



# COMMUNITY FINANCIAL INSTITUTIONS BOND APPLICATION

(Please Type Or Print In Ink)

NAME OF HOLDING COMPANY (if applicable): \_\_\_\_\_

NAME OF INSTITUTION: \_\_\_\_\_

STREET ADDRESS: \_\_\_\_\_

CITY, STATE, ZIP CODE: \_\_\_\_\_

TELEPHONE: \_\_\_\_\_ YEAR ESTABLISHED: \_\_\_\_\_

INSURANCE BROKER: \_\_\_\_\_

### GENERAL INSTRUCTIONS:

1. This original application must be signed and dated.
2. Please answer ALL questions. If a question is not applicable, so state. If space is insufficient to answer fully, attach a separate sheet (s).
3. Please provide the following underwriting information to accompany this application:
  - a. Latest Audited Financial Statement or Annual Report including any management letter issued and management's response thereto.
  - b. Complete copy of most current quarterly Financial Report to Federal regulatory authorities.

PLEASE CHECK IF ATTACHED:            a. \_\_\_\_\_ b. \_\_\_\_\_

Note: Incomplete application or supporting information may delay the underwriting process.

ALL INFORMATION GIVEN IN THIS APPLICATION SHALL BE TREATED AS CONFIDENTIAL AND SHALL BE USED SOLELY BY CNA AND SCARBOROUGH AS FOR THE PURPOSE OF UNDERWRITING FINANCIAL INSTITUTION SPECIAL BOND COVERAGE.

### GENERAL INFORMATION

1. Category of Financial Institution:
 

<input type="checkbox"/> Commercial Bank	<input type="checkbox"/> Mutual Savings Bank
<input type="checkbox"/> Cooperative Bank	<input type="checkbox"/> Savings & Loan Association
<input type="checkbox"/> Other (specify) _____	
2. With respect to all entities for which bond coverage is desired please provide the number of:
 

a. Full time officers and employees (all offices):	_____
b. Part time officers and employees (all offices):	_____
c. Full service locations (other than main office):	_____
d. Limited service branch locations:	_____
e. Foreign locations:	_____
f. Loan production offices:	_____
3. Average Daily Cash Letter Sendings:
 

a. Main Office: All transit Items are photographed.	Yes ___ No ___
b. Branch Offices: All transit Items are photographed.	Yes ___ No ___
4. Number of Automated Teller Machines (ATMs) situated within a staffed office of the institution even though ATM access may be from outside the confines of the office: \_\_\_\_\_
5. Number of ATMs other than those described in question 4 above: \_\_\_\_\_



6. Maximum cash amount in any single ATM: \$ \_\_\_\_\_
7. Does the institution have:
- a. Written Operations Manual? Yes \_\_\_\_\_ No \_\_\_\_\_
  - b. Written Security Policy? Yes \_\_\_\_\_ No \_\_\_\_\_
  - c. Written Investment Policy? Yes \_\_\_\_\_ No \_\_\_\_\_
  - d. Written Conflict of Interest Policy? Yes \_\_\_\_\_ No \_\_\_\_\_
  - e. Written Asset/Liability Policy? Yes \_\_\_\_\_ No \_\_\_\_\_
8. Has any entity(ies) been merged into or acquired by the institution (including parent or subsidiaries) during the past three (3) years (including branch office purchases)? If YES, provide details: Yes \_\_\_\_\_ No \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
9. Does the institution (including parent or subsidiaries) anticipate merger with or acquisition of any other entity(ies), or establishment of any new ventures during the next twelve (12) months (including branch office purchases)? Yes \_\_\_\_\_ No \_\_\_\_\_
- If YES, please provide details: \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

**MANAGEMENT/PERSONNEL**

1. Have there been any changes (including terminations) in senior management within the past three (3) years? If YES, attach a schedule indicating the changes and reasons for the changes. Attach brief resumes of persons hired within the past twelve (12) months. Yes \_\_\_\_\_ No \_\_\_\_\_

**ACTIVITIES**

1. Provide names and addresses of all financial institutions and non-financial institution subsidiaries/affiliates owned by the holding company, and/or institution, including a brief description of all activities performed by these entities:
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

**INTERNAL CONTROLS AND PROCEDURES**

1. Does the institution require that a single transaction cannot be fully controlled (from origination to posting) by one person? If NO, please explain: Yes \_\_\_\_\_ No \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
2. Do all of the institution's permanent records (e.g., official checks, collateral receipts, safekeeping receipts, money orders, certificates of deposit, travelers checks, loan documents or notes, unissued stock, etc.) bear pre-printed sequential numbers? Yes \_\_\_\_\_ No \_\_\_\_\_
- a. Are these records kept under joint custody/dual control at all times? Yes \_\_\_\_\_ No \_\_\_\_\_
  - b. Are these records periodically reconciled by someone who does not originate them and reviewed under the institution's audit program? Yes \_\_\_\_\_ No \_\_\_\_\_



Please explain any "NO" responses above: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

- 3. Is joint custody/dual control maintained for the safeguarding of:
  - a. Property in safes or vaults? Yes \_\_\_\_\_ No \_\_\_\_\_
  - b. Keys/combinations to safes and vaults? Yes \_\_\_\_\_ No \_\_\_\_\_
  - c. Codes, passwords, test keys? Yes \_\_\_\_\_ No \_\_\_\_\_
  - d. Data processing tapes, discs, files, etc.? Yes \_\_\_\_\_ No \_\_\_\_\_

### AUDITING RESPONSIBILITIES

#### INTERNAL

- 1. Does the institution employ an internal auditor? If YES, Yes \_\_\_\_\_ No \_\_\_\_\_
  - a. (1) Is the position full time? Yes \_\_\_\_\_ No \_\_\_\_\_
  - (2) Is the internal audit based upon a written Internal Audit Program? Yes \_\_\_\_\_ No \_\_\_\_\_
  - (3) Number of "professional" employees assigned to perform auditing related functions, including the auditor: \_\_\_\_\_
  - (4) Does the person(s) responsible for audit functions audit their own work? Yes \_\_\_\_\_ No \_\_\_\_\_
  - (5) To whom are Internal Audit findings or reports made? \_\_\_\_\_
- b. If NO, provide details on how the internal audit function is conducted (e.g. independent consultant, correspondent bank, etc.):  
\_\_\_\_\_  
\_\_\_\_\_

#### EXTERNAL

- 1. Does the institution employ the services of an independent C.P.A. to conduct a full opinion audit or Director's Examination? Yes \_\_\_\_\_ No \_\_\_\_\_
  - If YES:
    - a. (1) Frequency of audit? \_\_\_\_\_
    - (2) Date of last audit? \_\_\_\_\_
    - (3) Have there been any disagreements with the independent C.P.A. in the past three (3) years concerning presentation of the institution's financial statements? If YES, please provide details: Yes \_\_\_\_\_ No \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
  - b. If NO, provide details on how the external audit function is conducted (e.g. independent consultant, correspondent bank, etc.):  
\_\_\_\_\_  
\_\_\_\_\_
  - c. Does the institution plan any change in its audit program or accounting firm? Yes \_\_\_\_\_ No \_\_\_\_\_  
If YES, please provide details: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



**CASH/DEPOSITS**

1. Up to what dollar amount are payouts on uncollected balances or overdrafts permitted **without** prior officer approval? \$ \_\_\_\_\_
  
2. What does the institution do to assist bookkeepers and tellers in promptly recognizing "kiting" or split deposit schemes?  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_
  
3. Are tellers prohibited from cashing checks for employees of a depositor that are drawn to the order of that depositor? Yes \_\_\_\_ No \_\_\_\_
  
4. 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 \_\_\_\_
  
5. Does the institution have a system or procedure for reviewing accounts to determine if the account activity would require preparation of a report to the Government under financial record keeping and reporting regulations? Yes \_\_\_\_ No \_\_\_\_
  
6. Are deposit accounts of all officers and employees reviewed at least annually for unusual account activity? Yes \_\_\_\_ No \_\_\_\_
  
7. Are dormant accounts under dual control? If NO, please explain: Yes \_\_\_\_ No \_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_
  
8. Does the institution grant immediate credit on bank drafts, merchant deposits, or collection items? If YES, please explain: Yes \_\_\_\_ No \_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_
  
9. Does the institution engage in merchant processing of credit card transactions? Yes \_\_\_\_ No \_\_\_\_  
 If YES, please provide a brief summary of controls over this area: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_
  
10. Delivery or pick-up or cash at the main office is made by:  
 a. \_\_\_\_\_ Armored vehicle  
 b. \_\_\_\_\_ Employee  
     (1) Armed? Yes \_\_\_\_ No \_\_\_\_  
     (2) Escorted? Yes \_\_\_\_ No \_\_\_\_  
     (3) Maximum amount? \$ \_\_\_\_\_ Average? \$ \_\_\_\_\_  
     (4) Frequency? \_\_\_\_\_
  
11. Delivery or pick-up of cash to and from branches or facilities is made by:  
 a. \_\_\_\_\_ Armored vehicle  
 b. \_\_\_\_\_ Employee  
     (1) Armed? Yes \_\_\_\_ No \_\_\_\_  
     (2) Escorted? Yes \_\_\_\_ No \_\_\_\_  
     (3) Maximum amount? \$ \_\_\_\_\_ Average? \$ \_\_\_\_\_  
     (4) Frequency? \_\_\_\_\_

**LOANS**



1. Is the institution's written Loan Policy reviewed at least annually and adapted to changing conditions? Yes \_\_\_ No \_\_\_

2. Above what amount are loans approved by the Loan Committee?

	<i>Secured</i>	<i>Unsecured</i>
<b>PRIOR</b> to funds disbursement?	\$ _____	\$ _____
<b>AFTER</b> funds disbursement?	\$ _____	\$ _____

3. Please complete the following breakdown with respect to forms of "specialty" credit extended by the institution. Indicate total dollar volume and percentage of total loans for each applicable category. If exact figures are not available please provide best estimate. (Note: Need not total 100%)

	<i>Dollar Volume</i>	<i>% of Loans</i>
a. Accounts receivable loans	\$ _____	_____ %
b. Bills of lading	\$ _____	_____ %
c. Commodity loans	\$ _____	_____ %
d. Dealer floor plan loans	\$ _____	_____ %
e. Factoring	\$ _____	_____ %
f. Leasing	\$ _____	_____ %
g. Letters of credit	\$ _____	_____ %
h. Participation loans	\$ _____	_____ %
i. Warehouse financing	\$ _____	_____ %
j. Purchase of carrying of securities:	\$ _____	_____ %
k. Insurance premium financing	\$ _____	_____ %
l. Indirect Loans	\$ _____	_____ %
m. Other specialty credits: (please specify: _____).	\$ _____	_____ %

4. Are indirect loans purchased from dealers? If YES, what procedures does the institution follow to verify the existence and accuracy of such loans? Yes \_\_\_ No \_\_\_

5. Does the institution make dealer "floor plan" loans? If YES, Yes \_\_\_ No \_\_\_  
a. Are physical inventories conducted at least monthly and on a surprise basis? Yes \_\_\_ No \_\_\_  
b. Are persons conducting the inventories rotated periodically? Yes \_\_\_ No \_\_\_  
If NO to (a) or (b) above, please explain: \_\_\_\_\_

6. Does the institution originate loans out of its normal trade territory (excluding participations)? If YES, Yes \_\_\_ No \_\_\_  
a. Amount: \$ \_\_\_\_\_ Number of Loans: \_\_\_\_\_  
Locations: \_\_\_\_\_

b. What procedures does the institution follow to verify the accuracy of loan documents and collateral on out of territory loans?  
\_\_\_\_\_  
\_\_\_\_\_

7. Does the institution engage in foreign lending (including trade financing)? If YES, Yes \_\_\_ No \_\_\_  
a. Amount: \$ \_\_\_\_\_ Number of Loans: \_\_\_\_\_  
Locations: \_\_\_\_\_

b. What procedures does the institution follow to verify the accuracy of loan documents and collateral on foreign loans?  
\_\_\_\_\_  
\_\_\_\_\_

8. Do the following areas have separation of duties?  
a. Loan approval? Yes \_\_\_ No \_\_\_  
b. Disbursement of loan proceeds? Yes \_\_\_ No \_\_\_  
c. Receipt and entry of payments? Yes \_\_\_ No \_\_\_  
d. Monitoring of delinquencies? Yes \_\_\_ No \_\_\_



e. Safekeeping of collateral? If NO, please explain alternative procedures: Yes \_\_\_ No \_\_\_

\_\_\_\_\_  
\_\_\_\_\_

9. Is an independent loan review conducted? If YES, Yes \_\_\_ No \_\_\_  
By whom? \_\_\_\_\_ Frequency: \_\_\_\_\_

10. Are signatures on documents involved with granting of loans ALWAYS obtained in the presence of an officer on BOTH new and renewal loans? If NO, explain methods used to verify that signatures are genuine: Yes \_\_\_ No \_\_\_

\_\_\_\_\_  
\_\_\_\_\_

11. Is substituted collateral always verified before release of original collateral? Yes \_\_\_ No \_\_\_

12. Are loan proceeds disbursed by credit to account or by check, but never in cash? Yes \_\_\_ No \_\_\_  
If NO, please explain: \_\_\_\_\_

\_\_\_\_\_

13. Please indicate if the institution services loans on behalf of:  
\_\_\_\_\_ GNMA \_\_\_\_\_ FNMA \_\_\_\_\_ FHLMC \_\_\_\_\_ OTHER (specify) \_\_\_\_\_

**REGULATORY INFORMATION**

1. Has the INSTITUTION (or its parent or subsidiaries) been given, entered into, or does it expect any Cease and Desist Order, Special Situation Agreement/Memorandum of Understanding, Consent Resolution, or any other agreement, formal or informal (voluntary or involuntary) with any regulatory agency? Yes \_\_\_ No \_\_\_

IF THE AGREEMENT OCCURRED WITHIN THE PAST FIVE (5) YEARS, PLEASE ATTACH A COPY OF THE AGREEMENT AND THE INSTITUTION'S RESPONSE THERETO.

2. Please indicate the number and amount of "Classified" loans as a result of the last two regulatory examinations:

Last Examination:	Date: _____ / _____ / _____	Authority: _____
Substandard:	No. _____	Amount: \$ _____
Doubtful:	No. _____	Amount: \$ _____
Loss:	No. _____	Amount: \$ _____

Prior Examination:	Date: _____ / _____ / _____	Authority: _____
Substandard:	No. _____	Amount: \$ _____
Doubtful:	No. _____	Amount: \$ _____
Loss:	No. _____	Amount: \$ _____

3. Please provide the institution's current CAMEL(S) or MACRO rating: \_\_\_\_\_

4. a. Indicate recommendations in the last two examinations made by regulatory authorities: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

b. Indicate action or compliance with Question 4a above: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

5. Has there been any regulatory examination for which the Report of Examination is not yet available? Yes \_\_\_ No \_\_\_  
If YES, provide date of exam and a brief summary of the regulator's comments at the conclusion of the examination: \_\_\_\_\_



**INVESTMENTS**

1. Are all investment accounts reconciled with brokers and security dealers, both for the institution and its customers, by someone other than the person who executed the transaction? If NO, please explain: Yes\_\_\_\_No\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

2. Where are investment securities held for safekeeping?\_\_\_\_\_

**TRUST OPERATIONS**

1. Does the institution provide trust services? Yes\_\_\_\_No\_\_\_\_

2. Is the trust department audited by the institution's audit department and/or the external audit firm? Yes\_\_\_\_No\_\_\_\_

**AUTOMATED CLEARING/FUNDS TRANSFER**

1. Is a telephone system, on-line system or correspondent's system used for wire transfer of funds? If YES, Yes\_\_\_\_No\_\_\_\_

a. Are wire transfer requests accepted by telephone or FAX machine from customers or branch locations? Yes\_\_\_\_No\_\_\_\_

b. Are telephone or FAX machines used to instruct or communicate to a third party or correspondent to transfer funds? Yes\_\_\_\_No\_\_\_\_

2. Please complete the following checklist with regard to automated interbank electronic communications and clearing systems:

<i>SYSTEM</i>	<i>On-Line?</i>	<i>SYSTEM</i>	<i>On-Line?</i>
_____ Fed Wire	_____	_____ Automated Clearing House _____	_____
_____ S.W.I.F.T.	_____	_____ (member of NACHA)	_____
_____ CHIPS	_____	_____ Correspondent Institution	_____
_____ Telex/TWX	_____	_____ Other ( _____ )	_____

3. Does the institution maintain a procedures manual covering all wire transfer operations? Yes\_\_\_\_No\_\_\_\_

If YES, does the manual specify and define:

a. Authorized officers and employees? Yes\_\_\_\_No\_\_\_\_

b. Authorized personnel of correspondents and corporate customers? Yes\_\_\_\_No\_\_\_\_

c. Call-back verification procedures? Yes\_\_\_\_No\_\_\_\_

d. Transfer limits? Yes\_\_\_\_No\_\_\_\_

4. What is the average daily amount of all electronic funds transfers? \$ \_\_\_\_\_

a. Average single transfer amount? \$ \_\_\_\_\_

b. Maximum single transfer amount? \$ \_\_\_\_\_

5. Is the daily reconciliation and balancing of funds transfer requests performed by employees independent of the receiving, processing and sending functions? Yes\_\_\_\_No\_\_\_\_

6. Do the records of transfer requests contain:

a. Sequence number? Yes\_\_\_\_No\_\_\_\_

b. Transfer number? Yes\_\_\_\_No\_\_\_\_

c. Name of person or entity making request? Yes\_\_\_\_No\_\_\_\_



- d. Name of specific customer? Yes \_\_\_\_\_ No \_\_\_\_\_
- e. Date? Yes \_\_\_\_\_ No \_\_\_\_\_
- f. Test word/code authentication? Yes \_\_\_\_\_ No \_\_\_\_\_
- g. Authorizing signatures for certain types and amounts of transfers? Yes \_\_\_\_\_ No \_\_\_\_\_
7. Does the institution transfer funds on the basis of telephoned instructions or advices from customers or branch locations? If YES, Yes \_\_\_\_\_ No \_\_\_\_\_
- a. Are such instructions or advices electronically recorded? Yes \_\_\_\_\_ No \_\_\_\_\_
- b. Are call backs made to the customer or branch location to verify the authenticity of the telephoned instructions or advices? If NO, what controls are in effect for verification: Yes \_\_\_\_\_ No \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
8. Does the institution transfer funds on the basis of FAX instructions or advices from customers or branch locations? If YES, Yes \_\_\_\_\_ No \_\_\_\_\_
- a. Are call backs made to the customer or branch location to verify the authenticity of the FAX instructions or advices? If NO, what controls are in effect for verification: Yes \_\_\_\_\_ No \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
9. Are transfer verifications mailed to customers? Yes \_\_\_\_\_ No \_\_\_\_\_

**REMOTE BANKING**

1. Are customers allowed to have electronic access to your computer system? If YES, via: Yes \_\_\_\_\_ No \_\_\_\_\_
- a. Internet/Bank-at-Home Yes \_\_\_\_\_ No \_\_\_\_\_
- b. Automated telephone transfer? Yes \_\_\_\_\_ No \_\_\_\_\_
- c. Point of Sale? Yes \_\_\_\_\_ No \_\_\_\_\_
- d. Cash Dispensers/ATMs? Yes \_\_\_\_\_ No \_\_\_\_\_
- e. Other terminal interface? Yes \_\_\_\_\_ No \_\_\_\_\_
- If "Other", specify: \_\_\_\_\_
2. Are customers required to provide PIN's in order to process a transaction? Yes \_\_\_\_\_ No \_\_\_\_\_
3. Are customers prompted to verify a transaction before the transaction is completed? Yes \_\_\_\_\_ No \_\_\_\_\_
4. Is encryption software utilized? Yes \_\_\_\_\_ No \_\_\_\_\_
5. Is a statement of transactions originated via the Internet/Bank-at-Home periodically mailed to the customer? Yes \_\_\_\_\_ No \_\_\_\_\_

**DATA PROCESSING OPERATIONS**

**General**

1. Indicate applications used (designate "I" for in-house or "S" for service bureau):

	<i>On Line</i>	<i>Batch</i>		<i>On Line</i>	<i>Batch</i>
Commercial Loans	_____	_____	Customer Data Files	_____	_____
Real Estate Loans	_____	_____	General Ledger	_____	_____
Installment Loans	_____	_____	Checking Accounts	_____	_____
Other Loans	_____	_____	Savings Accounts	_____	_____
Credit Cards	_____	_____	Certificates	_____	_____
Other applications: _____					



- 2. Are passwords required for employees to gain access to the system? Yes \_\_\_ No \_\_\_
- 3. Do passwords restrict access to specific applications and levels of security according to need and authorization of the user? Yes \_\_\_ No \_\_\_
- 4. Are passwords changed at least quarterly and deleted upon employee termination? Yes \_\_\_ No \_\_\_
- 5. Do separate persons input and verify source data for on-line data entry? Yes \_\_\_ No \_\_\_
- 6. Is supervisory terminal override required for sensitive transaction on-line data entry? Yes \_\_\_ No \_\_\_
- 7. Has a disaster recovery program been established to ensure the continuity of operations? Yes \_\_\_ No \_\_\_
- 8. Indicate exception reports provided:
 

_____Checks drawn on insufficient funds	_____Kiting suspects
_____Checks drawn on uncollected funds	_____Large items
_____Dormant account activity	
- 9. Are maker's signatures verified and endorsements reviewed on inclearing checks above a specific amount? Yes \_\_\_ No \_\_\_  
If YES, above what amount? \$ \_\_\_\_\_
- 10. How are data processing items transported between the institution's locations and the Data Processing Center? \_\_\_\_\_  
\_\_\_\_\_

**Non-Owned**

- 1. Is an independent Data Processing Center used? If NO, skip Questions 2 and 3 below. Yes \_\_\_ No \_\_\_
- 2. Does the Data Processing Center maintain fidelity bonding of its employees? Yes \_\_\_ No \_\_\_
- 3. Are operations of the Data Processing Center reviewed at least annually by an independent auditing firm? Yes \_\_\_ No \_\_\_  
If YES, describe any material control weakness(es) disclosed:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Owned**

- 1. Does the institution own and operate its own Data Processing Center? If NO, skip Questions 2 - 7 below. Yes \_\_\_ No \_\_\_
- 2. Is the Center managed by third party under a facilities management agreement? If YES, Yes \_\_\_ No \_\_\_
  - a. Are the third party's employees covered by a separate fidelity bond? Yes \_\_\_ No \_\_\_
- 3. Are the Center's operations reviewed at least annually by internal or external auditors? Yes \_\_\_ No \_\_\_
- 4. Does the institution utilize independent programmers to prepare computer instructions? Yes \_\_\_ No \_\_\_
  - a. Is all material prepared by independent programmers subject to testing by the institution's personnel? Yes \_\_\_ No \_\_\_
  - b. Do independent programmers have "on-line/live" access to the institution's data processing systems? Yes \_\_\_ No \_\_\_
  - c. Are independent programmers required to maintain a separate fidelity bond? Yes \_\_\_ No \_\_\_
- 5. Is the Center's computer room in a secure location? Yes \_\_\_ No \_\_\_
- 6. Is access to the computer room restricted to only authorized personnel? Yes \_\_\_ No \_\_\_
- 7. Is the computer room protected by adequate fire control procedures and equipment? Yes \_\_\_ No \_\_\_



**LOSS INFORMATION**

1. Please provide the following information for ANY loss(es) discovered during the past three (3) years which involve, or potentially involve, any peril of the type covered by the bond.

Cause of Loss	Date Discovered	Gross Amount of Loss (Actual or Estimated)	Amount Received from Insurance less Salvage	Deductible at Time of Loss	Location, if other than Main Office

**FOR EACH ENTRY ABOVE, PLEASE PROVIDE INFORMATION ON SEPARATE ATTACHMENT DETAILING HOW THE LOSS OCCURRED AND WHAT ACTION HAS BEEN TAKEN BY THE INSTITUTION TO PREVENT RECURRENCE.**

2. By separate attachment, please summarize any current or potential litigation against the institution which alleges fraud, dishonesty, criminal or other wrongful acts by the institution or any director, officer or employee of the institution.
3. Does the institution have knowledge of any other circumstances or occurrences which could result in a bond claim or materially affect the information provided in this application? If YES, please explain: Yes \_\_\_ No \_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

**INSURANCE INFORMATION**

1. Please provide the following information with regard to current or most recent bond coverage, and include a copy of the current bond Declarations page or Schedule of Coverages to assist the underwriter in evaluating the institution's current blanket bond program.

**Note: If the institution is a current bond customer it is not necessary to complete this question.**

	<i>Limit</i>	<i>Deductible</i>
a. Basic Coverage	\$ _____	\$ _____
b. Excess Fidelity	\$ _____	\$ _____
c. Check Forgery	\$ _____	\$ _____
d. Securities	\$ _____	\$ _____
e. Unauthorized Signatures	\$ _____	\$ _____
f. Trading Loss	\$ _____	\$ _____
g. Computer Systems Coverage	\$ _____	\$ _____



- h. Extortion/Kidnap and Ransom \$ \_\_\_\_\_ \$ \_\_\_\_\_
- i. Fraudulent Real Property Mortgages \$ \_\_\_\_\_ \$ \_\_\_\_\_
- j. Servicing Contractors \$ \_\_\_\_\_ \$ \_\_\_\_\_
- k. Audit Expense \$ \_\_\_\_\_ \$ \_\_\_\_\_
- l. Transit Cash Letter \$ \_\_\_\_\_ \$ \_\_\_\_\_
- m. Safe Deposit Insurance \$ \_\_\_\_\_ \$ \_\_\_\_\_
- n. Other \_\_\_\_\_ \$ \_\_\_\_\_ \$ \_\_\_\_\_
- o. Carrier: \_\_\_\_\_
- Expiration/renewal date: \_\_\_\_\_
- Premium: \$ \_\_\_\_\_ (annual \_\_\_\_\_ three-year \_\_\_\_\_)

**Note: If Servicing Contractors coverage is desired, please attach a listing of all Servicing Contractors.**

- 2. Directors and Officers Liability Insurance
  - a. Limit: \$ \_\_\_\_\_ Retention: \$ \_\_\_\_\_
  - b. Carrier: \_\_\_\_\_
  - c. Expiration/renewal date: \_\_\_\_\_
  - d. Premium: \$ \_\_\_\_\_ (annual \_\_\_\_\_ three-year \_\_\_\_\_)
  
- 3. Employment Practices Liability Insurance
  - a. Limit: \$ \_\_\_\_\_ Retention: \$ \_\_\_\_\_
  - b. Carrier: \_\_\_\_\_
  - c. Expiration/renewal date: \_\_\_\_\_
  - d. Premium: \$ \_\_\_\_\_ (annual \_\_\_\_\_ three-year \_\_\_\_\_)

The applicant represents and agrees that all of the statements made and information furnished to the Company in applying for this Bond are complete, true, and accurate to the best knowledge and belief of any person making such statement or furnishing such information after diligent inquiry by such person.

**NEW YORK FRAUD WARNING: 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.**

**FRAUD WARNING (NOT APPLICABLE IN NEBRASKA, VERMONT OR VIRGINIA): ANY PERSON WHO KNOWINGLY AND WITH THE 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 PURPOSES OF MISLEADING, INFORMATION CONCERNING ANY FACT MATERIAL THERETO COMMITS A FRAUDULENT INSURANCE ACT, WHICH IS A CRIME AND SUBJECTS THE PERSON TO CRIMINAL AND CIVIL PENALTIES.**

SIGNED: \_\_\_\_\_  
 TITLE: \_\_\_\_\_  
 INSTITUTION: \_\_\_\_\_  
 DATE: \_\_\_\_\_

**Please submit to:**  
 CNA Insurance  
 Small Depository Institutions  
 333 S. Wabash Avenue



27<sup>th</sup> Floor  
Chicago, Illinois 60604



**PHYSICAL SECURITY SURVEY**  
(Please complete for EACH full service location)

Address, City, State: \_\_\_\_\_

1. Is there a vault at this location? Yes \_\_\_\_\_ No \_\_\_\_\_  
If NO, please describe safeguards over cash and other valuables: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

If YES,

- a. What is the vault classification? \_\_\_\_\_
- b. Is it equipped with combination lock(s)? Yes \_\_\_\_\_ No \_\_\_\_\_
- c. Is the combination split between two employees? Yes \_\_\_\_\_ No \_\_\_\_\_
- d. Is it equipped with a working time lock? Yes \_\_\_\_\_ No \_\_\_\_\_
- e. Does the lock have a time delay mechanism? Yes \_\_\_\_\_ No \_\_\_\_\_
- f. Is a log maintained for time lock setting? Yes \_\_\_\_\_ No \_\_\_\_\_
- g. Do two employees jointly set vault timer and close/lock vault door at night? Yes \_\_\_\_\_ No \_\_\_\_\_

2. Maximum cash at this location:  
During business hours: \$ \_\_\_\_\_ Overnight: \$ \_\_\_\_\_

3. Number of operating teller stations (excluding ATMs): \_\_\_\_\_

4. Maximum cash:	<i>Each Teller Station</i>	<i>Head Teller Station</i>
In working drawer?	\$ _____	\$ _____
In excess drawer/safe?	\$ _____	\$ _____

5. Is this location equipped with working cameras? Yes \_\_\_\_\_ No \_\_\_\_\_

6. Is there a night and/or hold up alarm connected to:

- a. Central Station Yes \_\_\_\_\_ No \_\_\_\_\_
- b. Police station Yes \_\_\_\_\_ No \_\_\_\_\_
- c. Other (Identify: \_\_\_\_\_) Yes \_\_\_\_\_ No \_\_\_\_\_

7. Is there an alarm connected to:

- a. Main vault? Yes \_\_\_\_\_ No \_\_\_\_\_
- b. Safe deposit vault? Yes \_\_\_\_\_ No \_\_\_\_\_
- c. Night depository? Yes \_\_\_\_\_ No \_\_\_\_\_