TRAVELERS

APPLICATION FOR A
FINANCIAL INSTITUTION BOND, STANDARD FORM NO. 15
FOR MORTGAGE BANKERS AND FINANCE COMPANIES

This form must be completed for each new bond and at each premium anniversary. If more space is needed to answer any of the questions contained herein, attach additional sheets.

_____

(List all Insureds, including Employee Benefit Plans)

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

for a _____ **Financial Institution Bond, Standard Form No. 15,** to become effective as of
　　(primary, excess, concurrent, co-surety, coinsured)

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.　Insured is a (check the appropriate box):

　　Mortgage Banker ☐,　Finance Company ☐,　Small Loan Company ☐,　Small Business Investment Company ☐,

　　Dealer in Mortgages ☐,　Dealer in Commercial Paper ☐,　Note Broker ☐,　Real Estate Investment Trust ☐,

　　Title Insurance Company principally engaged in the mortgage business ☐,

　　Other ☐ _____

2.　Insured is a (check the appropriate box):　Sole Proprietorship ☐,　Partnership ☐,　Corporation ☐

3.　Indentify the states in which you are licensed to do business: _____

　　_____

　　_____

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

　　(a) Salaried officers, employees, retained attorneys and persons provided by employment contractors .... _____

　　(b) Locations (other than the Home Office of the first Named Insured) in the U.S., Canada, Puerto Rico and
　　　　Virgin Islands .... _____

　　(c) Locations outside the U.S., Canada, Puerto Rico and Virgin Islands, list below:

Location	Location

5.　Complete the following:　　　　　　　　　　　　　　　　　　　　　　Total Assets

　　(a) As of latest Dec. 31 .... $....... _____

　　(b) As of latest June 30 .... $....... _____

6. 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 ☐ No ☐ $ _____

(b) Is Insuring Agreement (E) — Securities Coverage desired? .... Yes ☐ No ☐ $ _____

(c) Is Trading Loss Coverage desired? .... Yes ☐ No ☐ $ _____

(d) Is Extortion — Threats to Persons Coverage desired? .... Yes ☐ No ☐ $ _____

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

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

<u>Single Loss Limit</u>

(e) Is Extortion — Threats to Property Coverage desired? .... Yes ☐ No ☐ $ _____

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

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

<u>Single Loss Limit</u>

(f) Is Computer Systems Fraud Coverage desired? .... Yes ☐ No ☐ $ _____

If "Yes", 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 or service programs for your System(s).. _____

b) Is access to your System(s) by customers or other outside parties permitted? .... Yes ☐ No ☐

(2) Other Computer System(s)

List below other Computer System(s) for which coverage is desired:

<u>Computer System(s)</u>

(g) Is coverage desired on businesses 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 & Location</u>	<u>Name & Location</u>

(h) Is coverage desired on closing attorneys retained by you to prepare deeds, investigate titles of real property or otherwise assist in the making of mortgage loans? (Title Insurance Companies only) .... Yes ☐ No ☐

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

Name & Location	Name & Location

7. Check the appropriate box(es) if you are a seller or servicer of secondary market mortgages of:

Freddie Mac ☐, Fannie Mae ☐, Ginnie Mae ☐, Other agencies ☐ _____

8. 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 Coverage may be written in any amount.)

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

9. 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: _____

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

11. AUDIT PROCEDURES:

(a) Is there an annual ☐, or semi-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 all partners if a partnership or to the Board of Directors if a corporation? .... 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 monthly reports rendered directly to all partners if a partnership or to the Board of Directors if a corporation? .... Yes ☐ No ☐

(i) Are money and securities actually counted and verified? .... Yes ☐ No ☐

(j) How often are loan balances verified? _____

12. INTERNAL CONTROLS (OTHER THAN AUDIT PROCEDURES):

(a) Do you require annual vacations of at least two consecutive weeks for all personnel? ....Yes ☐ No ☐

If "No", explain: _____

_____

(b) Is there a formal, planned program requiring segregation of duties so that no single transaction 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 ☐

If "No", explain: _____

_____

(d) Is countersignature of checks (including escrow accounts) required? ....Yes ☐ No ☐

If "No", explain: _____

_____

(e) Are monthly statements (whether or not there was activity in the account) mailed directly to all customers? ....Yes ☐ No ☐

If "No", explain: _____

_____

13. Has there been any change in ownership or management within the past three years? ....Yes ☐ No ☐

If "Yes", please explain: _____

_____

_____

14. Has any insurance been declined or canceled during the past three years? ....Yes ☐ No ☐

If "Yes", please explain: _____

_____

_____

15. 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
		$	$	$	$	
		$	$	$	$	
		$	$	$	$	
		$	$	$	$	
		$	$	$	$	
		$	$	$	$	
		$	$	$	$	
		$	$	$	$	
		$	$	$	$	
		$	$	$	$	

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Attention: Insureds in FL

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 felony of the 3rd degree, and may also be subject to a civil penalty.

Attention: Insureds in ME, TN, VA, and WA

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.

Attention: Insureds in PA

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.

Attention: Insureds in PR

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 with the penalty of a fine of not less than five thousand (5,000) dollars and not more than ten thousand (10,000) dollars, 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.

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 issued in reliance upon such information.

Dated at _____ this _____ day of _____ , _____

_____ By _____
(Insured)   (Name and Title)

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 www.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.

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