUBJECT TO PENALTIES UNDER STATE LAW.

The Insured represents that the information furnished in this application is complete, true and correct. Any misrepresentation, omission, concealment or incorrect statement of a material fact, in this application or otherwise, shall be grounds for the rescission of any bond or policy issued.

Dated at _____ this _____ day of _____, 20_____

_____ By _____
(Insured) (Name and Title)

Producer: _____

Producer
License #: _____

Address: _____

