



# FINANCIAL INSTITUTION BOND APPLICATION (INSURANCE COMPANIES)

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Application is hereby made by \_\_\_\_\_  
(List all Insureds, including Employee Benefit Plans)

Principal Address \_\_\_\_\_ (herein called Insured)  
(No.) (Street) (City) (State) (Zip Code)

for a \_\_\_\_\_ **Financial Institution Bond, Insurance Companies**, to become  
(primary, excess, concurrent, co-surety, coinsured)

effective as of 12:01 a.m. on \_\_\_\_\_ to 12:01 a.m. on \_\_\_\_\_ in the Aggregate Limit of Liability of \$ \_\_\_\_\_

Date Insured was established: \_\_\_\_\_ Name of Prior Carrier: \_\_\_\_\_

1 Identify your principal line(s) of insurance \_\_\_\_\_  
\_\_\_\_\_

2 For all Insureds, show the total number of: No. of

(a) Salaried officers and employees and persons provided by employment contractors.....	_____
(b) Banking locations (other than the Home Office of the first Named Insured) in the U.S., Canada, where insurance operations are conducted.....	_____
(c) Limited banking facilities in the U.S., Canada, Puerto Rico and Virgin Islands	_____
(d) Locations in the U.S., Canada where non-insurance operations are conducted.....	_____
(e) Locations outside of the U.S., Canada where insurance and non-insurance operations are conducted, list below:	

<u>Location</u>	<u>Location</u>

3 Complete the following: Total Assets

(a) As of latest Dec. 31.....	\$ _____
(b) As of latest June 30 .....	\$ _____

4 Complete the following for optional coverages desired:

<u>Form of Coverage</u>		<u>Single Loss Limit</u>
(a) Is Insuring Agreement (D) — Forgery or Alteration Coverage desired?.....	Yes <input type="checkbox"/> No <input type="checkbox"/>	\$ _____
(b) Is Insuring Agreement (E) — Securities Coverage desired?.....	Yes <input type="checkbox"/> No <input type="checkbox"/>	\$ _____
(c) Is Trading Loss Coverage desired? .....	Yes <input type="checkbox"/> No <input type="checkbox"/>	\$ _____
(d) Is Extortion — Threats to Persons Coverage desired?.....	Yes <input type="checkbox"/> No <input type="checkbox"/>	\$ _____

If "Yes", list below locations to be excluded:

<u>Location</u>	<u>Location</u>


4. Complete the following for optional coverages desired (cont'd):

(e) Is Extortion — Threats to Property Coverage desired? ..... Yes  No  Single Loss Limit  
\$ \_\_\_\_\_

If "Yes", list below locations to be excluded:

<u>Location</u>	<u>Location</u>

(f) Is Computer Systems Fraud Coverage desired? ..... Yes  No  Single Loss Limit  
\$ \_\_\_\_\_

if "Yes", list complete the following:

- (1) Insured's Computer System(s)  
For the Computer System(s) you operate, whether owned or leased, complete the following:
  - (a) Number of independent software contractors authorized to design, implement of service programs for your Systems \_\_\_\_\_
  - (b) Is access to your System(s) by agents, brokers or other outside parties permitted? ..... Yes  No
- (2) Other Computer Systems  
List below other Computer System(s) for which coverage is desired

Computer System(s)


(g) Is coverage desired on your appointed or elected agents, whether they be persons, partnerships or corporations while performing any act or service in connection with the ordinary conduct of your business? (Life Insurance Companies only)..... Yes  No

If "Yes", list below the name, capacity in which agent serves and single loss limit of liability on each agent:

<u>Name &amp; Location</u>	<u>Single Loss Limit</u>	<u>Name &amp; Location</u>	<u>Single Loss Limit</u>
_____	\$ _____		\$ _____
_____	\$ _____		\$ _____
_____	\$ _____		\$ _____
_____	\$ _____		\$ _____

(h) Is coverage desired on draft-signers, who while in the service of a policyholder of the Insured, are authorized to sign drafts on your behalf? ..... Yes  No

If "Yes", list below the name and location of each policyholder and draft-signer:

<u>Name &amp; Location</u>	<u>Name &amp; Location</u>

(i) Is coverage desired on business engaged in the data processing of your checks or other accounting records? ..... Yes  No

If "Yes", list below the name and location of each data processor:

<u>Name &amp; Location</u>	<u>Name &amp; Location</u>

5. Are you a direct participant in a depository for the central handling of securities? ..... Yes  No

If "Yes", list below the name and location of each depository:

<u>Name &amp; Location</u>	<u>Name &amp; Location</u>


6. For deductibles, complete the following: (NOTE: Deductibles on Insuring Agreements (D) and (E) must be at least equal to that carried on the Basic Bond Coverage. Deductibles on Extortion may be written in any amount.)

<u>Coverage</u>	<u>Single Loss Deductible</u>
(a) All coverages except Insuring Agreements (D), (E) and Extortion .....	\$ _____
(b) Insuring Agreement (D) — Forgery or Alteration .....	\$ _____
(c) Insuring Agreement (E) — Securities .....	\$ _____
(d) Extortion — Threats to Persons .....	\$ _____
(e) Extortion — Threats to Property .....	\$ _____

7. If coverage is being written on an excess, concurrent or co-surety basis, show the names of the other carriers and bond limits. In the case of co-surety also show percentage participations: \_\_\_\_\_

8. If coverage is being written on a coinsurance basis, show your percentage participation \_\_\_\_\_ %. (NOTE: Insured may assume a participation of between 5% and 25%.)

9. **AUDIT PROCEDURES:**

- (a) Is there an annual audit by an independent CPA? Yes  No
- (b) If "Yes", is it a complete audit made in accordance with generally accepted auditing standards and so certified? Yes  No
- (c) If the answer to (b) is "No", explain the scope of the CPA's examination:  
\_\_\_\_\_
- (d) Is the audit report rendered directly to the Board of Directors? Yes  No
- (e) Name and location of CPA:  
\_\_\_\_\_
- (f) Date of completion of the last audit by CPA: \_\_\_\_\_
- (g) Is there a continuous internal audit by an Internal Audit Department? Yes  No
- (h) If "Yes", are there monthly reports rendered directly to the Board of Directors? Yes  No

10. **INTERNAL CONTROLS (OTHER THAN AUDIT PROCEDURES):**

- (a) Do you require annual vacations of at least two consecutive weeks for all officers and employees? Yes  No   
If "No", explain: \_\_\_\_\_
- (b) Is there a formal, planned program requiring segregation of duties so that no single transaction (including claim handling and draft issuance procedures) can be fully controlled from origination to posting by one person? Yes  No   
If "No", explain: \_\_\_\_\_
- (c) Are bank accounts reconciled by someone not authorized to deposit or withdraw?..... Yes  No
- (d) Is countersignature of checks required? ..... Yes  No
- (e) Will endorsement of checks on your behalf be limited to endorsement for deposit and credited to your account? ..... Yes  No   
If "No", explain: \_\_\_\_\_

11. Has there been any change in ownership or management within the past three (3) years? Yes  No

If "Yes", explain: \_\_\_\_\_

12. Has any insurance been declined or cancelled during the past three (3) years? Yes  No

If "Yes", explain: \_\_\_\_\_

13. List all losses sustained during the past three years. whether reimbursed or not from \_\_\_\_\_ to \_\_\_\_\_  
Check if none  {month, day, year} {month, day, year}

Date of Loss	Type of Loss	Amount of Loss	Amount Recovered from Insurance	Amount Recovered from other than Insurance	Amount of Loss Pending	If Loss occurred at other than Main Office, state location

		\$	\$	\$	\$	
		\$	\$	\$	\$	
		\$	\$	\$	\$	
		\$	\$	\$	\$	

Dated at \_\_\_\_\_ this \_\_\_\_\_, day of \_\_\_\_\_, 20\_\_\_\_

\_\_\_\_\_  
(Insured)

\_\_\_\_\_  
(Name and Title)

\_\_\_\_\_  
(Signature)