



Name of Insurance Company to which application is made

LOSS CONTROL SUPPLEMENTAL APPLICATION FOR INSURANCE COMPANIES

NAME OF INSURED: _____
ADDRESS: _____
DATE: _____

A. EMPLOYMENT PRACTICES

- | | | |
|--|------------------------------|-----------------------------|
| 1. Do you require that each prospective employee complete an employment application? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 2. Do you conduct a pre-employment check? If Yes, does it include the following | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| a) Prior employment verification? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| b) Personal references? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| c) Record of prior convictions? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 3. Do you forbid the hiring of relatives? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| a) If No, will the duties of any such person (responsible for the handling of receipts, securities, or disbursements) be subject to verification or approval by someone other than their relative? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 4. Is each officer and employee required to take at least one week vacation that extends over two consecutive weekends? Explanations: _____ | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

B. AUDIT PRACTICES

- | | | |
|--|------------------------------|-----------------------------|
| 1. Are your books and accounts audited at least every 12 months by: | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| a) Independent C.P.A. | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| b) Other _____ | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 1) Is the opinion: <input type="checkbox"/> Unqualified <input type="checkbox"/> Qualified <input type="checkbox"/> Disclaimed <input type="checkbox"/> Adverse | | |
| If it is not an unqualified opinion, describe the qualifications and scope of the audit:
_____ | | |
| 2. Is corporate management notified in writing of any weaknesses identified during the audits by Internal audits or your independent accounting firm and are corrective actions implemented and monitored? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 3. Is there a continuous internal audit by an Internal Audit Department or Internal Auditor? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 4. If you have an Internal Audit Department | | |
| a) How many people are in it? _____ | | |
| b) What is the title of the person in charge of the internal audit function?
_____ | | |
| c) To whom does the audit head report? _____ | | |
| 5. Does any member of the audit staff have other non-audit responsibilities? If Yes, please explain:
_____ | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 6. How frequently are audits performed? _____ | | |
| 7. How frequently are high-exposure areas audited? _____ | | |
| 8. Does internal audit or your independent accounting firm make periodic surprise examinations of cash securities, all departments and accounts? If Yes, how often? _____ | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 9. Are all home office departments, field offices, and subsidiaries included as named insureds included in the regularly scheduled audits? If Yes, how often? _____ | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

C. RECEIPTS

- | | | |
|---|------------------------------|-----------------------------|
| 1. Are all incoming checks recorded or duplicated upon receipt so that they may be identified if lost? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 2. Are all incoming checks restrictively endorsed to you and/or stamped "For Deposit Only" immediately upon their receipt? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 3. Are incoming receipts: | | |
| a) Sent to a lockbox for bank deposits? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| b) Received by you and handled by employees? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 1) If Yes, are the receipts processed for deposit by a centralized unit? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 4. Is an independent record kept of all mail receipts so that you may readily verify their prompt entry into your records? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 5. Do audits include an examination of policy files to determine that your policy issuance records and procedures are adequate and proper? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 6. For agencies which have policy issuance authority, do your audits include an examination of policy files to determine that your policy issuance records and procedures are adequate and proper by: | | |
| a) Confirming that the agency's stock of blank policies are accounted for. | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

- b) Verifying that premiums are remitted in a timely manner. Yes No
7. Do you confirm in-force policies directly with policyholders including premium amounts, premium payment dates, policy loans, accumulated dividends, etc.? Yes No

D. DISBURSEMENTS

1. Is there a formal procedure in place that requires that every disbursement be properly reviewed and approved by an authorized person prior to its payment? Yes No
2. Are blank check/draft stock
a) Pre-numbered? Yes No
b) Maintained in a secured area? Yes No
3. How often are blank check/draft stock inventoried? _____
a) By whom? _____
4. Are records maintained for distribution of blank check/draft stock? Yes No
5. Are blank checks/drafts controlled by someone who is not authorized to sign checks? Yes No
6. Are blank checks/drafts inventoried by someone who does not control the stock? Yes No
7. Are blank checks/drafts inventoried by someone who does not have check/draft signing authority? Yes No
8. Is countersignature required on checks/drafts over a specified limit? If Yes, over what limit? Yes No
9. How is check/draft signing authority given? _____
10. What supervision is exercised over the check/draft signing authority? _____
11. Do you use a check-signing machine with a facsimile plate? If Yes, Yes No
a) Is the place kept in a safe? Yes No
b) Is there limited access to the plate? Yes No
c) Do you keep a record of its use? Yes No
12. Are totals of check signing machines compared with the cash disbursement records daily? Yes No
13. Are the supporting documents adequately cancelled by the check signer to prevent their reuse? Yes No
14. Are computerized check writing operations segregated from the departments which authorize the checks? Yes No
15. Are compute issued checks printed on safety paper, pre-numbered, and are all numbers accounted for including voided/spoiled checks? Yes No
16. Are signed checks returned to persons who have requested them or to people other than the requestor? _____
17. Is an Electronic Fund Transfer (EFT) system used for disbursements? Yes No
18. Have specific EFT levels of authority been established? If Yes, how are they assigned? Yes No
19. Are EFT transactions confirmed daily to an individual not involved in the origination of the transaction? Yes No
20. Are EFT transactions reconciled by persons not involved with the preparation, transmission or receipt of EFT transactions? Yes No
21. Is there a formal planned program requiring segregation of duties so that no single transaction (including claim handling and check/draft issuance procedures) can be fully controlled by one person from origination to posting? Yes No
22. Are all of your accounting, claim, investment, etc. records automated? If No, indicate which functions are processed manually. Yes No

E. RECONCILIATION

1. Are all bank balances reconciled monthly? Yes No
2. Are those who reconcile monthly bank statements prohibited from accessing check signing and/or facsimile check signature plates and machines? Yes No
3. Are those who reconcile monthly bank statements prohibited from handling deposits for the account they reconcile? Yes No
4. Are monthly bank statements and cancelled checks examined and reconciled to the general records by persons other than those who keep the cash records or make disbursements? Yes No
5. Are cancelled checks compared to cash disbursement records? Yes No
6. Are employees who customarily handle funds on deposit or issue checks/drafts authorized to obtain bank statements? Yes No
7. Do field offices use local banking facilities? If Yes, Yes No
a) Are field office bank statements mailed directly by the bank to an authorized personnel at the head office for monthly reconciliation? Yes No
8. Are records of receipts and disbursements fully detailed and are all journal entries and correcting vouchers approved? If Yes, by whom? _____ Yes No
9. Is the general ledger current and balanced, and are control accounts in agreement with related detail ledgers? How often is the general ledger balanced? _____ Yes No
10. Are important records and ledgers physically safeguarded? If Yes, how? _____ Yes No

F. INVESTMENTS

1. Does the company have a specific written investment policy? Yes No
2. Is each purchase and sale of securities approved by the Board of Directors or an Investment Committee? Yes No
3. Who is responsible for executing the trades? _____ Yes No
4. Does someone other than the originator of the transaction review all documents supporting the transaction? Yes No

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|--|------------------------------|-----------------------------|
| 5. Is the origination, posting of records and handling of the securities duties segregated so they are not performed by the same person? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 6. Do you keep records of all securities in your possession to assist in tracing them should they be lost? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 7. How often is a complete and detailed inventory taken of securities in your possession? _____ | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

G. LOANS

- | | | |
|---|--|--|
| 1. Do you make loans against policies? If Yes, complete the following: | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| a) Are all loan applications reviewed by a Loan Committee? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| b) Does anyone other than the Loan Committee have authority to approve loans? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| c) Is the approval of each loan recorded on the loan application and in the Committee minutes? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| d) Are loan applications pre-numbered and used in numerical sequential order? If Yes, are all numbers accounted for? | <input type="checkbox"/> Yes
<input type="checkbox"/> Yes | <input type="checkbox"/> No
<input type="checkbox"/> No |
| e) Do you clearly delegate the responsibility for follow-up of delinquencies? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| f) Are your directors notified of all delinquencies at each regular meeting? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| g) Are closed and transferred ledger cards withheld from the permanent files until after they are audited or examined? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| h) Is there a verification of loans by sending confirmations to policyholders? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| i) Are the signatures of the policyholders on the requests and loans checked against the policyholders' signatures wherever possible? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| j) Are loan proceed checks sent directly to the address of the policyholder? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| k) Are cash repayments of loans accepted and properly recorded? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

H. SECURITY

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|--|------------------------------|-----------------------------|
| 1. Do you have an established security procedure to prohibit unauthorized access to the premise and/or the unauthorized taking of your records and equipment from your office? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 2. Do you use security personnel to monitor the premises during non-work hours? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 3. If your field offices are located in a leased space, are the offices safeguarded by building security during work hours? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 4. Is a complete inventory made with a physical check of your owned furniture, equipment, etc.? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 5. Is each piece of furniture and equipment identified by respective location, and recorded on an inventory list? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 6. Are computer programmers permitted to operate and/or have the capability to access/change data, cards or other media? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 7. Are precautionary measures taken against damage or destruction of records on tapes, cards, or other media? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 8. Do you have a Business Contingency Plan in effect incase of total disaster to an operating location? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

I. CLAIM CHECKS/DRAFTS

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|--|------------------------------|-----------------------------|
| 1. Are payment requests prepared and reviewed for propriety prior to check/draft issuance? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 2. Are signature cards completed for authorized check/draft signers, including agents? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 3. Does the signature card indicate the limit of the individual's check/draft authority? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 4. Is there a procedure to notify claims management of all changes in check/draft authority status? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 5. Are supporting documents and processed copies of checks/drafts issued by agents received on a timely basis? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 6. Are documents reviewed to ensure propriety of settlement, dollar limit, etc? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 7. Are requisitions for claim/draft supplies approved by the claim manager or an individual with designated authority? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 8. Are check/draft supplies directly received and count verified from delivery to receipt by a designated individual responsible for unused check/draft stock? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 9. Are unused checks/drafts kept in a locked cabinet or storeroom? If Yes: | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| a) Is the key to the stored checks/drafts held exclusively by the claim manager and/or the designated individual responsible for check/draft supplies? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| b) Is entry to check/draft storage restricted during working hours? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 10. Are check/draft inventory records maintained to show the number and series of checks/drafts in stock? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 11. Are unused check/draft supplies periodically inventoried by someone other than the custodian? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 12. Is a record maintained by the custodian of check/draft distribution to claim processors, typists, etc.? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 13. Are checks/drafts issued in sequential order and are voided check/drafts accounted for? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 14. Is a verification of claim settlement sent direct to the policyholder/claimant confirming the occurrence of the loss? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 15. Are claim files checked periodically by the Claims Department management and/or Internal Audit for proper settlement or detection of possible fictitious claims? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 16. Do you have controls to prevent duplicate payments or claim payments on closed claim files? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

J. PURCHASING

- 1. Is all purchasing centralized out of your main office or some other central point? Yes No
- 2. Are competitive bids taken with the requirement that all orders are placed with the lowest bidder? Yes No
- 3. Are buyers given specific written limits of authority and purchasing guidelines? Yes No
- 4. Are employees forbidden to have a financial interest in firms that supply your goods or services? Yes No
- 5. Do you have a published policy prohibiting employees from accepting gifts or favors from suppliers? Yes No
- 6. Are all requisitions for initiating orders prepared outside of the Purchasing Department? Yes No
- 7. Are all purchase orders:
 - a) Pre-numbered? Yes No
 - b) Copies made for the Accounting, Receiving, Auditing and Initiating Departments? Yes No
- 8. Is all merchandise which is received, verified against pre-numbered purchase orders? Yes No
- 9. Is the Purchasing Department notified of the receipt of merchandise? Yes No
- 10. Are invoices cancelled after payment to avoid reuse? Yes No
- 11. Do you have a positive system to detect payment to fictitious suppliers? Yes No
- 12. Is your Purchasing Department separated from receiving responsibilities and supervised by a person not authorized to pay bills? Yes No
- 13. Are the duties of purchasing, receiving storekeeping, and shipping separate so that no one individual can control these functions from beginning to end? 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.

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 CONTAINING ANY MATERIALLY FALSE INFORMATION OR CONCEALS FOR THE PURPOSE OF MISLEADING, INFORMATION CONCERNING ANY MATERIAL FACT THERETO COMMITS A FRAUDULENT INSURANCE ACT, WHICH IS A CRIME, AND SHALL BE ALSO 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 _____

Date: _____

Signature _____