



Travelers Casualty and Surety Company of America

Travelers Casualty and Surety Company (only applicable in Guam, Puerto Rico, and the Virgin Islands)

The term **Applicant** means all corporations, organizations or other entities, including subsidiaries and Employee Benefit Plans subject to ERISA, that are proposed for this insurance in Item I. GENERAL INFORMATION.

I. GENERAL INFORMATION

1. **Applicant** Information:

Name of **Applicant**: _____

Street Address: _____

City, State, ZIP Code: _____

Website Address: _____

Year **Applicant's** business was established: _____

Description of **Applicant's** operations: _____

2. **Applicant's** Standard Industrial Classification (SIC) code, if known (4-digit number): _____

3. In the next 12 months (or during the past 24 months) is the **Applicant** contemplating (or has the **Applicant** completed or been in the process of completing) the following:

a. Any actual or proposed merger, acquisition, or divestiture? Yes No

b. Any branch, location, facility, office, or subsidiary closings, consolidations, or layoffs? Yes No

If either of the questions above were answered Yes, please attach an explanation, including the timing, the essential terms of the event, arrangement, and the surrounding circumstances.

II. PROPOSED ADDITIONAL INSURED (OTHER THAN APPLICANT)*

1. Complete the following table indicating all additional entities for which coverage is requested:

Name of Entity	Description of Operations and Relationship to Applicant

To enter more information, please attach a separate page or an organization chart.

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

III. EMPLOYEE/LOCATION/EXPOSURE INFORMATION**

1. Number of employees** at all locations: _____

2. Total number of locations: _____

3. a. Number of locations outside the United States: _____
If there are locations outside the United States, indicate domicile of each on a separate page.

b. Number of employees** outside the United States: _____

** *Employee count should include full time, part time, leased, temporary and seasonal workers.*

4. Indicate the total amount of specified property *INSIDE* the premises for all locations combined:
 Cash \$ _____ Retail Checks*** \$ _____ Credit Card Receipts \$ _____
5. Indicate the total amount of specified property being transported by a messenger *OUTSIDE* the premises for all locations combined:
 Cash \$ _____ Retail Checks*** \$ _____ Credit Card Receipts \$ _____

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

IV. INTERNAL CONTROLS

1. Does the **Applicant** maintain an internal audit department? Yes No
If Yes, how many individuals are in the internal audit department? _____
2. Are bank account statements reconciled at least monthly? Yes No
3. Does someone other than the person responsible for reconciling bank accounts:
 Make deposits? Yes No Make withdrawals? Yes No Sign checks? Yes No
4. Is countersignature of checks required? Yes No
If Yes, what is the dual signing limit? \$ _____
5. Is segregation of duties practiced in the following areas:
 Inventory management? Yes No Cash receipts? Yes No
 Vendor approval? Yes No Oversight of blank check stock? Yes No
 Purchase order approval and payment? Yes No Retail checks and credit card receipts? Yes No
6. Are all incoming checks stamped "for deposit only" immediately upon receipt? Yes No
7. Is a physical count of inventory conducted at least annually? Yes No
8. Do you conduct periodic reviews of all unused or obsolete inventory (including raw materials and scrap metals)? N/A Yes No
9. Are inventory records computerized? Yes No
10. Are the duties of computer programmers and computer operators separated? Yes No
11. Are the same internal controls listed above imposed on all locations and entities? Yes No

V. COMPUTER AND FUNDS TRANSFER CONTROLS

1. Is there a software security system in place to detect fraudulent computer usage by employees, agents and outsiders? Yes No
2. Are passwords and access codes changed at regular intervals and when users are terminated? Yes No
3. Are computer programmers permitted to use machines with programs they have written? Yes No
4. Are computer check writing functions separate from check authorization? Yes No
5. Are EDP systems, programs, and procedures, including changes thereto, authorized, documented and tested? Yes No
6. Is there physical and functional segregation of personnel and periodic job shifts or job rotations? Yes No
7. Is dual authorization required for all wire transfers? N/A Yes No
8. What is the average daily dollar volume of electronic funds transfers? \$ _____
Check if not applicable .
9. Are transfer verifications sent to an employee or department other than the one that initiated the transfer? Yes No

VI. BUSINESS PRACTICES AND PHYSICAL CONTROLS

1. Indicate if you have or perform any of the following (*check all that apply*):

Business Practices/Policies	Physical Controls	Hiring/Screening Practices
Formal written business plan <input type="checkbox"/>	Guards/watchmen <input type="checkbox"/>	Prior employment verification <input type="checkbox"/>
Fraud policy <input type="checkbox"/>	Messengers <input type="checkbox"/>	Drug testing <input type="checkbox"/>
Confidential hotline or procedure for employees to report violations in your policies <input type="checkbox"/>	Premises alarm systems <input type="checkbox"/>	Education verification <input type="checkbox"/>
Code of ethics <input type="checkbox"/>	Controlled premises access <input type="checkbox"/>	Credit history <input type="checkbox"/>
Conflict of interest policy <input type="checkbox"/>	Other protection <input type="checkbox"/>	Criminal history <input type="checkbox"/>

VII. UNIQUE/SIGNIFICANT EXPOSURES

1. Indicate any of the following characteristics or exposures that apply to your business operations (*check all that apply*):

- | | |
|--|---|
| Precious metals or gemstones <input type="checkbox"/> | Narcotics <input type="checkbox"/> |
| High unit, portable inventory <input type="checkbox"/> | Computer chips <input type="checkbox"/> |
| Managed assets of others <input type="checkbox"/> | Proprietary trading activity <input type="checkbox"/> |
| Warehousing operations <input type="checkbox"/> | Care, custody and control of clients' property <input type="checkbox"/> |
| Art collection or other valuable collectibles <input type="checkbox"/> | None applicable <input type="checkbox"/> |

If you checked any of the characteristics or exposures above, please provide details that quantify the exposure and briefly describe the controls in place to protect you from loss in a separate attachment.

VIII. CURRENT INSURANCE INFORMATION/REQUESTED INSURANCE TERMS

Desired Crime Coverage	Requested Limit	Requested Retention
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 and Counterfeit Money	\$	\$
Computer Crime	\$	\$
Funds Transfer Fraud	\$	\$
Personal Accounts Protection	\$	\$
Claim Expense	\$	\$

Expiring insurer: _____ Expiring premium: \$ _____

IX. LOSS INFORMATION

1. Has the **Applicant** or any proposed insured sustained any crime-related losses in the past 3 years? Yes No
If Yes, please complete the table below and attach a separate sheet if necessary:

Date of Loss	Amount of Loss	Description of Loss	Corrective Procedures Implemented
	\$		
	\$		

X. REQUIRED ATTACHMENTS

As part of this Application, please submit the following documents:

- Most recent annual financial statement
- Required communications under PCAOB (Public Company Accounting Oversight Board) Auditing Standard No. 5 and future amendments
- If coverage for Employee Theft of Client Property (Third Party Crime) is requested, submit separate Third Party Crime Application

XI. COMPENSATION NOTICE

Important Notice Regarding Compensation Disclosure

For information about how Travelers compensates independent agents, brokers, or other insurance producers, please visit this website: http://www.travelers.com/w3c/legal/Producer_Compensation_Disclosure.html

If you prefer, you can call the following toll-free number: 1-866-904-8348. Or you can write to us at Travelers, Enterprise Development, One Tower Square, Hartford, CT 06183.

XII. FRAUD WARNINGS

Attention: Insureds in Alabama, Arkansas, D.C., Maryland, New Mexico, and Rhode Island

Any person who knowingly (or willfully in MD) presents a false or fraudulent claim for payment of a loss or benefit or who knowingly (or willfully in MD) presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

Attention: Insureds in 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.

Attention: Insureds in 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.

Attention: Insureds in Kentucky, New Jersey, New York, Ohio, and 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. (In New York, the civil penalty is not to exceed five thousand dollars (\$5,000) and the stated value of the claim for each such violation.)

Attention: Insureds in Louisiana, Maine, Tennessee, Virginia, and 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.

Attention: Insureds in Oregon

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 may be guilty of a crime and may be subject to fines and confinement in prison.

Attention: Insureds in 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 with the penalty of 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.

XIII. SIGNATURE SECTION

THE UNDERSIGNED AUTHORIZED REPRESENTATIVE (PARTNER, PRINCIPAL OR OTHER OFFICER ACCEPTABLE TO TRAVELERS) OF THE APPLICANT DECLARES THAT TO THE BEST OF HIS/HER KNOWLEDGE AND BELIEF, AFTER REASONABLE INQUIRY, THE STATEMENTS SET FORTH IN THE ATTACHED TRAVELERS NEW BUSINESS OR RENEWAL APPLICATION FOR INSURANCE ARE TRUE AND COMPLETE AND MAY BE RELIED UPON BY TRAVELERS. IF THE INFORMATION IN ANY APPLICATION CHANGES PRIOR TO THE INCEPTION DATE OF THE POLICY, THE APPLICANT WILL NOTIFY THE COMPANY OF SUCH CHANGES, AND THE COMPANY MAY MODIFY OR WITHDRAW ANY OUTSTANDING QUOTATION. THE COMPANY IS AUTHORIZED TO MAKE INQUIRY IN CONNECTION WITH THIS APPLICATION.

THE SIGNING OF THIS APPLICATION DOES NOT BIND THE COMPANY 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 COMPANY WILL HAVE RELIED UPON THIS APPLICATION, INCLUDING ANY MATERIAL SUBMITTED THEREWITH, IN ISSUING THE POLICY.

ELECTRONICALLY REPRODUCED SIGNATURES WILL BE TREATED AS ORIGINAL.

Signature* of **Applicant's** Authorized Representative
(Partner, Principal or Officer)

Name (Printed)

Title

Date

***IF YOU ARE ELECTRONICALLY SUBMITTING THIS APPLICATION TO TRAVELERS, APPLY YOUR ELECTRONIC SIGNATURE TO THIS FORM BY CHECKING THE ELECTRONIC SIGNATURE AND ACCEPTANCE BOX BELOW. BY DOING SO, YOU HEREBY CONSENT AND AGREE THAT YOUR USE OF A KEY PAD, MOUSE, OR OTHER DEVICE TO CHECK THE ELECTRONIC SIGNATURE AND ACCEPTANCE BOX CONSTITUTES YOUR SIGNATURE, ACCEPTANCE, AND AGREEMENT AS IF ACTUALLY SIGNED BY YOU IN WRITING AND HAS THE SAME FORCE AND EFFECT AS A SIGNATURE AFFIXED BY HAND.**

AUTHORIZED REPRESENTATIVE'S ELECTRONIC SIGNATURE AND ACCEPTANCE

XIV. PRODUCER INFORMATION (ONLY REQUIRED IN FLORIDA, IOWA, AND NEW HAMPSHIRE):

Producer Signature

Producer Name (Printed)

Agency Name

Agency Code

License Number