Fidelity / Crime Division

Financial Institutions

Placing clients’ money too close at hand can open the doors for criminals
Financial Institutions

In the volatile and ever changing world of financial institutions, Great American Insurance Group provides coverage on a number of Financial Institution Fidelity & Crime Policy forms designed to meet the exposures of financial loss suffered for the following types of entities:

- Banks
- Insurance Companies
- Stock Brokers
- Registered Management Investment Companies
- Hedge Funds
- Finance Companies
- Mortgage Bankers
- Real Estate Investment Trusts
- Credit Unions
- Investment Bankers

Financial Institution Coverage

- We consider banking institutions with assets greater than $100 million
- The total number of employees must be greater than 10 (for other than investment companies)
- Comprehensive coverage is offered through standard industry forms tailored to meet the needs of our customers
- Special coverage enhancements may be offered
Coverage is written for these industry groups under specific Surety and Fidelity Association of America (SFAA) forms with enhancements on both a primary and excess basis as follows:

- Form 24
- Form 14
- Great American Investment Policy form: Designed for Registered Management Investment Companies/Mutual Funds that are required to purchase coverage, as described in Securities and Exchange Commission Rule 17g-1 of the Investment Company Act of 1940.**
- Form 15
- Form 25

**Companion Policies offered:**

- Computer Crime Policy for Financial Institutions
- Combination Safe Depository for Financial Institutions
- Fiduciary Dishonesty Policy for Investment Advisors

**Additional coverage is available by Rider or Endorsement.**
Banks (Form 24)

Bank: An establishment for the custody, loan, exchange or issuance of money; also for the extension of credit in the form of loans and for facilitating the transmission of funds.

Surety & Fidelity Association Standard Form 24: Designed for commercial banks, saving banks, savings and loans/thrifts, the Federal Deposit Insurance Corporation (FDIC), agencies or branches of foreign banks, trust companies and title insurance companies that accept deposits for savings and checking accounts.

Companion Forms

Computer Crime Policy for Financial Institutions: Stand-alone policy designed to cover exposures associated with the computer systems of the insured.

Combination Safe Depository Policy for Financial Institutions: Covers liability of the depository due to loss of property within the customer safe deposit boxes held by a bank or credit union. Additional coverage is provided for loss of property and premises damage.
**Finance Companies**

Finance Company: A firm engaged in making loans to individuals or businesses. Unlike a bank, it does not receive deposits to make loans. It rather obtains its financing from banks, institutions or other money market sources.

Mortgage Banker: Company or individual that originates mortgage loans or loans on real estate and then sells them to investors. It will service the monthly payments, keep related records and act as an escrow agent to disperse funds for taxes and insurance. Such companies tend to seek commitments or obligations from Fannie Mae, Ginnie Mae, Freddie Mac or other institutional lenders such as banks or investment firms.

Real Estate Investment Trust (REIT): A company that is usually publicly traded that manages a portfolio of real estate to earn profits for shareholder. A REIT is generally diverse in nature and invests primarily in shopping malls, apartment complexes and hotels.

Surety & Fidelity Association Standard Form 15: Designed for finance companies, mortgage bankers/companies and real estate investment trusts.

**Companion Forms**

Computer Crime Policy for Financial Institutions: Stand-alone policy designed to cover exposures associated with the computer systems of the insured.

**Insurance Companies**

Insurance Company: An institution that provides coverage by contract whereby one party undertakes to indemnify or guarantee another against loss by a specified contingency or peril.

Surety & Fidelity Association Standard Form 25: Designed for insurance and reinsurance companies of all kinds and insurance brokers that perform underwriting services such as managing general agents.
Companion Forms

Computer Crime Policy for Financial Institutions: Stand-alone policy designed to cover exposures associated with the computer systems of the insured.

Investment Company Policy

The Investment Company Policy designed by Great American for registered management investment companies and mutual funds exceeds federal requirements. It also provides more extensive coverage than the Financial Institution Standard Form 14 offered by the SFAA.

Enhancements Include:

- Telefacsimile Transmission Coverage
- Uncollectible Items of Deposit Coverage
- Unauthorized Signatures Coverage
- Automated Phone Systems Coverage
- 90-Day Cancellation
- Stop Payment Legal Liability Coverage
- Audit Expense
- Computer Systems Coverage with voice initiated transfer
- Optional 12-Month Discovery Period in the event of termination or cancellation
- Each and every loss limit of liability
- Coverage for outside servicers, including investment advisors, underwriters (distributors), stock transfer agents and administrators
Stock Brokers

Stock Brokerage: A firm engaged in the sale of investments and securities.

Mutual Fund: A fund operated by an investment company (we prefer that it be registered with the SEC) that raises money from shareholders and invests in stocks, bonds, options and/or money market instruments.

Hedge Fund: An investment vehicle that primarily invests in stock, commodity or future options designed to offset investment risk of a drop in the purchase price. A “put option” protects against any price decline over a given time period as a result of a payment of a premium. A “call option” sells the right to buy the stock, commodity or future at a certain price in exchange for a premium.

(Note: We require the fund to be regulated by either the SEC or the Commodities Future Trading Commission).

Hedge Funds are designed for wealthy individuals and institutional investors. They commonly have a minimum investment of $1 million.

Surety & Fidelity Association Standard Form 14: Designed for stock brokers, the Financial Institution Regulatory Authority (FINRA) broker dealers, investment bankers and regulated hedge funds.

Companion Form

Computer Crime Policy for Financial Institutions: Stand-alone policy designed to cover exposures associated with the computer systems of the insured.
About Great American

Great American Insurance Group’s roots go back to 1872 with the founding of its flagship company, Great American Insurance Company. Based in Cincinnati, Ohio, the operations of Great American Insurance Group are engaged primarily in property and casualty insurance, focusing on specialty commercial products for businesses, and in the sale of traditional fixed and fixed-indexed annuities in the retail, financial institutions and education markets. Great American Insurance Company has received an “A” (Excellent) or higher rating from the A.M. Best Company for over 100 years (most recent rating evaluation of “A+” (Superior) as of August 11, 2017). The members of Great American Insurance Group are subsidiaries of American Financial Group, Inc. (AFG), also based in Cincinnati, Ohio. AFG’s common stock is listed and traded on the New York Stock Exchange under the symbol AFG.
Placing clients’ money too close at hand can open the doors for criminals.
Protecting hundreds of niche industries with expert insurance solutions.