



Title Agents, Escrow Agents and Closing Agents Application for:

Commercial Crime/Employee Dishonesty Bond

THE LIABILITY POLICY THAT MAY BE ISSUED BASED UPON THIS APPLICATION PROVIDES CLAIMS MADE COVERAGE WRITTEN ON A DUTY TO DEFEND BASIS. DEFENSE COSTS ARE INCLUDED WITHIN THE LIMIT OF LIABILITY AND REDUCE THE LIMIT OF LIABILITY AVAILABLE TO PAY SETTLEMENTS AND JUDGMENTS. PLEASE READ THE POLICY CAREFULLY.

General Information

Applicant (Parent Company): _____

Address: _____ City: _____ State: _____ Zip Code: _____

Website: _____

Representative authorized to receive notices on behalf of the Applicant and all subsidiaries:

Name: _____ Title: _____ Email: _____

List addresses of all branch offices below or provide by attachment.

Street Address	City	State	Zip Code

1. Year Established: _____
2. Number of full-time employees: _____
3. Number of part-time employees (including leased, temporary and volunteers): _____

4. Has any insurer declined, cancelled or non-renewed any Errors & Omissions Insurance or any similar insurance on behalf of any Applicant for this insurance? **If yes, attach details.** Yes No

5. Does any person or entity with any equity or ownership interest in the Applicant also own, control, manage, or operate a law firm, real estate agency, real estate development, or investment firm, construction firm, mortgage or financial institution, title insurance underwriting company, or another title insurance agency? Yes No
If yes, please attach details.

6. In the past five (5) years, has the name of the Applicant been changed, or has any other business been purchased, merged, or consolidated with the Applicant? Yes No
If yes, please attach details.

7. List all subsidiaries requesting coverage, here or by attachment.

Subsidiary	Parent	Date Established	% Owned	Nature of Business
			%	
			%	
			%	

Commercial Crime / Employee Dishonesty Bond

Coverage requested:

- | | | <u>Single Loss Limit</u> |
|--|--|--------------------------|
| 1. Is Insuring Agreement (D) —Forgery or Alteration Coverage desired? | <input type="checkbox"/> Yes <input type="checkbox"/> No | \$ _____ |
| 2. Is Insuring Agreement (E) —Securities Coverage desired? | <input type="checkbox"/> Yes <input type="checkbox"/> No | \$ _____ |
| 3. Is Trading Loss Coverage desired? | <input type="checkbox"/> Yes <input type="checkbox"/> No | \$ _____ |
| 4. Extortion | | |
| A. Is Extortion – Threats to Persons Coverage Desired? | <input type="checkbox"/> Yes <input type="checkbox"/> No | \$ _____ |
| B. Is Extortion – Threats to Property Coverage Desired? | <input type="checkbox"/> Yes <input type="checkbox"/> No | \$ _____ |
| If 'Yes,' any locations to be excluded? | | |
| 5. Is Computer Systems Fraud Coverage desired? | <input type="checkbox"/> Yes <input type="checkbox"/> No | \$ _____ |
| A. Insured's Computer System(s) operated [owned or leased] | | |
| i. Number of independent software contractors authorized to design, implement or service programs for your system(s)? | | |
| ii. Is access to your system(s) by third parties permitted [clients or other]? | | |
| B. Other Computer Systems for which coverage is desired? | | |
| 6. Is coverage desired on businesses engaged in the data processing of your checks or other accounting records? | <input type="checkbox"/> Yes <input type="checkbox"/> No | |
| If 'Yes,' provide details on the name and location of each processor. | | |
| 7. 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? | <input type="checkbox"/> Yes <input type="checkbox"/> No | |
| If 'Yes,' provide details on the name and location of each closing attorney. | | |

General Controls:

- Is there a formal program requiring the segregation of duties, so that no single transaction can be controlled from start to finish by one person? Yes No
- Are all employees required to take at least one consecutive week of vacation each year and are they prohibited from accessing their work stations during the vacation period? Yes No
- Is countersignature of checks required? Yes No

Audit Procedures:

- External audit is: Full-scope Directors-scope Not Performed
- The external audit is performed: Annually Every other year Other Not Applicable
- Were all weaknesses identified in the most recent Management letter addressed by the Board of Directors? Yes No
 Not Applicable
- Does the Applicant have a continuous internal audit by an internal auditor who reports directly to the Board of Directors? Yes No

If 'Yes,' are monthly reports rendered to the BOD or Audit Committee?

Funds Transfer Controls:

- Who in the Applicant's organization has the authority to initiate ACH or wire transfers? Yes No
- Can ACH or wire transfer authority be delegated to anyone verbally or in writing within the Applicant's organization? Yes No
- Does the Applicant have a call back procedure in place to verify any ACH or wire transfer request received from another employee, location, or department of the Applicant? Yes No

4. Do ACH or wire transfer requests of a certain amount require approval by two or more of the Applicant's employees? Yes No

If yes, what is the amount?

5. Does the Applicant provide guidance and periodic anti-fraud training to employees concerning the detection of phishing and other social engineering scams? Yes No

6. Does the Applicant accept funds transfer instructions from customers over the telephone, email, text message or similar method of communication? Yes No

If 'Yes', please describe the communication methods by which such instructions are received:

7. Does the Applicant confirm all funds transfer instructions from a customer by a direct call to the customer using only the telephone number provided by the customer prior to the funds transfer instruction was received? Yes No

8. Does the Applicant have procedures in place to verify the authenticity of invoices and other payment requests received from a vendor? Yes No

9. Does the Applicant have procedures in place to verify the receipt of inventory, supplies, goods or services against an invoice prior to making a payment to a vendor? Yes No

10. When a vendor requests any changes to its account details (including, but not limited to, bank routing numbers, account numbers, telephone numbers, or contact information), does the Applicant:

a. confirm all change requests by a direct call to the vendor using only a contact number provided by the vendor before the request was received? Yes No

b. confirm all change requests with someone at the vendor, other than the person who sent the request, before making the change? Yes No

c. refrain from making any change requests until after the vendor has responded to the Applicant's inquiry regarding change request authenticity? Yes No

Pending Litigation & Claims Information

1. Have there been during the past five (5) years, or are there now pending, any lawsuits, administrative charges or proceedings, written or oral demands for monetary damages or non-monetary relief, civil or criminal proceedings, formal civil administrative or regulatory proceedings, or arbitration proceeding, involving the Applicant, any Subsidiary or any past or present director, officer, or employee proposed for this insurance? Yes No

2. Have any principals, partners, directors, officers or employees ever been the subject of reprimand or disciplinary or criminal actions by authorities as a result of their professional activities? Yes No

3. Does the Applicant, any Subsidiary, any director or officer, or any other person proposed for this insurance have knowledge of any fact, circumstance or situation related to any coverage herein applied for which could reasonably be expected to give rise a future claim? Yes No

New Applicants: It is understood and agreed that any claim arising from any prior or pending litigation or written or oral demand shall be excluded from coverage. It is further understood and agreed that if any fact, circumstance or situation which could reasonably be expected to give rise to a future claim exists, any claim or action subsequently arising therefrom shall also be excluded from coverage.

Renewal Applicants: It is understood and agreed that if the undersigned or any insured has knowledge of any fact, circumstance or situation which could reasonably be expected to give rise to a future claim, then any increased limit of liability or coverage enhancement shall not apply to such fact, circumstance, or situation. In addition, any increased limit of liability or coverage enhancement shall not apply to any claim, fact, circumstance or situation for which the Insurer has already received notice.

Fraud Warning

Any person who knowingly and with intent to defraud any insurance company or another 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 may be a crime and may subject the person to criminal penalties.

ALABAMA, ARKANSAS, LOUISIANA, NEW MEXICO, RHODE ISLAND, VIRGINIA and 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. In Alabama, Arkansas, Louisiana, Rhode Island and West Virginia that person may be subject to fines, imprisonment or both. In New Mexico, that person may be subject to civil fines and criminal penalties. In Virginia, penalties may include imprisonment, fines and denial of insurance benefits.

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: 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.

KENTUCKY 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 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. In Pennsylvania, commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

FLORIDA: Any person who knowingly and with intent to injure, defraud or deceive the Insurer, files a statement of claim or an Application containing any false, incomplete or misleading information is guilty of a felony. In Florida it is a felony to the third degree.

KANSAS: An act committed by any person who, knowingly and with intent to defraud, presents, causes to be presented or prepares with knowledge or belief that it will be presented to or by an insurer, purported insurer, broker or any agent thereof, any written, electronic, electronic impulse, facsimile, magnetic, oral, or telephonic communication or statement as part of, or in support of, an application for the issuance of, or the rating of an insurance policy for personal or commercial insurance, or a claim for payment or other benefit pursuant to an insurance policy for commercial or personal insurance which such person knows to contain materially false information concerning any fact material thereto; or conceals, for the purpose of misleading, information concerning any fact material thereto.

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 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 YORK: Any person who knowingly and with intent to defraud any insurance company or any 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 (\$5,000) 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 the 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 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.

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

TENNESSEE 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 may include imprisonment, fines and/or denial of insurance benefits.

VERMONT: Any person who knowingly presents a false statement in an application for insurance may be guilty of a criminal offense and subject to penalties under state law.

Representation Statement

The undersigned declare that, to the best of their knowledge and belief, the statements in this Application, any prior Applications, any additional material submitted, and any publicly available information published or filed by or with a recognized source, agency or institution regarding business information for the Applicant for the 3 years prior to the Bond/Policy's inception [hereinafter called "Application"] are true, accurate and complete, and that reasonable efforts have been made to obtain sufficient information from each and every individual or entity proposed for this insurance. It is further agreed by the Applicant that the statements in this Application are their representations, they are material and that the Bond/Policy is issued in reliance upon the truth of such representations.

The signing of this Application does not bind the undersigned to purchase the insurance and accepting this Application does not bind the Insurer to complete the insurance or to issue any particular Bond/Policy. If a Bond/Policy is issued, it is understood and agreed that the Insurer relied upon this Application in issuing each such Bond/Policy and any Endorsements thereto. The undersigned further agrees that if the statements in this Application change before the effective date of any proposed Bond/Policy, which would render this Application inaccurate or incomplete, notice of such change will be reported in writing to the Insurer immediately.

Authorized Signature:

Print Name:	Signature:
Title:	Date:

Submit Application to:

info@titleliability.com

Fran Kelly Professional Liability, LLC

Middle City PO Box 30538 Philadelphia, PA 19103

Telephone: 610-478-0400 • Fax: 412-281-4716

Website: www.titleliability.com