



## Community Associations Crime & Fidelity Program Application for Insurance

Name of Association (“Applicant”):	
Mailing address:	
Physical address:	County:
Association website: www.	

### Underwriting Information Section

Association Type:	Condominium Townhome Mobile Home	PUD (Planned Unit Development) Timeshare/Interval Ownership Commercial Association	Homeowners Cooperative Master
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1. Number of Units: \_\_\_\_\_
2. Has Applicant been in existence less than a year?     Yes     No    (Date Established:    /    /    \_\_\_\_\_)
3. Average \$ held in all reserve accounts \$ \_\_\_\_\_  
 Annual Revenue \$ \_\_\_\_\_  
 Average \$ held in operating accounts \$ \_\_\_\_\_
4. (a) Number of employees: \_\_\_\_\_  
 (b) Number of **Applicant** employees who handle **Applicant** funds, have access to **Applicant** bank or other investment accounts, or maintain records of money, securities, or other property (including, but not limited to, directors, officers, trustees and/or Applicant employees): \_\_\_\_\_  
 (b) Does **Applicant** engage an Independent Management Company to handle **Applicant** funds, have access to **Applicant** bank or other investment accounts, or maintain records of money, securities, or other property?     Yes     No  
 (c) If yes to (b), does the Independent Management Company have exclusive control?     Yes     No
5. Does Applicant have an Employee Welfare or Employee Benefit Plan:     Yes     No

### Internal Controls Section

6. Does **Applicant** prepare, or have prepared a financial statement at least annually?     Yes     No
7. Countersignature Procedures  
 (a) Are all checks countersigned?     Yes     No  
 (b) If “Yes”, over what amount are dual signatures required? \$ \_\_\_\_\_ (“Countersignature Limit”)
8. Alternate Check Signing Controls, if 7.(a) is answered “No”  
 (a) Is an approved voucher system used?     Yes     No

*Approved voucher system = All checks are prepared by the bookkeeper from vouchers and bills. The bookkeeper must be furnished with original vouchers or checks, copies of invoices or purchase orders which are all properly approved. From those papers the checks are prepared. The papers used in the preparation of the checks are noted by the bookkeeper and attached to the check which passes on to the individual authorized to sign. After the check is properly signed, all papers including the check are referred to another department or responsible individual where the papers are separated, and the check is mailed to the payee. The papers are then placed in a permanent file for use in the reconciliation of the monthly statements.*



(b) Do authorized check signers require that all checks be accompanied by properly approved vouchers and invoices?  Yes  No

(c) Are systems designed so that no employee can control a check process from beginning to end (i.e. request a check, approve a voucher, and sign a check)?  Yes  No

**If 7 (a) and 8. (a), (b), and (c) are answered “No,” TERMS WILL NOT BE OFFERED**

9. Are those who reconcile bank statements prohibited from:

(a) handling deposits in the account they reconcile?  Yes  No

(b) signing checks?  Yes  No

**If 9. (a) and (b) are answered “Yes” SKIP TO QUESTION #11**

10. (a) Are **Applicant’s** bank accounts reconciled on at least a quarterly basis?  Yes  No

If “No,” how often are bank accounts reconciled? \_\_\_\_\_

(b) Reconciled by whom: Name \_\_\_\_\_ Title/Position \_\_\_\_\_

**If 10. (a) is answered “No,” TERMS WILL NOT BE OFFERED**

11. Has the **Applicant’s** bank been provided with:

(a) Signature cards for all authorized check signers?  Yes  No

(b) Account restrictions for check signers (i.e. - countersignature requirements, maximum limit of check authority, etc.)?  Yes  No

12. Does anyone authorized by **Applicant’s** Board have authority to initiate a wire transfer?  Yes  No

If Yes, list each authorized person along with their title:

13. Does each Identified Person in Question 12 above authenticate all fund transfer requests?  Yes  No  N/A

If “Yes”, prior to complying with the instruction which methods are used to authenticate the request:

(a) Calling the requestor at a predetermined number? (a)  Yes  No

(b) Sending a text message to a predetermined number? (b)  Yes  No

(c) Some other method or combination of the above? (c)  Yes  No

Please describe: \_\_\_\_\_

14. Does **Applicant** require dual authentication for wire transfers?  Yes  No

15. Is anti-fraud training provided to **Applicant**, including but not limited to training on how to detect phishing, spear phishing, ransomware and other fraudulent social engineering schemes particularly those that are responsible for wire transfers?  Yes  No

16. If Property Manager or board member uses a cloud based email, is two factor authentications required?  Yes  No

17. Have there been any Crime or Fidelity (employee theft) losses within the past three (3) years?  Yes  No



If there have been any losses within the past three (3) years, please provide currently-valued, carrier-generated loss runs and details via a separate attachment: (1) date loss discovered; (2) type of loss; (3) amount of loss; (4) amount, if any, recovered from insurance; (5) amount, if any, recovered from the perpetrator; (6) describe the circumstances of the loss; and, (7) describe action(s) taken to help prevent the repetition of a Crime / Fidelity (employee theft) loss going forward.

**Prior Insurance Section**

18. Current Crime & Fidelity Coverage

Policy Period: / / to / /

Insurer: \_\_\_\_\_ Limits: \_\_\_\_\_ Retention: \_\_\_\_\_ Premium: \_\_\_\_\_

**Property Manager Section**

19. Does Applicant have an independent property manager?  Yes  No

20. Is the Property Manager and/or its employees authorized to handle funds on behalf of Applicant?  Yes  No

Name: \_\_\_\_\_  
 Address: City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_  
 Phone: ( ) \_\_\_\_\_ - \_\_\_\_\_ Fax: ( ) \_\_\_\_\_ - \_\_\_\_\_  
 E-Mail: \_\_\_\_\_  
 Website: www. \_\_\_\_\_ . \_\_\_\_\_

**Desired Limits**

<b>Option #1</b>	<b>\$25,000 Employee Theft, Forgery, Computer Fraud, Funds Transfer Fraud (\$250 Deductible) \$25,000 Theft, Disappearance &amp; Destruction (\$250 deductible)</b>
<b>Option #2</b>	<b>\$50,000 Employee Theft, Forgery, Computer Fraud, Funds Transfer Fraud (\$250 Deductible) \$25,000 Theft, Disappearance &amp; Destruction (\$250 deductible)</b>
<b>Option #3</b>	<b>\$75,000 Employee Theft, Forgery, Computer Fraud, Funds Transfer Fraud (\$250 Deductible) \$25,000 Theft, Disappearance &amp; Destruction (\$250 deductible)</b>
<b>Option #4</b>	<b>\$100,000 Employee Theft, Forgery, Computer Fraud, Funds Transfer Fraud (\$250 Deductible) \$25,000 Theft, Disappearance &amp; Destruction (\$250 deductible)</b>
<b>Option #5</b>	<b>\$150,000 Employee Theft, Forgery, Computer Fraud, Funds Transfer Fraud (\$500 Deductible) \$50,000 Theft, Disappearance &amp; Destruction (\$500 deductible)</b>
<b>Option #6</b>	<b>\$200,000 Employee Theft, Forgery, Computer Fraud, Funds Transfer Fraud (\$500 Deductible) \$50,000 Theft, Disappearance &amp; Destruction (\$500 deductible)</b>
<b>Option #7</b>	<b>\$250,000 Employee Theft, Forgery, Computer Fraud, Funds Transfer Fraud (\$500 Deductible) \$50,000 Theft, Disappearance &amp; Destruction (\$500 deductible)</b>
<b>Option #8</b>	<b>\$300,000 Employee Theft, Forgery, Computer Fraud, Funds Transfer Fraud (\$750 Deductible) \$75,000 Theft, Disappearance &amp; Destruction (\$750 deductible)</b>
<b>Option #9</b>	<b>\$350,000 Employee Theft, Forgery, Computer Fraud, Funds Transfer Fraud (\$750 Deductible) \$75,000 Theft, Disappearance &amp; Destruction (\$750 deductible)</b>
<b>Option #10</b>	<b>\$400,000 Employee Theft, Forgery, Computer Fraud, Funds Transfer Fraud (\$750 Deductible) \$75,000 Theft, Disappearance &amp; Destruction (\$750 deductible)</b>
<b>Option #11</b>	<b>\$450,000 Employee Theft, Forgery, Computer Fraud, Funds Transfer Fraud (\$750 Deductible) \$75,000 Theft, Disappearance &amp; Destruction (\$750 deductible)</b>
<b>Option #12</b>	<b>\$500,000 Employee Theft, Forgery, Computer Fraud, Funds Transfer Fraud (\$1,000 Deductible) \$100,000 Theft, Disappearance &amp; Destruction (\$1,000 deductible)</b>
<b>Option #13</b>	<b>\$600,000 Employee Theft, Forgery, Computer Fraud, Funds Transfer Fraud (\$2,500 Deductible) \$100,000 Theft, Disappearance &amp; Destruction (\$1,000 deductible)</b>



<b>Option #14</b>	<b>\$700,000 Employee Theft, Forgery, Computer Fraud, Funds Transfer Fraud (\$5,000 Deductible) \$100,000 Theft, Disappearance &amp; Destruction (\$1,000 deductible)</b>
<b>Option #15</b>	<b>\$800,000 Employee Theft, Forgery, Computer Fraud, Funds Transfer Fraud (\$5,000 Deductible) \$100,000 Theft, Disappearance &amp; Destruction (\$1,000 deductible)</b>
<b>Option #16</b>	<b>\$900,000 Employee Theft, Forgery, Computer Fraud, Funds Transfer Fraud (\$7,500 Deductible) \$100,000 Theft, Disappearance &amp; Destruction (\$1,000 deductible)</b>
<b>Option #17</b>	<b>\$1,000,000 Employee Theft, Forgery, Computer Fraud, Funds Transfer (\$10,000 Deductible) \$100,000 Theft, Disappearance &amp; Destruction (\$1,000 deductible)</b>

## Anti-Fraud

The Undersigned Insurance Broker And Insured Declare That To The Best Of Their Knowledge And Belief And Warrant That The Statements Set Forth Herein Are True. The Undersigned Further Declares That Any Occurrence Or Event Taking Place Prior To The Effective Date Of The Insurance Applied For Which May Render Inaccurate, Untrue, Or Incomplete Any Statement Made Will Immediately Be Reported In Writing To The Insurer And The Insurer May Withdraw Or Modify Any Outstanding Quotations And/Or Authorization Or Agreement To Bind The Insurance. The Insurer Is Hereby Authorized, But Not Required, To Make Any Investigation And Inquiry In Connection With The Information, Statements And Disclosures Provided In This Application, The Decision Of The Insurer Not To Make Or To Limit Any Investigation Or Inquiry Shall Not Be Deemed A Waiver Of Any Rights By The Insurer And Shall Not Stop The Insurer From Relying On Any Statement In This Application In The Event The Policy Is Issued. It Is Agreed That This Application Shall Be The Basis Of The Contract Should A Policy Be Issued And It Will Be Attached And Become A Part Of The Policy. Any Person Who Knowingly And With Intent To Defraud Any Insurance Company Or Other Person Files An Application For Insurance Containing False Information Concerning Any Material Fact Thereto, Or Conceals Information For The Purpose Of Misleading, Commits A Fraudulent Insurance Act, Which Is A Crime.

\_\_\_\_\_, 20\_\_\_\_, \_\_\_\_\_ 20\_\_\_\_  
**Signature of Applicant**                      **Date**                      **Signature of**                      **Date**  
**(President or Property Manager)**    **Insurance Broker**

**Print Name:** \_\_\_\_\_ **Print Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_ **Title:** Insurance Broker \_\_\_\_\_



**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 Arkansas, 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 Kansas Applicants:** 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.

**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 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 claims 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 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 are 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.

**Notice to Vermont Applicants:** 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.