

COMPLETE FOR COMMERCIAL ENTITIES ONLY:

Total Number of Locations: _____

COMPLETE FOR GOVERNMENTAL ENTITIES ONLY:

Number of Police Officers (including patrolmen) _____

COMPLETE ONLY IF REQUESTING INSURING AGREEMENT 3 or 4

	Money and Securities	Checks (Non Retail)	Other Property
Maximum Exposures in \$'s	\$ _____	\$ _____	\$ _____

INTERNAL CONTROLS

- | | | |
|---|------------------------------|-----------------------------|
| 1. Is an independent Certified Public Accountant involved in the applicant's financial reporting?
If yes, financial statements are: <input type="checkbox"/> Audited <input type="checkbox"/> Reviewed <input type="checkbox"/> Compiled | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 2. Are at least two signatures required on checks? If yes, over what dollar amount? \$ _____
If no, who signs checks? _____ | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 3. Do employees who reconcile monthly bank statements also:
Sign checks? <input type="checkbox"/> Yes <input type="checkbox"/> No
Handle bank deposits? <input type="checkbox"/> Yes <input type="checkbox"/> No
Have access to check signing machines or signature plates? <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 4. Do you have a specific system or procedure to detect payment to fictitious suppliers?
If Yes, please explain _____ | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

ADDITIONAL INTERNAL CONTROL QUESTIONS FOR GOVERNMENTAL ENTITIES

- | | | |
|---|------------------------------|-----------------------------|
| 5. Is there a written investment policy? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 6. Is there an investment department which is separate from the Treasurer's Department? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 7. Is there a periodic review by an investment committee or board? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 8. Who makes investment decisions? _____ | | |

LOSS EXPERIENCEFidelity and crime losses discovered or sustained in the last three years. **CHECK HERE IF NONE:** *Please attach details of all losses including, corrective action taken.***Insurance Fraud Warning**

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 is a crime in certain jurisdictions.

Important State Specific Information*Applicable in 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.

Applicable in California:

Any person who knowingly presents false or fraudulent claim for the payment of a loss is guilty of a crime and may be subject to fines and confinement in state prison.

Applicable in 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.

Applicable in Florida and Idaho:

*Any person who Knowingly and with the intent to injure, Defraud, or Deceive any Insurance Company Files a Statement of Claim Containing any False, Incomplete or Misleading information is Guilty of a Felony.**

**In Florida - Third Degree Felony*

Applicable in Indiana:

A person who knowingly and with intent to defraud an insurer files a statement of claim containing any false, incomplete, or misleading information commits a felony.

Applicable in Kentucky and New Jersey:

Any person who knowingly and with intent to defraud any insurance company or other persons, files a 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, subject to criminal prosecution and civil penalties.

Applicable in Maine

We do not provide coverage to one or more insureds ("insured") who, at any time:

- 1) Intentionally concealed or misrepresented a material fact;
- 2) Engaged in fraudulent conduct; or
- 3) Made a false statement relating to this insurance.

Applicable in Maryland:

Any person who, with intent to defraud or knowingly that he is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement may be guilty of insurance fraud.

Applicable in Michigan:

Any person who knowingly and with intent to injure or defraud any insurer submits a claim containing any false, incomplete, or misleading information shall, upon conviction, be subject to imprisonment for up to one year for a misdemeanor conviction or up to ten years for a felony conviction and payment of a line of up to \$5,000.00.

Applicable in Minnesota:

A person who files a claim with intent to defraud or helps commit a fraud against an insurer is guilty of a crime.

Applicable in Nevada:

Pursuant to NRS 686A.291, any person who knowingly and willfully files a statement of claim that contains any false, incomplete or misleading information concerning a material fact is guilty of a felony.

Applicable in New Hampshire:

Any person who, with purpose to injure, defraud or deceive any insurance company, files a statement of claim containing any false, incomplete or misleading information is subject to prosecution and punishment for Insurance fraud, as provided in RSA 638:20.

Applicable in 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.

Applicable in New York:

Any person who knowingly and with intent to defraud any insurance company or other person files a 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.

Applicable in Ohio:

Any person who, with intent to defraud or knowing that he/she is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud.

Applicable in Oregon:

Any person who with an intent to knowingly defraud any insurance company or other person, files an application for insurance, or a statement of claim containing any materially false information, or conceals for the purpose of misleading information concerning any fact material thereto, may be guilty of insurance fraud.

Applicable in 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,

Applicable in 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.

Applicable in Texas:

Any person who makes an intentional misstatement that is material to the risk may be found guilty of insurance fraud by a court of law.

Applicable in 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.

Application completed by: _____
(Name and Title)

Signature: _____ (Must be signed by Applicant)

Date: _____

Business Phone: _____

Business Fax: _____

Email Address: _____

Return to: **BDH Associates, Inc.**
4572 Lawrenceville Hwy, Suite 201 Phone: (770) 564-2999 Fax: (770) 564-9327
Lilburn, GA 30047