

NOTICE

NOTICE: IN NO EVENT SHALL THE INSURER BE LIABLE FOR INSURED LOSS IN EXCESS OF THE APPLICABLE LIMIT OF LIABILITY. PLEASE READ THE ENTIRE APPLICATION CAREFULLY BEFORE SIGNING.

INSTRUCTIONS

WHENEVER USED IN THIS **APPLICATION**, THE TERM "**APPLICANT**" SHALL MEAN THE **NAMED INSURED** AND ITS SUBSIDIARIES. ALL OTHER BOLDFACE TERMS IN THIS **APPLICATION** ARE DEFINED IN THE **POLICY** AND HAVE THE SAME MEANING IN THIS **APPLICATION** AS IN THE **POLICY**. PLEASE ANSWER ALL QUESTIONS FULLY AND TYPE OR PRINT CLEARLY. IF YOU DO NOT HAVE A COPY OF THE **POLICY**, PLEASE REQUEST IT FROM YOUR AGENT OR BROKER.

NOTE: For any questions that require a "□Yes" or "□No" response followed by an asterisk (*), please provide or attach a full explanation.

Social Engineering Fraud Supplemental Application

If a quote for **Social Engineering Fraud** coverage under the Crime Non-Liability **Coverage Section** is desired, please answer the questions below.

I. General Information

1.	Legal Name of Applicant					
2.	Address		Street			
			City	State	Zip	

II. Insurance Information

Coverage Requested	Limit Requested	Retention Requested	Shared Limit Requested	Current Limit	Current Retention	Current Premium	Current Carrier
<input type="checkbox"/> Crime Social Engineering	\$	\$	Y/N	\$	\$	\$	

MISSOURI APPLICANTS: DO NOT ANSWER QUESTIONS II(1) AND II(2):

1.	Has the Applicant been canceled or non-renewed for the insurance coverage listed above?	<input type="checkbox"/> Yes*	<input type="checkbox"/> No
2.	Has any insurer for the coverage listed above indicated an intent not to offer renewal terms to the Applicant ?	<input type="checkbox"/> Yes*	<input type="checkbox"/> No

III. Internal Controls and Loss History

A. Customer Controls

1.	Does the Applicant have a procedure in place to verify new customers prior to initiating any financial transactions with them? If "Yes," check all that apply:	<input type="checkbox"/> Yes	<input type="checkbox"/> No*
	(a) D&B Report or other credit worthiness check?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
	(b) Bank account verification (name, address, contact information matching customer file)?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
	(c) Confirmation of physical address?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
	(d) Other (please describe): _____		
2.	Does the Applicant accept funds transfer instructions from customers over the telephone, fax, email, text message or similar method of communication?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
	If "Yes" to question (A)(2), prior to complying with the instruction does the Applicant authenticate such instructions? (Check all methods that apply)	<input type="checkbox"/> Yes	<input type="checkbox"/> No*
	(a) Calling the customer at a predetermined number?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
	(b) Sending a text message to a predetermined number?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
	(c) Requiring receipt of a code known only to the customer to confirm identity?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
	(d) Other (please describe) _____	<input type="checkbox"/> Yes	<input type="checkbox"/> No
3.	Does the Applicant have a procedure to verify that incoming checks have fully cleared the issuing financial institution prior to performing services, or transferring money via wire?	<input type="checkbox"/> Yes	<input type="checkbox"/> No*

B. Vendor Controls				
1.	Does the Applicant confirm all requested changes to vendor contact and/or banking details (including bank routing numbers, telephone numbers and contact information) by a direct call using only a contact number previously provided by the vendor before the request was received?			<input type="checkbox"/> Yes <input type="checkbox"/> No*
2.	Does the Applicant send all confirmations of changes requested by the vendor to a person independent of the requestor of the change, with any changes being implemented only after the vendor has had the opportunity to challenge them?			<input type="checkbox"/> Yes <input type="checkbox"/> No*
3.	Does the Applicant run exception reports, either automatic, or manually created, showing all changes to the standing data of vendors? If "Yes," how often are the reports run, and by whom are they reviewed?			<input type="checkbox"/> Yes <input type="checkbox"/> No*
C. Voice and Electronic Initiated Transfer Controls				
1.	What is the weekly average number and dollar amount of the Applicant's wire transfers?			
(a)	Domestic:	Number: _____	Dollar \$ _____	
(b)	Foreign:	Number: _____	Dollar \$ _____	
2.	Does the Applicant require all outgoing wire transfers to be subject to segregation of duties between initiation and authorization, such that no one individual can control the entire process?			<input type="checkbox"/> Yes <input type="checkbox"/> No*
3.	Do payments or outgoing wire transfers above a certain amount require dual authorization by at least one supervisor or senior manager? If "Yes," what is the amount? _____			<input type="checkbox"/> Yes <input type="checkbox"/> No*
4.	Does the Applicant maintain a pre-established list of employees authorized to wire transfer funds or initiate payments, when such request is from:			
(a)	An internal source (i.e. another employee, officer or business unit)?			<input type="checkbox"/> Yes <input type="checkbox"/> No*
(b)	An external source (i.e. vendor or customer)?			<input type="checkbox"/> Yes <input type="checkbox"/> No*
5.	Are wire transfer instructions made from an internal source (i.e. another employee, officer or business unit) verified by calling back the requestor at a pre-established telephone number listed in the Applicant's company directory?			<input type="checkbox"/> Yes <input type="checkbox"/> No*
6.	Are employees that are responsible for wire transfers provided anti-fraud training, including but not limited to detection of social engineering, phishing and other scams?			<input type="checkbox"/> Yes <input type="checkbox"/> No*
7.	Does the Applicant's IT Department, email server and/or internet service provider (ISP) use email authentication methods (such as Sender Policy Framework, Sender ID Framework or DomainKeys Identified Mail) to detect spoofed emails not originating from your domain?			<input type="checkbox"/> Yes <input type="checkbox"/> No*
8.	Does the Applicant conduct penetration testing, simulated phishing attacks or other interactive intrusion testing of employees throughout the year?			<input type="checkbox"/> Yes <input type="checkbox"/> No*
9.	Are international and domestic wire transfer procedures performed consistently across all business units?			<input type="checkbox"/> Yes <input type="checkbox"/> No*
D. Loss History				
	Enter all Social Engineering Fraud claims or losses that may give rise to claims in the past five (5) years. If none, check here: <input type="checkbox"/>			
	Date of Occurrence	Type or Description of Loss or Claim	Amount of Loss	Amount Paid
				Claim Status (Open or Closed)

IV. Warranty Statement	
No Insured proposed for coverage has knowledge of any fact, circumstance, situation, transaction or event which could reasonably be expected to give rise to any future loss except as follows:	
<input type="checkbox"/> None, or	<input type="checkbox"/> Yes, (If "Yes," provide full details on a separate sheet.)
Without prejudice to any other rights and remedies of the Insurer , it is agreed by all concerned that if any such fact, circumstance, situation, transaction or event exists, whether or not disclosed above, any loss arising from such fact, circumstance, situation, transaction or event shall be excluded from coverage under the proposed Policy .	

V. Applicant Representations, Fraud Warnings and Signatures

THE SIGNING OF THIS APPLICATION DOES NOT BIND THE INSURER TO OFFER, NOR THE APPLICANT TO PURCHASE, THE INSURANCE. IT IS AGREED THAT THIS APPLICATION, INCLUDING ANY MATERIAL SUBMITTED THEREWITH, SHALL BE THE BASIS OF THE INSURANCE AND SHALL BE, IN ALL STATES OTHER THAN NC AND UT, CONSIDERED PHYSICALLY ATTACHED TO AND PART OF THE POLICY, IF ISSUED. THE INSURER SHALL HAVE RELIED UPON THIS APPLICATION, INCLUDING ANY MATERIAL SUBMITTED THEREWITH, IN ISSUING THE POLICY.

THE UNDERSIGNED AUTHORIZED REPRESENTATIVE OF THE APPLICANT ACKNOWLEDGES THAT ITS BROKER/PRODUCER IS NOT APPOINTED BY THE INSURER AND IS ACTING AS THE APPLICANT'S REPRESENTATIVE, AUTHORIZED TO PRESENT THIS APPLICATION ON THE APPLICANT'S BEHALF TO THE INSURER. IN THIS CAPACITY THE BROKER/PRODUCER HAS NO UNDERWRITING OR BINDING AUTHORITY WITH THE INSURER AND CANNOT BIND COVERAGE OR MODIFY THIS APPLICATION OR ANY INSURANCE POLICY. ANY BINDER OR POLICY MODIFICATION SHALL BE VALID ONLY IF ISSUED BY THE INSURER. APPLICANT FURTHER ACKNOWLEDGES THAT ANY FEES THAT IT PAYS TO THE BROKER/PRODUCER FOR THIS SERVICE IS AGREED TO IN WRITING BETWEEN APPLICANT AND THE BROKER/PRODUCER.

FRAUD WARNINGS

Notice to Arkansas, Minnesota, New Mexico and Ohio Applicants: Any person who, with intent to defraud or knowing that he/she is facilitating a fraud against an insurer, submits an application or files a claim containing a false, fraudulent or deceptive statement is, or may be found to be, guilty of insurance fraud, which is a crime, and may be subject to civil fines and criminal penalties.

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 policy holder or claimant for the purpose of defrauding or attempting to defraud the policy holder 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.

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 and Rhode Island 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, 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 may include imprisonment, fines or a denial of insurance benefits.

Notice to Alabama and Maryland Applicants: 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.

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 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.

Notice to Oregon and Texas Applicants: Any person who makes an intentional misstatement that is material to the risk may be found guilty of insurance fraud by a court of law.

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 Puerto Rico Applicants: 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.

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.

SIGNATURES

THE UNDERSIGNED AUTHORIZED REPRESENTATIVE OF THE APPLICANT DECLARES THAT TO THE BEST OF HIS/HER KNOWLEDGE AND BELIEF, AFTER REASONABLE INQUIRY, THE STATEMENTS SET FORTH IN THE ATTACHED APPLICATION FOR INSURANCE AND IN ANY MATERIALS SUBMITTED WITH THIS APPLICATION ARE TRUE AND COMPLETE AND MAY BE RELIED UPON BY THE INSURER. IF THE INFORMATION IN THE APPLICATION CHANGES PRIOR TO THE INCEPTION DATE OF THE POLICY, THE APPLICANT SHALL NOTIFY THE INSURER OF SUCH CHANGES, AND THE INSURER MAY MODIFY OR WITHDRAW ANY OUTSTANDING QUOTATION. THE INSURER IS AUTHORIZED TO MAKE INQUIRY IN CONNECTION WITH THIS APPLICATION.

THE INFORMATION REQUESTED IN THIS APPLICATION IS FOR UNDERWRITING PURPOSES ONLY AND DOES NOT CONSTITUTE NOTICE TO THE INSURER UNDER ANY POLICY OF ANY ACTUAL OR POTENTIAL CLAIM OR LOSS.

THIS APPLICATION MUST BE SIGNED BY THE CHIEF EXECUTIVE OFFICER (OR THE FUNCTIONAL EQUIVALENT) OF THE APPLICANT. BY SIGNING THIS APPLICATION, THE UNDERSIGNED AUTHORIZED REPRESENTATIVE AGREES TO CONDUCT ELECTRONIC COMMERCE AND TO ACCEPT AN ELECTRONIC INSURANCE POLICY AND OTHER DOCUMENTS ISSUED BY THE INSURER. THE UNDERSIGNED AUTHORIZED REPRESENTATIVE ACKNOWLEDGES THAT HE OR SHE MAY REQUEST A WRITTEN (PAPER) POLICY.

SIGNATURE OF INSURED AUTHORIZED REPRESENTATIVE

SIGNATURE

PRINTED NAME

DATE

TITLE

INSURED'S AUTHORIZED REPRESENTATIVE (AGENT/BROKER)

SIGNATURE

STATE PRODUCER LICENSE NUMBER

PRINTED NAME

AGENCY NAME AND PHONE NUMBER

DATE

UTAH APPLICANTS ONLY (NO SIGNATURE REQUIRED)

ANY MATTER IN DISPUTE BETWEEN YOU AND THE INSURER MAY BE SUBJECT TO ARBITRATION AS AN ALTERNATIVE TO COURT ACTION PURSUANT TO THE RULES OF THE AMERICAN ARBITRATION ASSOCIATION OR OTHER RECOGNIZED ARBITRATOR, A COPY OF WHICH IS AVAILABLE ON REQUEST FROM THE INSURER. ANY DECISION REACHED BY ARBITRATION SHALL BE BINDING UPON BOTH YOU AND THE INSURER. THE ARBITRATION AWARD MAY INCLUDE ATTORNEY'S FEES IF ALLOWED BY STATE LAW AND MAY BE ENTERED AS A JUDGMENT IN ANY COURT OF PROPER JURISDICTION.

ARKANSAS, MISSOURI, NEW MEXICO, NORTH DAKOTA AND WYOMING APPLICANTS ONLY

THE UNDERSIGNED AUTHORIZED REPRESENTATIVE OF THE APPLICANT HEREBY ACKNOWLEDGES THAT HE/SHE IS AWARE THAT THE LIMIT OF LIABILITY CONTAINED IN THIS POLICY SHALL BE REDUCED, AND MAY BE COMPLETELY EXHAUSTED, BY THE COSTS OF LEGAL DEFENSE AND, IN SUCH EVENT, THE INSURER SHALL NOT BE LIABLE FOR THE COSTS OF LEGAL DEFENSE OR FOR THE AMOUNT OF ANY JUDGMENT OR SETTLEMENT TO THE EXTENT THAT SUCH EXCEEDS THE LIMIT OF LIABILITY OF THIS POLICY.

THE UNDERSIGNED AUTHORIZED REPRESENTATIVE OF THE APPLICANT HEREBY FURTHER ACKNOWLEDGES THAT HE/SHE IS AWARE THAT LEGAL DEFENSE COSTS THAT ARE INCURRED SHALL BE APPLIED AGAINST THE RETENTION AMOUNT.

SIGNATURE OF INSURED AUTHORIZED REPRESENTATIVE**SIGNATURE****PRINTED NAME****DATE****TITLE**