



 Name of Insurance Company to which application is made

LOSS PREVENTION AND INTERNAL CONTROLS SUPPLEMENTAL APPLICATION FOR FINANCIAL INSTITUTIONS

NAME OF INSURED: _____
 ADDRESS: _____

A. GENERAL INFORMATION

1. During the past three years has there been in force or is there pending any regulatory action levied Yes No against the institution, holding company, or any of its Officers or Directors but not limited to the following:
- | | Currently | Within Prior 3 Years | Expected from Recent Exam |
|--------------------------------|-----------|----------------------|---------------------------|
| a. Cease and Desist | _____ | _____ | _____ |
| b. Memorandum of Understanding | _____ | _____ | _____ |
| c. Letter of Agreement | _____ | _____ | _____ |
| d. Supervisory Agreement | _____ | _____ | _____ |
| e. Special Action Directive | _____ | _____ | _____ |
| f. Other: _____ | | | |

If Yes to any of the above, ATTACH A COPY OF THE AGREEMENT/ORDER and indicate the current status, action taken and degree of compliance. Provide the most recent copies of your responses to each article as submitted to each regulatory agency.

2. Indicate the number of loans and the dollar volume of the "classified" loans in each category for the latest three exams:
- | | | | |
|-------------|-------------|---------------------|--|
| | Year: _____ | Performed By: _____ | |
| Substandard | # _____ | \$ Amount: _____ | |
| Doubtful | # _____ | \$ Amount: _____ | |
| Write Off | # _____ | \$ Amount: _____ | |
| OLEM / OAEM | # _____ | \$ Amount: _____ | |
| | | | |
| | Year: _____ | Performed By: _____ | |
| Substandard | # _____ | \$ Amount: _____ | |
| Doubtful | # _____ | \$ Amount: _____ | |
| Write Off | # _____ | \$ Amount: _____ | |
| OLEM / OAEM | # _____ | \$ Amount: _____ | |
| | | | |
| | Year: _____ | Performed By: _____ | |
| Substandard | # _____ | \$ Amount: _____ | |
| Doubtful | # _____ | \$ Amount: _____ | |
| Write Off | # _____ | \$ Amount: _____ | |
| OLEM / OAEM | # _____ | \$ Amount: _____ | |

Attach details of all criticism or adverse findings at these examinations and the corrective action taken to address the criticisms.

3. Has your institution complied with all of the regulatory recommendations in a manner that satisfies the regulator(s)? If not, list those recommendations which have not been complied with: Yes No
4. Indicate the FDIC/OCC rating received (composite – CAMEL (FDIC) – MACRO (OTS)) for your last three examinations:
- | | |
|-------------|---------------|
| Date: _____ | Rating: _____ |
| Date: _____ | Rating: _____ |
| Date: _____ | Rating: _____ |
5. What is the bank's policy toward officer and director loans? _____

6. Current total dollar amount of loans to officers, directors and affiliated interests: _____
7. Have any loans identified in #4 above been classified by a regulatory agency? If Yes, furnish details including corrective action: Yes No

8. Are any of the loans identified in #4 above past due? If Yes, furnish details including corrective action: Yes No

9. Has there been a change in senior management during the last three years other than promotions from within? If Yes, furnish details: Yes No

10. Does the insured accept brokered deposits? If Yes, complete the following: Yes No
Last Year _____
This Year _____
Expected Next Year _____
11. What percentage of your loans are:
a. Participations originated by others: _____ %
b. Other loan purchases: _____ %
c. Out of your trade territory: _____ %
 1. which geographical areas: _____
12. Do all officers and employees take at least a one-week vacation that extends over two consecutive weekends? Exceptions: _____ Yes No
13. Are the checking and savings accounts of bank personnel reviewed regularly for unusual activity? Yes No
14. Are employee accounts segregated from the bank's other accounts? Yes No
15. Do you have dual control in each of the following areas:
a. Vault Cash Yes No
b. Investment Securities Yes No
c. Official Bank Checks and Unissued CD's Yes No
d. Travelers Checks Yes No
e. Customers' Collateral & Safekeeping Items Yes No
f. Charged Off Notes Yes No
g. Safe Deposit Keys Yes No
h. Unissued credit cards Yes No
i. Incoming Mail Yes No
16. If deposit bags are accepted "over the counter" from armored car carriers, are they accounted for by number of bags and properly receipted for? Yes No
17. Is a prearranged signal transmitted to arriving personnel to confirm that all is well before they enter the bank? Yes No

B. AUDITS

1. Are your books and accounts audited at least every 12 months by:
a. Independent C.P.A. _____
b. Correspondent Bank _____
c. Other _____
2. Is there a continuous internal audit by an Internal Audit Department or Internal Auditor? Yes No
3. If you have an Internal Audit Department, how many people are in it? _____
4. Does any member of the audit staff have other non-audit responsibilities? If Yes, explain: Yes No

5. Are monthly reports rendered directly to the Board of Directors or Audit Committee? Yes No
6. Are all members of the audit staff prohibited from originating or correcting entries? If No, explain: Yes No

C. TELLERS

1. Are tellers required to lock their cash drawers when absent from their stations? Yes No
2. Is accountability established so that all tellers have sole custody of their cash funds, including relief tellers? Yes No
3. Are cash transfers between tellers supported by a signed ticket? Yes No
4. Are surprise counts of teller funds and vault cash performed at least monthly? If No, how often? Yes No

5. Is a definite limit placed on the amount of cash permitted to be held by a teller in their teller station? Yes No
6. Is it prohibited for a bookkeeper to serve as a relief teller? Yes No
7. Is there a rule against cashing checks bearing rubber stamp endorsements? Yes No
8. a. Do checks in excess of a specified amount require approval of an officer before cashing? Yes No
 1. What is the maximum limit of your "head" or Commercial" teller's authority to cash checks?
 \$ _____
 2. Other tellers' limit? \$ _____
b. Must checks bearing such approval be presented to the cashing teller by a bank employee? Yes No
9. Are tellers instructed that they should not cash any official check at the instruction of any officer or employee, unless the payee is in their presence? Yes No
10. Are tellers permitted to cash checks without verifying the signature or account balance? If Yes, under what conditions: Yes No

D. BOOKKEEPING

- | | | | |
|-----|--|------------------------------|-----------------------------|
| 1. | Are general ledger bookkeepers activities limited to general ledger work? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 2. | Are bookkeepers or E.D.P. systems programmed to detect attempts to draw against uncollected funds or to identify unusual account activity? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 3. | Is the Bookkeeping Department prohibited from carrying checks which, if posted, would create overdrafts? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 4. | Do you keep a permanent list of overdrafts? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 5. | Do you prepare a daily report of overdrafts? If Yes, who reviews the report? _____ | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 6. | Are payments of overdrafts approved by an officer of branch manager? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 7. | Is the Board of Directors provided with an overdraft report at least monthly? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 8. | Are all dormant accounts segregated? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 9. | Are all dormant account transactions approved by an officer? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 10. | Is there a daily review by an officer of all transactions affecting dormant accounts? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 11. | Are "due from bank" accounts reconciled by a person who does not have authority to sign checks on, or post entries to, such accounts? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 12. | Are Hold Harmless Agreements obtained from customers who use mechanically reproduced facsimile signatures? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 13. | Do you microfilm: | | |
| | a. Items enclosed in cash letters? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| | b. "On-Us" Checks? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| | c. Items sent to a third party data processor? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 14. | Are all drafts, official checks, etc., prenumbered and accounted for? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

E. CHECKS AND CHECK CASHING

- | | | | |
|----|---|------------------------------|-----------------------------|
| 1. | Do tellers have authority to cash checks for non-depositors? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 2. | Are tellers allowed to cash checks on uncollected funds? If Yes, under what conditions: _____ | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 3. | Are your records kept in such a way that the uncollected portion of an account balance can be readily determined by your tellers and Check Clearing Department each day? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 4. | Are your tellers furnished with a list of acceptable types of identification to be required of persons presenting checks for cashing? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 5. | Are tellers permitted to cash checks for or deposit checks to the account of a single payee when the checks are payable to joint payees? If Yes, what safeguards are in effect to prevent a forgery loss involving the signature of the absent payee? _____ | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 6. | Have tellers been instructed not to cash checks for employees of depositors which are drawn to the order of the depositor but to require that all such items be deposited exclusively to the depositor's account? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 7. | Do you maintain current corporate resolutions listing signatories authorized to draw checks on commercial or business accounts? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

F. CUSTOMER STATEMENTS

- | | | | |
|----|--|------------------------------|-----------------------------|
| 1. | Who prepares statements of customer's accounts for mailing? _____ | | |
| 2. | Does someone other than a teller or bookkeeper adjust statement differences reported by customers? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 3. | How frequently are statements mailed to depositors? _____ | | |
| 4. | If statements are held for pick-up, are they held by someone other than tellers or the Bookkeeping Department? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 5. | If hold statements are not picked up within 30 days, who mails the statement to the customer? _____ | | |

G. LOANS

- | | | | |
|-----|--|------------------------------|-----------------------------|
| 1. | Do you have a written loan policy? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 2. | Are individual and group lending authority for all lending personnel established in writing? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 3. | Is a list of all new and renewed loans reviewed by the Board or the Loan Committee monthly? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 4. | Is a list of past due loans presented to the Board or Loan Committee for review monthly? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 5. | Are charged-off loans reviewed by someone independent of the lending function for proper Board or Loan Committee approval? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 6. | Are official checks issued for loan proceed disbursements prepared by someone other than the officer approving the loan? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 7. | If signatures are not obtained in the presence of lending personnel, must they be notarized? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 8. | If signatures of co-signers are not obtained in the presence of lending personnel, are such co-signers contacted prior to disbursing loan proceeds? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 9. | If collateral is accepted or assigned as security, is such collateral verified directly with the issuer or through other appropriate methods before loan proceeds are disbursed? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 10. | Are all collateral substitutions approved by an officer? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 11. | Do you use a collateral register? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 12. | Is the collateral register under dual control? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 13. | Do you purchase consumer discount paper from dealers? If Yes, do you: | | |
| | a. Verify each batch of paper received with the customers before releasing the proceeds? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| | b. Mail coupon books directly to the customers and require payments be made exclusively to the bank? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 14. | Do you engage in dealer floor plan financing? If Yes: | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| | a. How frequently is the dealer's inventory checked? _____ | | |
| | b. Does someone other than the lending officer involved conduct the inspections? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| | c. Are employees who verify the existence of the inventory rotated? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 15. | Do you engage in factoring? (The outright purchase of accounts receivable) | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 16. | Do you make loans on the basis of assigned accounts receivable? If Yes, how do you verify the value and genuineness of the receivables? _____ | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

17. For installment lending, are coupon books mailed directly to the borrower? Yes No
18. Does your institution use the services of outside loan servicing contractors? If Yes: Yes No
- a. Is a written servicing agreement between the bank and contractor maintained? Yes No
- b. Is evidence of fidelity coverage carried by each contractor maintained by the bank? Yes No
- c. Is a record of type and frequency of audits performed for each servicer maintained? Yes No
19. Do you also purchase loans from these servicers which have been originated by others? Yes No
- a. How does the bank determine that these loans are genuine and also not duplicates of originals? _____
20. Are loan proceeds disbursed by: Yes No
- a. Official bank checks, which are prenumbered and signed by someone other than the officer making the loan? Yes No
- b. Direct deposit to the customer's bank account by someone other than the loan officer? Yes No

H. INVESTMENTS / SECURITIES

1. Does the institution have a specific, written investment policy? Yes No
2. Does the institution engage in the buying or selling of securities for: Yes No
- a. Its own account? Yes No
- b. Customer's accounts? Yes No
3. Is each purchase and sale of securities approved by the Board of Directors or Investment Committee? Yes No
4. Who is responsible for executing the trades? _____
5. Does someone other than the originator of the transaction review all documents supporting the transaction? Yes No
6. Are the duties of origination, posting or records and handling of the securities segregated so they are not performed by the same person? Yes No
7. Are the bank's securities segregated from those of customers and not commingled? Yes No
8. Do you keep records of all securities in your possession to assist in tracing should they be lost? Yes No
9. How often is a complete and detailed inventory taken of securities in your possession? _____
10. Are securities which you hold rendered non-negotiable by detaching the stock powers and by filing them separately under dual control or by stamping them with the bank's name? Yes No
11. Are all securities transactions, which are made by voice or computer, confirmed in writing? Yes No
- If No, what is your policy? _____
12. Are the investment subsidiary records balanced and reconciled to the general ledger control account at least monthly by someone not authorized to initiate or record the security transactions? Yes No
13. How often are security accounts reconciled with brokers', security dealers' or the issuing agency's trade confirmations? _____
- a. Are they performed by someone not authorized to place orders or execute trades? Yes No

I. NIGHT DEPOSITORY

1. Is each customer using the night depository required to complete and sign an agreement for its use? Yes No
2. Are the following functions under dual control: Yes No
- a. Opening of the depository and the removal and handling of the deposits? Yes No
- b. "Logging" in of the contents? Yes No
3. Have night depository customers been asked to maintain a record of all checks which they accept and include that record with their deposit in the event of loss? Yes No

J. ELECTRONIC DATA PROCESSING

1. Do your external and internal audit procedures apply to all D.P. functions to allow you to determine the sufficiency of controls? Yes No
2. Do sufficient audit trails exist to allow your auditor to trace the origin and history of all entries? Yes No
3. Who authorized program changes? _____
4. Are current or master tape files kept to facilitate reconstruction of records? Yes No
5. Are programming and processing operations staffed by separate personnel? Yes No
6. Do you prohibit operators from originating entries? Yes No
7. Are operators allowed to prepare general or subsidiary ledger entries? Yes No
8. Are only authorized personnel allowed access into the D.P. area? Yes No
9. Are all employees who either handle cash or who are authorized to issue checks prohibited access to D.P. equipment? Yes No
10. Are employees who prepare or process input prohibited from reconciling the output? Yes No
11. Do you require user IDs and passwords for all on-line access? If Yes, how often are passwords changed for: Yes No
- a. On-line user access? _____
- b. On-line data processing staff access? _____
12. Are employee attempts to access information, for which they are not authorized, reported and reviewed by the employee's supervisor? Yes No
13. Are passwords visible when entered on the terminal screen? Yes No
14. Are separate user IDs and passwords assigned for each employee? Yes No
15. Do computer terminals automatically sign users off after a specific inactive period? If Yes, how long? Yes No
16. Do employee termination procedures include: Yes No
- a. Collecting access cards and keys, employee cards and other sensitive information? Yes No
- b. Deleting terminated employee's passwords and access codes? Yes No
- c. Escorting terminated employees off the premise immediately? Yes No

K. TELEPHONE WIRE TRANSFER REQUESTS

-
1. Do you confirm the authenticity of customer wire transfer requests initiated by telephone by:

| | | |
|---|------------------------------|-----------------------------|
| a. Voice recognition? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| b. Passwords / PINs? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| c. Callbacks to an individual other than the initiating party for corporate wire transfer requests? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| d. Callbacks to a predetermined telephone number for personal wire transfer requests? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

 2. Indicate the dollar amount above which callback procedures are required:

| | | |
|---------------------|--|--|
| a. Corporate: _____ | | |
| b. Personal: _____ | | |

 3. Are transaction verifications mailed to customers daily? Yes No
 4. Does someone not involved in the wire transfer process review the verification furnished by the receiving institution? Yes No

FRAUD WARNING STATEMENTS

ARKANSAS 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.

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.

DISTRICT OF COLUMBIA APPLICANTS: 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."

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.

HAWAII APPLICANTS: FOR YOUR PROTECTION, HAWAII LAW REQUIRES YOU TO BE INFORMED THAT PRESENTING A FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT IS A CRIME PUNISHABLE BY FINES OR IMPRISONMENT, OR BOTH.

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.

LOUISIANA 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.

MAINE 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.

MARYLAND APPLICANTS: ANY PERSON WHO KNOWINGLY AND WILLFULLY PRESENTS A FALSE OR FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT OR WHO KNOWINGLY AND 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 APPLICANTS: ANY PERSON WHO INCLUDES ANY FALSE OR MISLEADING INFORMATION ON AN APPLICATION FOR AN INSURANCE POLICY IS SUBJECT TO CRIMINAL AND CIVIL PENALTIES.

NEW MEXICO 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 CIVIL FINES AND CRIMINAL PENALTIES.

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."

OHIO APPLICANTS: ANY PERSON WHO, WITH INTENT TO DEFRAUD OR KNOWING THAT HE IS FACILITATING A FRAUD AGAINST AN INSURER, SUBMITS AN APPLICATION OR FILES A CLAIM CONTAINING A FALSE OR DECEPTIVE STATEMENT IS GUILTY OF INSURANCE FRAUD.

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.

OREGON APPLICANTS: ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD OR SOLICIT ANOTHER TO DEFRAUD AN INSURER: (1) BY SUBMITTING AN APPLICATION OR; (2) FILING A CLAIM CONTAINING A FALSE STATEMENT AS TO ANY MATERIAL FACT MAY BE VIOLATING STATE LAW.

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.

PUERTO RICO APPLICANTS: ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD AN INSURANCE COMPANY 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. IF AGGRAVATED CIRCUMSTANCES PREVAIL, THE FIXED ESTABLISHED IMPRISONMENT MAY BE INCREASED TO A MAXIMUM OF FIVE (5) YEARS; IF EXTENUATING CIRCUMSTANCES PREVAIL, IT MAY BE REDUCED TO A MINIMUM OF TWO (2) YEARS.

TENNESSEE 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 INCLUDE IMPRISONMENT, FINES AND DENIAL OF INSURANCE BENEFITS.

VIRGINIA 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 INCLUDE IMPRISONMENT, FINES AND DENIAL OF INSURANCE BENEFITS.

VERMONT APPLICANTS: ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR OTHER PERSON, FILES AN APPLICATION FOR INSURANCE, OR A STATEMENT OF CLAIM CONTAINING ANY 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 IN CERTAIN JURISDICTIONS.

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 INCLUDE IMPRISONMENT, FINES, AND DENIAL OF INSURANCE BENEFITS."

WEST VIRGINIA 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.

The Insured represents that the information furnished in this application is complete, true and correct. Any intentional misrepresentation, omission, concealment or incorrect statement of a material fact, in this application or otherwise, shall be grounds for the rescission of any bond issued in reliance upon such information.

Completed by: _____

Title: _____

Signature: _____

Date: _____

