Capitol Indemnity Corporation
1600 Aspen Commons, Middleton, WI 53562

APPLICATION FOR A CRIME PROTECTION POLICY FOR MERCANTILE ENTITIES

Named Insured: _____
(Please list all insured's, including Employee Benefit Plans)

Principal Address: _____

City, State, Zip _____

Policy Coverage offered: Crime Protection Policy for Mercantile Entities, ***Loss Sustained Form***

Primary, excess, contributing with:_____

INSURING AGREEMENTS, LIMITS OF INSURANCE AND DEDUCTIBLES

INSURING AGREEMENT	Limit of Insurance	Deductible Amount
1. Employee Dishonesty	$	$
2. Forgery or Alteration	$	$
3. Inside the Premises	$	$
4. Outside the Premises	$	$
5. Computer Fraud	$	$
6. Money Orders and Counterfeit Paper Currency	$	$
Insuring Agreements added by Endorsement:		
7. Loss of Clients' Property *(SE 00 48, FEN 004)*	$	$
8. Funds Transfer Fraud *(SE 00 41)*	$	$

To become effective or to be continued as of 12:01 a.m. on _____ to 12:01 a.m. on _____
Premium is payable: Annually

1. DESCRIPTION OF YOUR ORGANIZATION

(a) Type of business (check appropriate box):
Proprietorship ☐ Partnership ☐ Corporation ☐ Other ☐ If other, explain _____

(b) Date your business was established: _____

(c) Classify your predominant activity: (Check box below)
☐ Manufacturer ☐ Processor ☐ Wholesaler ☐ Distributor ☐ Retailer ☐ Servicer ☐ Other

(d) Describe the products or services of your predominant business or activity: _____

(e) Has there been any change in ownership or management within the past three years? ☐ Yes ☐ No
If "Yes", explain _____

2. RATING DATA FOR INSURING AGREEMENTS

Insuring Agreements 1, 2 and 5
Classification of Employees: #of Officers _____ # of Employees _____

Insuring Agreement 7
List the number of employees who handle, have custody of, maintain records of or have access to money, securities or other property owned by **your clients**. _____

Insuring Agreements 3 and 4
(a) Indicate the number of locations _____
(b) Indicate the number of outside messengers _____
(c) Do guards accompany each messenger? Yes ☐ No ☐
(d) Are your premises secured by watchpersons? Yes ☐ No ☐
(e) Are your premises secured by an alarm system? Yes ☐ No ☐
Please provide details: _____
(f) Is a safe used at all locations? Yes ☐ No ☐
Please provide details: _____
(g) What other measures have been taken to provide physical protection (private conveyance, messenger bags, safe alarms, Armored Car, etc.)? _____

3. AUDIT PROCEDURES

(a) Is there an audit by a CPA, public accountant, independent of your organization? ☐ Yes ☐ No
If "Yes", how often (check the appropriate box): ☐ Quarterly ☐ Semi-Annually ☐ Annually
(b) Name and address of person performing audit: _____
(c) Are all locations audited? ☐ Yes ☐ No
(d) Is the audit in compliance with generally accepted auditing standards and so certified? ☐ Yes ☐ No
If "No", indicate the scope of services (check the appropriate box): ☐ Review ☐ Compilation
☐ Other, Explain _____
(e) Is the report rendered directly to the Owner, Partners or Directors? ☐ Yes ☐ No
(f) Date of completion of last audit of: Cash and Accounts _____ Inventory _____
(g) Were any discrepancies or loose practices commented upon in the audit? ☐ Yes ☐ No
If "Yes", submit a copy of the auditor's comments.
(h) Is there an internal audit by an Internal Audit Department under the control of an employee who is a Certified Public Accountant or equivalent? ☐ Yes ☐ No
If "Yes", are the reports rendered directly to the Owner, Partners or Directors? ☐ Yes ☐ No

* ***If coverage desired is at $250,000 please submit a copy of the annual financial report***

4. INTERNAL CONTROLS

(a) Are bank accounts reconciled monthly? ☐ Yes ☐ No
(b) Are bank accounts reconciled by someone not authorized to deposit or withdraw? ☐ Yes ☐ No
If "No", explain _____
(c) Is countersignature of all checks required? ☐ Yes ☐ No
Above what amount? $ _____
(d) Do you have (use) funds transfer transactions (i.e. Wire Transfers, ACH, EFT, etc.)? ☐ Yes ☐ No
If "Yes", How often are funds transfer transactions reconciled? _____
Are they reconciled by someone not authorized to approve, initiate or handle them? ☐ Yes ☐ No
(e) Does supporting documentation accompany all checks to be signed? ☐ Yes ☐ No
If "No", explain _____
(f) Do you maintain a list of approved vendors? ☐ Yes ☐ No
(g) Are securities subject to the joint control of two or more employees? ☐ Yes ☐ No
(h) Are your employees required to take at least 1 or 2 consecutive weeks of vacation? ☐ Yes ☐ No
(i) Explain screening procedures for new employees: _____

5. PRIOR INSURANCE

(a) Has any similar insurance been declined or canceled during the past three years? ☐ Yes ☐ No
If "Yes", explain _____
(b) Prior insurance to be superseded Check here if none ☐

Policy Number	Discovery or Loss Sustained	Effective Date	Expiration Date	Limit of Insurance	Name of Insurance Company

6. PRIOR LOSSES

(a) List below all losses sustained during the past three years that were caused by a loss that would have been covered by an Insuring Agreement you are now applying for. Please list all losses, whether reimbursed or not.

Check here if none ☐

Date of Loss	Type of loss	Amount Recovered From Insurance	Amount Recovered from Other than Insurance	Amount of Loss Pending	Location of Loss
**** If more than 2 losses, please attach a separate sheet with full details as outlined above.***					

7. GENERAL INFORMATION

Business Hours	Average # of Employees on Duty	Frequency of Deposits	Night Depository Used?	**Annual Gross Sales or** Receipts for Last fiscal year.	Other Information

8. COVERAGE AMENDMENTS

(a) Insuring Agreement 1

If insurance is desired on any of your appointed **Agents,** whether they be persons, partnerships or corporations performing any act or service in connection with the ordinary conduct of your business, complete the following:

Names, Addresses of each **Agent:**	Type of Service provided:	Limit of Insurance
		$
		$

(b) Insuring Agreement 2

If insurance is desired, complete the following: No. of Cardholders: Limit of Insurance:

(1) Credit, Debit or Charge Card Instruments:
Covered Instruments (check the appropriate box):
include ☐ or are limited to ☐ Credit, debit or charge cards
Issued to you or any employee for business purposes _____ $ _____

(2) Personal Accounts of your officers or partners:

Name(s)

_____ $ _____
_____ $ _____
_____ $ _____

(c) Insuring Agreements 3 and 4

Increased or Reduced Limits — Limit of Insurance — Specified Period

(a) If an increased limit is desired for a specified period, indicate:
Insuring Agreement 3 (*Inside the Premises*) $ _____ _____
Insuring Agreement 4 (*Outside the Premises*) $ _____ _____

(b) If a decreased limit is desired while the business is closed and a custodian is not on duty, indicate Overnight Limit $ _____

(c) If a reduced limit is desired for designated premises, messengers or armored motor vehicle companies, complete the following:

Address of Premises	Names of Messengers	Names of Armored Motor Vehicle Companies	Limit of Insurance

READ CAREFULLY AND SIGN

The employees of the Insured have all, to the best of the Insured's knowledge and belief, while in the service of the Insured always performed their respective duties honestly. There has never come to its notice or knowledge any information, which in the judgment of the Insured indicates that any of the said employees are dishonest. Such knowledge as any officer signing for the Insured may now have in respect to his own personal acts or conduct, unknown to the Insured, is not imputable to the Insured.

FRAUD STATEMENT

ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR OTHER PERSON FILES AN APPLICATION FOR INSURANCE CONTAINING ANY 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 MAY SUBJECT THAT PERSON TO CRIMINAL AND/OR CIVIL PENALTIES. PENALTIES MAY INCLUDE CONFINEMENT IN PRISON, FINES AND DENIAL OF INSURANCE BENEFITS.

Signed at: _____ Insured _____

This _____ Day of _____ , 20 ____ . By: _____

(Signature) Officer or Director (Title)

SUBMITTING AGENCY'S INFORMATION

Contact Name: _____ **Phone number:** _____

Mailing Address: _____