



OLD REPUBLIC SURETY COMPANY

OLD REPUBLIC INSURANCE COMPANY

**APPLICATION FOR AN EMPLOYEE DISHONESTY
AND FORGERY OR ALTERATION POLICY
FOR MERCANTILE ENTITIES**

PLEASE TYPE OR PRINT LEGIBLY

Application is hereby made by _____

(List all Insureds, including Employee Benefit Plans)

Principal Address _____
(No.) (Street) (City) (State) (Zip Code)

for a (check appropriate box): Discovery Loss Sustained _____ **Commercial Crime Policy with:**
(primary, excess, contributing)

Coverage Forms

Limits of Insurance

Coverage Form A - Employee Dishonesty - Blanket ----- \$ _____

Coverage Form A - Employee Dishonesty - Schedule (see Item 6 on page 3) ----- \$ _____

Coverage Form B - Forgery or Alteration ----- \$ _____

to become effective or to be continued as of 12:01 a.m. on _____ to 12:01 a.m. on _____.

Premium payable (check the appropriate box): Annual , Three year prepaid , Three equal annual installments ,

Other _____

1. DESCRIPTION OF YOUR ORGANIZATION:

(a) Are you a (check the appropriate box): Proprietorship , Partnership , Corporation

(b) Date your business was established _____

(c) Classify your predominant activity (check the appropriate box): 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 _____

(f) Are the owners active in the business on a daily basis? ----- Yes No

If "No", explain _____

2. AUDIT PROCEDURES:

(a) Is there an audit by a CPA, public accountant or equivalent, independent of your organization? ----- Yes No

If "Yes", how often? (check the appropriate box): Quarterly , Semi-Annually , Annually

(b) Name and address of person or firm performing audit _____

(c) Are all locations audited? ----- Yes No

(d) Is the audit made in accordance with generally accepted auditing standards and so certified? ----- Yes No

If "No", explain the scope of the audit _____

(e) Is the audit report rendered directly to the proprietor, partners if a partnership or
Board of Directors if a corporation? ----- Yes No

(f) Date of completion of last audit of: cash and accounts _____ inventory _____

(g) Were any discrepancies or loose practices commented upon in this audit? ----- Yes No

If "Yes", submit a copy of the audit and auditor's comments.

(h) Is there an internal audit by an Internal Audit Department under the control of an employee
who is a public accountant or equivalent? ----- Yes No

If "Yes", are the reports rendered directly to the proprietor, partners if a partnership or
Board of Directors if a corporation? ----- Yes No

3. INTERNAL CONTROLS (OTHER THAN AUDIT PROCEDURES):

(a) Are bank accounts reconciled by someone not authorized to deposit or withdraw? ----- Yes No

If "No", explain _____

(b) Is countersignature of checks required? ----- Yes No

If "No", explain _____

(c) Are securities subject to joint control of two or more responsible employees? ----- Yes No

If "No", explain _____

4. PRIOR INSURANCE:

(a) Has any similar insurance been declined or cancelled during the past three years? ----- Yes No
 If "Yes", explain _____

(b) Prior insurance to be superseded ----- Check if none

Form of Insurance	Effective Date	Expiration Date	Limit of Insurance	Name of Insurance Company
			\$	

(c) List below all fidelity and forgery losses sustained during the past three years, whether reimbursed or not, from: _____
 (month, day, year) to _____ (month, day, year) ----- Check if none

Date of Loss	Type of Loss	Amount of Loss	Amount Recovered from Insurance	Amount Recovered from other than Insurance	Amount of Loss Pending	If Loss occurred at other than Head Office, state location
		\$	\$	\$	\$	

5. RATING DATA FOR COVERAGE FORMS A - BLANKET AND B:

(a) Classification of Employees:

(1) Number of Officers _____ Number of Owners _____

(2) List below the number of employees in the following classifications: **(Include all employees in any of the following positions, even if they do not handle money)**

<p><u>No. of</u></p> <p>_____ Accountants and Asst. Accountants</p> <p>_____ Adjusters</p> <p>_____ Administrators and Asst. Administrators</p> <p>_____ Appraisers and Clerks acting as Appraisers</p> <p>_____ Attorneys</p> <p>_____ Auditors and Asst. Auditors</p> <p>_____ Bookkeepers</p> <p>_____ Bursars and Asst. Bursars</p> <p>_____ Bus Drivers</p> <p>_____ Buyers and Asst. Buyers</p> <p>_____ Canvassers (door-to-door Salespeople)</p> <p>_____ Cashiers and Asst. Cashiers</p> <p>_____ Chairpersons</p> <p>_____ Chauffeurs</p> <p>_____ Checkers, food and beverage</p> <p>_____ Chefs who order food</p> <p>_____ Collectors</p> <p>_____ Computer Programmers</p> <p>_____ Comptrollers and Asst. Comptrollers</p> <p>_____ Credit Clerks and Managers</p> <p>_____ Custodians</p>	<p><u>No. of</u></p> <p>_____ Delivery Persons</p> <p>_____ Demonstrators</p> <p>_____ Detectives</p> <p>_____ Dietitians who order food</p> <p>_____ Drivers and Drivers' Helpers</p> <p>_____ Floor Walkers</p> <p>_____ Food Inspectors</p> <p>_____ Head Pharmacists</p> <p>_____ Instructors having custody of money or securities</p> <p>_____ Janitors</p> <p>_____ Ledger Keepers</p> <p>_____ Locker Room Attendants</p> <p>_____ Maitre d's and Asst. Maitre d's</p> <p>_____ Managers and Asst. Managers</p> <p>_____ Medical Directors</p> <p>_____ Messengers, outside</p> <p>_____ Meter Readers who collect</p> <p>_____ Payroll Distributors</p> <p>_____ Professors having custody of money or securities</p> <p>_____ Purchasing Agents and Asst. Purchasing Agents</p> <p>_____ Receiving Clerks</p> <p>_____ Refinery Gaugers of Oil Companies handling refined gasoline and oils</p>	<p><u>No. of</u></p> <p>_____ Salespeople</p> <p>_____ Security Personnel</p> <p>_____ Service Station Attendants</p> <p>_____ Shipping Clerks</p> <p>_____ Stewards/esses who order food</p> <p>_____ Stock Clerks</p> <p>_____ Storekeepers</p> <p>_____ Storeroom Personnel</p> <p>_____ Superintendents and Asst. Superintendents</p> <p>_____ Supervisors and Asst. Supervisors</p> <p>_____ Taxi Drivers</p> <p>_____ Teachers having custody of money or securities</p> <p>_____ Timekeepers and Asst. Timekeepers</p> <p>_____ Truck Drivers</p> <p>_____ Warehouse Personnel</p> <p>_____ Wine Cellar Personnel</p> <p>_____ Wine Stewards/esses</p> <p>_____ All other employees not listed above who handle, have custody or maintain records of money, securities or other property</p>
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(3) Number of all other employees _____
(If total employee count exceeds 100, please attach a list of all employees by job total.)

(b) Number of additional locations other than the head office _____
 (For manufacturers, processors, wholesalers or distributors show only additional retail locations.)

(c) Deductibles:

(1) Coverage Form A - Blanket:

Amount

a. All employees -----

6. RATING DATA FOR COVERAGE FORM A - SCHEDULE:

If insurance is desired on any of your employees on either a name schedule or position schedule basis, complete the following:

Item No.	Name Schedule Coverage	Position Schedule Coverage			Limit of Insurance Each Employee	Deductible Amount
	Name(s) of Covered Employee(s)	Title(s) of Covered Position(s)	Location of Covered Position(s)	No. of Employees Each Position		
					\$	\$

7. The present officers, employees, agents and partners of the Insured, have 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 indicated that any of the said officers, employees, agents or partners are dishonest. Such knowledge that any official or officer signing for the Insured may now have in respect to his or her own personal acts or conduct, unknown to the Insured, is not imputable to the Insured.

Applicable in New York: 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.

Dated at _____ this _____ day of _____, _____

(Insured) By _____
(Name and Title)

AGENT

ALABAMA: "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 is guilty of a crime and may be subject to restitution fines or confinement in prison, or any combination thereof."

ARKANSAS: "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: "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: "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."

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."

HAWAII: "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: "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: "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: "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 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".

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 MEXICO: "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: "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: "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: "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."

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."

RHODE ISLAND: "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."

TENNESSEE: "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: "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."

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."

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 and may be subject to fines and confinement in prison."