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COMMERCIAL CRIME SMALL BUSINESS COVERAGE APPLICATION

(FIDELITY BOND APPLICATION)

This Application will only be accepted for privately-held commercial companies and non-profit organizations meeting the following criteria:

- 250 or fewer employees
- \$100 million or less in assets
- \$100 million or less in revenues

This Application will **not** be accepted for:

- Public Companies
- Government Entities
- Financial Institutions.

Attach a copy of Applicant's latest available annual financial statement and CPA Management Letter (for limit requests over US \$5,000,000)

If coverage for Employee Theft of Client Property is requested, submit separate Third Party Crime Application

For each additional entity for which coverage is requested please attach a separate page or an organization chart which includes the name, description of operations, employee count and locations.

Note: Receipt of this information does not constitute an agreement that coverage will be provided to the listed entities.

APPLICANT

Name of Applicant (as it is to appear on the bond)		Entity <input type="checkbox"/> Individual <input type="checkbox"/> Corporation <input type="checkbox"/> LLC <input type="checkbox"/> Partnership <input type="checkbox"/> Other _____			
Address		City		County	State Zip Code
SSN or Tax ID Number	Date Business Established	Phone Number	Fax Number	Email Address	
Primary Website URL		Summarize Products and Services			
Total Number of Employees* (Current Year) US _____ Other Countries _____		Total Number of Employees* (Prior Year) US _____ Other Countries _____		Total Number of Volunteers US _____ Other Countries _____	
Total Number of Locations US _____ Other Countries _____		List the domiciles of each location outside the US			
Does the Applicant wish to include additional entities (e.g., affiliates, partnerships, joint ventures) <input type="checkbox"/> Yes <input type="checkbox"/> No		If Yes, list and describe each entity.			
Total amount of specified property INSIDE the premises for all locations combined Cash \$ _____ Retail Checks** \$ _____ Credit Card Receipts \$ _____					
Total amount of specified property OUTSIDE the premises for all locations combined Cash \$ _____ Retail Checks** \$ _____ Credit Card Receipts \$ _____					
Scope of financial statement preparation <input type="checkbox"/> Internal <input type="checkbox"/> CPA Compilation <input type="checkbox"/> CPA Review <input type="checkbox"/> CPA Audit <input type="checkbox"/> None					

* Employee count should include full-time and part-time employees (including leased, seasonal and temporary).

** Retail Checks are only those checks that are accepted as immediate payment for retail products or services.

Applicant's most recent fiscal year end (FY___) financial information

\$ _____	Current Assets	\$ _____	Revenues
\$ _____	Total Assets	\$ _____	Net Income (Net Loss)
\$ _____	Current Liabilities	\$ _____	Cash Flow from Operations
\$ _____	Long Term Debt	\$ _____	Net Equity/Net Assets (Deficit Equity)

Creditors

During the past 24 months has the Applicant experienced, or during the next 12 months does the Applicant anticipate, any reorganization or arrangement with creditors under federal or state law? <input type="checkbox"/> Yes <input type="checkbox"/> No	If Yes, explain
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Internal Control

Does someone other than the person responsible for reconciling bank accounts make deposits? <input type="checkbox"/> Yes <input type="checkbox"/> No	Does someone other than the person responsible for reconciling bank accounts make withdrawals? <input type="checkbox"/> Yes <input type="checkbox"/> No	Does someone other than the person responsible for reconciling bank accounts sign checks? <input type="checkbox"/> Yes <input type="checkbox"/> No
Is countersignature of checks required? <input type="checkbox"/> Yes <input type="checkbox"/> No	Are all incoming checks stamped "for deposit only" immediately upon receipt? <input type="checkbox"/> Yes <input type="checkbox"/> No	
Is segregation of duties practiced in the following areas? 1. Inventory management? <input type="checkbox"/> Yes <input type="checkbox"/> No 2. Vendor approval? <input type="checkbox"/> Yes <input type="checkbox"/> No 3. Purchase order approval and payment? <input type="checkbox"/> Yes <input type="checkbox"/> No 4. Cash receipts? <input type="checkbox"/> Yes <input type="checkbox"/> No 5. Oversight of blank check stock? <input type="checkbox"/> Yes <input type="checkbox"/> No 6. Retail checks and credit card receipts? <input type="checkbox"/> Yes <input type="checkbox"/> No	Indicate if you have or perform any of the following during the hiring process (check all that apply): <input type="checkbox"/> Prior employment verification <input type="checkbox"/> Drug testing <input type="checkbox"/> Education verification <input type="checkbox"/> Credit history <input type="checkbox"/> Criminal history	
Is a physical count of inventory conducted at least annually? <input type="checkbox"/> Yes <input type="checkbox"/> No	Are inventory records computerized? <input type="checkbox"/> Yes <input type="checkbox"/> No	Is dual authorization required for all wire transfers? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
Is there a software security system in place to detect fraudulent computer usage by employees, agents and outsiders? <input type="checkbox"/> Yes <input type="checkbox"/> No	Are EDP systems, programs, and procedures, including changes thereto, authorized, documented and tested? <input type="checkbox"/> Yes <input type="checkbox"/> No	
Indicate any of the following characteristics or exposures that apply to your business operations (check all that apply): <input type="checkbox"/> Precious metals or gemstones <input type="checkbox"/> Warehousing operations <input type="checkbox"/> Managed assets of others <input type="checkbox"/> High unit, portable inventory <input type="checkbox"/> Care, custody & control of clients' property	If you checked any of the characteristics or exposures, please provide details that quantify the exposure and briefly describe the controls in place to protect you from loss.	

Loss History (during the last three years)

Date Loss Discovered	Type of Loss	Describe circumstances of Loss, and Action taken to help prevent repetition
Amount of Loss \$	Recovered From Insurance \$	
Date Loss Discovered	Type of Loss	Describe circumstances of Loss, and Action taken to help prevent repetition
Amount of Loss \$	Recovered From Insurance \$	
Date Loss Discovered	Type of Loss	Describe circumstances of Loss, and Action taken to help prevent repetition
Amount of Loss \$	Recovered From Insurance \$	
Date Loss Discovered	Type of Loss	Describe circumstances of Loss, and Action taken to help prevent repetition
Amount of Loss \$	Recovered From Insurance \$	

Attach a separate sheet of paper detailing any other Losses during the last three years

COVERAGE

Basics

Requested Effective Date	Date Coverage First Purchased	Expiring Premium \$			
Name of Expiring Insurance Broker	Address	City	State	ZIP Code	

Requested Crime Coverage

Limit of Insurance	Retention	Desired Insuring Coverages	
\$ _____	\$ _____	Fidelity: Employee Theft	
\$ _____	\$ _____	Fidelity: ERISA Fidelity	
\$ _____	\$ _____	Fidelity: Employee Theft of Client Property	
\$ _____	\$ _____	Forgery or Alteration	
\$ _____	\$ _____	On Premises (Money, Securities, and Other Property)	
\$ _____	\$ _____	In Transit (Money, Securities, and Other Property)	
\$ _____	\$ _____	Money Orders, Counterfeit Paper Currency	
\$ _____	\$ _____	Computer Crime + Funds Transfer Fraud	

FRAUD STATEMENTS

ALABAMA: "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."

ARKANSAS: "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."

COLORADO: "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 agencies."

DISTRICT OF COLUMBIA: "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."

FLORIDA: "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."

HAWAII: "For your protection, Hawaii law requires you to be informed that presenting a fraudulent claim for payment of a loss or benefit is a crime punishable by fines or imprisonment, or both."

KENTUCKY: "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."

LOUISIANA: "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."

MAINE: "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 denial of insurance benefits."

MARYLAND: "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".

NEW JERSEY: "Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties."

NEW MEXICO: "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 civil fines and criminal penalties."

NEW YORK: "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."

OHIO: "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."

OKLAHOMA: "WARNING: Any person who knowingly, and with intent to injury, 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."

PENNSYLVANIA: "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."

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."

TENNESSEE: "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."

VIRGINIA: "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."

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."

WEST VIRGINIA: "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."

PUERTO RICO: "Any person who knowingly, and with the intention of defrauding, presents false information in an insurance application, or presents, helps, or causes the presentation of a fraudulent claim for the payment of a loss or any other benefit, or presents more than one claim for the same damage or loss, shall incur a felony and, upon conviction, shall be sanctioned for each violation by a fine of not less than five thousand dollars (\$5,000) and not more than ten thousand dollars (\$10,000), or a fixed term of imprisonment for three (3) years, or both penalties. Should aggravating circumstances be present, the penalty thus established may be increased to a maximum of five (5) years. If extenuating circumstances are present, it may be reduced to a minimum of two (2) years."

All particulars herein are declared to be true and complete to the best of the Applicant's knowledge, and no information has been withheld or suppressed, and the Applicant agrees that this application and the terms and conditions of the policy in use by the insurer shall be the basis of any contract between the Applicant and the insurer. The Applicant hereby authorize the insurer to investigate all or any qualifications or statements contained herein.

Authorized Representative: _____

Title: _____

Authorized Representative Signature: _____

Date: _____

This application does not commit the insurer to any liability, nor does it make the applicant liable for any premium unless and until the insurer agrees to effect this insurance.



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WE'VE MADE IT EASY FOR YOU TO COMPLETE AND SUBMIT THIS APPLICATION

TWO EASY WAYS TO COMPLETE THIS APPLICATION — PRINT OR DIGITAL

For PRINT completion:

1. Print this PDF.
2. Complete the application with a black pen by legibly writing your responses in the applicable fields.
3. Use one of the following ways to submit the completed application:
 - a. Scan, then email the pages to Underwriting@SuretyOne.com or your assigned underwriter
 - b. Mail the pages to our Raleigh NC address (listed above)
 - c. Fax the pages to 919-834-7039

For DIGITAL completion:

1. Download this PDF to your computer.
2. Open the file in a PDF editor, such as Adobe Acrobat Reader DC (available for free here: <https://get.adobe.com/reader/>).
3. Complete the application by typing and clicking your responses in the applicable fields.
4. Save your updated file to your computer by going to File > Save as...
5. Use one of the following ways to submit the completed application:
 - a. Attach the PDF to an email, and send to Underwriting@SuretyOne.com or to your assigned underwriter
 - b. Upload the PDF to the form on SuretyOne.com/contact-us

Note: Incomplete applications may result in processing delays.

Fidelity bonds, also known as Commercial Crime Policies, are written to protect organizations from the impact of an employee's dishonest acts. Surety One, Inc. offers very broad forms for both domestic and international business operations, following the S.F.A.A. formats which include:

- Employee theft
- Depositors forgery or alteration
- Theft, disappearance and/or destruction of money and securities
- Robbery and safe burglary
- Computer Crime (theft, funds transfer fraud, etc.)
- Counterfeit currency/money orders

The basic coverage forms can be expanded by negotiated endorsement. Do you have an "outside of the box" or "non-standard" fidelity risk? No problem. Do you need a special fidelity bond manuscripted for your particular client? Surety One, Inc. can help.