



## Fiduciary Dishonesty Coverage Application

Application is hereby made by \_\_\_\_\_

(Name of Fiduciary)

Principal Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Policy Effective Period \_\_\_\_\_ to \_\_\_\_\_

Prior Carrier \_\_\_\_\_ Limit of Insurance \_\_\_\_\_

Deductible \_\_\_\_\_

### 1. Description of Organization

a. Please describe your organization

Yes No

b. Is your firm registered with the Securities Exchange Commission?

☐☐

c. Name of any regulatory body governing the business activity of the Fiduciary

d. Number of Employees \_\_\_\_\_

### 2. Audit Procedures

Yes No

a. Is the fiduciary audited at least annually by a CPA?

☐☐

If yes, please provide name of outside CPA:

b. Is there an internal audit?

☐☐

If yes, are they continuous and are reports rendered to Senior Management?

☐☐

### 3. Internal Controls

Yes No

a. Are your services on a fixed fee basis?

☐☐

If no, on what basis?

b. Do you ever take physical possession of any of your client's investment assets?

☐☐

If yes, describe the circumstances and types of assets held.

**3. Internal Controls *Continued***

Yes

No

c. Who maintains control over the client's investment assets?

d. Does the person authorized to provide investment for clients also review the statements of account activity?

☐☐

If no, who performs the review?

e. Do clients execute an agreement or contract specifying types of investments to be purchased for its accounts?

☐☐

If yes, provide a specimen. If no, provide explanation.

f. Do you ever appoint the custodian who holds the assets?

☐☐

g. Do you limit the amount of client's assets which you will place with any one custodian?

☐☐

h. Who furnishes the clients plans with a summary of account activity? \_\_\_\_\_

i. Have you sustained any dishonesty losses in the last six years?

☐☐

j. Have you ever committed or have you been charged with SEC disciplinary violations?

☐☐

If yes, please attach a statement providing full details of the incident.

**4. Additional Required Information**

1. List of plans by name, asset size and required ERISA limit.
2. Most recent fiscal year end audited financial statements.
3. ADV Report

**Fraud Statements**

**Applicable in AL, AR, LA, NM, RI, and WV:** 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 fines and/or confinement in prison. In Alabama, a person may also be subject to restitution.

**Applicable in CO, ME, TN, VA, WA:** 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, and/or a denial of insurance benefits. In Colorado, penalties may also include civil damages. In Colorado, 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 CA:** For your protection, California law requires the following to appear on this form: Any person who knowingly presents false or fraudulent information to obtain or amend insurance coverage or to make a claim for payment of a loss is guilty of a crime and may be subject to fines and confinement in state prison.

**Fraud Statements Continued**

**Applicable in DC: 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.

**Applicable in FL:** 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.

**Applicable in KY:** 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.

**Applicable in MD:** 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.

**Applicable in NJ:** Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties.

**Applicable in NY:** 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.

**Applicable in OH:** 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.

**Applicable in OK: 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 OR:** This entire policy shall be void if, whether before or after a loss, the insured has willfully concealed or misrepresented any material fact or circumstance concerning this insurance or the subject thereof, or the interest of the insured therein, or in case of any fraud or false swearing by the insured relating thereto. All statements made by or on behalf of the insured, in the absence of fraud, shall be deemed representations and not warranties. No such statements that arise from an error in the application shall be used in defense of a claim under the policy unless: (a) The statements are contained in a written application; and (b) A copy of the application is indorsed upon or attached to the policy when issued. In order to use any representation by or on behalf of the insured in defense of a claim under the policy, the insurer must show that the representations are material and that the insurer relied on them.

**Applicable in PA:** 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 other states:** Your policy may be void in any case of fraud, intentional concealment or misrepresentation of material fact by you in securing this insurance.

**THE UNDERSIGNED IS AN AUTHORIZED REPRESENTATIVE OF THE APPLICANT AND REPRESENTS THAT REASONABLE INQUIRY HAS BEEN MADE TO OBTAIN THE ANSWERS TO QUESTIONS ON THIS APPLICATION. HE/SHE REPRESENTS THAT THE ANSWERS ARE TRUE, CORRECT AND COMPLETE TO THE BEST OF HIS/HER KNOWLEDGE.**

**Applicant Signature** \_\_\_\_\_ **Title** \_\_\_\_\_ **Date** \_\_\_\_\_

**Producer Signature** \_\_\_\_\_ **Title** \_\_\_\_\_ **Date** \_\_\_\_\_