



Application For Financial Institution Bond, Standard Form No. 15 For Mortgage Bankers and Finance Companies

Application is hereby made by _____

(Please attach a list of all Insureds, including Employee Benefit Plans)

Principal Address _____ City _____ State _____ Zip _____
 Policy Effective Period _____ to _____
 in the Aggregate Limit of Liability of \$ _____ Date Insured was Established _____
 Name of Prior Carrier _____

1. Description of Organization

1. Insured is a (check the appropriate box):

- | | |
|---|--|
| <input type="checkbox"/> Mortgage Banker | <input type="checkbox"/> Real Estate Investment Trust |
| <input type="checkbox"/> Small Loan Company | <input type="checkbox"/> Note Broker |
| <input type="checkbox"/> Dealer in Mortgages | <input type="checkbox"/> Small Business Investment Company |
| <input type="checkbox"/> Dealer in Commercial Paper | <input type="checkbox"/> Finance Company |
| <input type="checkbox"/> Title Insurance Company Principally engaged in the mortgage business | <input type="checkbox"/> Other _____ |

2. Insured is a (check the appropriate box):

- Sole Proprietorship Partnership Corporation

3. Identify the states in which you are licensed to do business:

4. For all Insureds, show the total number of:

- | | |
|--|---------------|
| a. Salaried officers & employees, retained attorneys and persons provided by employment contractors | No. of |
| b. Locations (other than the Home Office of the first Named Insured) in the U.S., Canada, Puerto Rico and Virgin Islands | _____ |
| c. Locations outside the U.S., Canada, Puerto Rico and Virgin Islands, list below: | _____ |

Location	Location

5. Complete the following:

- | | |
|-------------------------|---------------------|
| a. As of latest Dec. 31 | Total Assets |
| b. As of latest June 30 | \$ _____ |
| | \$ _____ |

2. Optional Coverages

Yes No Single Loss Limit

1. Complete the following for optional coverages desired:

- a. Is Insuring Agreement (D) - Forgery or Alteration Coverage desired? Yes No \$ _____
- b. Is Insuring Agreement (E) - Securities Coverage desired? Yes No \$ _____
- c. Is Trading Loss Coverage desired? Yes No \$ _____
- d. Is Extortion - Threats to Persons Coverage desired? Yes No \$ _____

If yes, list below locations to be excluded:

Location

Location

- e. Is Extortion - Threats to Property Coverage desired? Yes No \$ _____

If yes, list below locations to be excluded:

Location

Location

- f. Is Computer Systems Fraud Coverage desired? Yes No \$ _____

If yes, complete the following:

1. Insured's Computer System(s)

For the Computer System(s) you operate, whether owned or leased, complete the following:

a. Number of independent software contractors authorized to design, implement or service programs for your System(s) _____

- b. Is access to your System(s) by customers, or other outside parties permitted? Yes No

2. Other Computer Systems

List below other Computer System(s) for which coverage is desired:

Computer System(s)

2. Optional Coverages (continued)

Yes No

g. Is coverage desired on businesses engaged in the data processing of your checks or other accounting records?

If yes, list below the name and location of each data processor:

Name & Location

Name & Location

h. Is coverage desired on closing attorneys retained by you to prepare deeds, investigate titles of real property or otherwise assist in the making of mortgage loans? *(Title Insurance Companies only)*

If yes, list below the name and location of each closing attorney:

Name & Location

Name & Location

2. Check the appropriate box(es) if you are a seller or servicer of secondary market mortgages of:

Freddie Mac Fannie Mae Ginnie Mae Other Agencies _____

3. For deductibles, complete the following: *(NOTE: Deductibles on Insuring Agreements(D) and (E) must be at least equal to that carried on the Basic Bond Coverage. Deductibles on Extortion Coverage may be written in any amount.)*

Coverage	Single Loss Deductible
a. All coverages except Insuring Agreements (D), (E) and Extortion	\$ _____
b. Insuring Agreement (D) - Forgery or Alteration	\$ _____
c. Insuring Agreement (E) - Securities	\$ _____
d. Extortion - Threats to Persons	\$ _____
e. Extortion - Threats to Property	\$ _____

4. If coverage is being written on an excess, concurrent or co-surety basis, show the names of the other carriers and bond limits. In the case of co-surety also show percentage participations: _____

5. If coverage is being written on a coinsurance basis, show your percentage participation _____%.
(NOTE: Insured may assume a participation of between 5% and 25%.)

3. Audit Procedures

	Yes	No
1. Is there an <input type="checkbox"/> annual <input type="checkbox"/> semi-annual, audit by an independent CPA? a. If yes , is it a complete audit made in accordance with generally accepted auditing standards and so certified? b. If the answer to (b) is no , explain the scope of the CPA's examination _____ _____	<input type="checkbox"/>	<input type="checkbox"/>
2. Is the audit report rendered directly to all partners if a partnership or to the Board of Directors if a corporation?	<input type="checkbox"/>	<input type="checkbox"/>
3. Name and location of CPA _____		
4. Date of completion of the last audit by CPA _____		
5. Is there a continuous internal audit by an Internal Audit Department? a. If yes , are monthly reports rendered directly to all partners if a partnership or to the Board of Directors if a corporation?	<input type="checkbox"/>	<input type="checkbox"/>
6. Are money and securities actually counted and verified?	<input type="checkbox"/>	<input type="checkbox"/>
7. Are the ledger balances to the credit of customers verified?	<input type="checkbox"/>	<input type="checkbox"/>
8. How often are loan balances verified? _____		

4. Internal Controls

	Yes	No
1. Do you require annual vacations of at least two consecutive weeks for all personnel? If no , explain _____ _____	<input type="checkbox"/>	<input type="checkbox"/>
2. Is there a formal, planned program requiring the segregation of duties so that no single transaction can be fully controlled from origination to posting by one person? If no , explain: _____ _____	<input type="checkbox"/>	<input type="checkbox"/>
3. Are bank accounts reconciled by someone not authorized to deposit or withdraw? If no , explain _____ _____	<input type="checkbox"/>	<input type="checkbox"/>
4. Is countersignature of checks (including escrow accounts) required? If no , explain _____ _____	<input type="checkbox"/>	<input type="checkbox"/>
5. Are monthly statements (whether or not there was activity in the account) mailed directly to all customers? If no , explain _____ _____	<input type="checkbox"/>	<input type="checkbox"/>
6. Has there been any change in ownership or management within the past three years? If yes , explain _____ _____	<input type="checkbox"/>	<input type="checkbox"/>
7. Has any insurance been declined or canceled during the past three years? If yes , explain _____ _____	<input type="checkbox"/>	<input type="checkbox"/>

4. Internal Controls (continued)

Yes No

- | | | |
|---|--------------------------|--------------------------|
| 8. a. Have you hired or retained persons with prior convictions? | <input type="checkbox"/> | <input type="checkbox"/> |
| b. If yes , do you have Employees working in the State of New York? | <input type="checkbox"/> | <input type="checkbox"/> |
| c. If yes to (b) , do you weigh the factors set out in New York State Corrections Law Article 23-A in making the determination to hire or retain such persons? | <input type="checkbox"/> | <input type="checkbox"/> |
| d. Do you maintain documentation of your New York State Corrections Law Article 23-A assessment? | <input type="checkbox"/> | <input type="checkbox"/> |

5. Loss History

List all losses sustained during the past three years, whether reimbursed or not, from _____ to _____
Check if none (month/day/year) (month/day/year)

Date of Loss	Type of Loss	Amount of Loss	Amount Recovered from Insurance	Amount Recovered from other than Insurance	Amount of Loss Pending	If Loss occurred at other than Main Office, state location

NOTICE TO APPLICANTS:

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

The Insured represents that the information furnished in this application is complete, true and correct. Any 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.

Applicant Signature _____ Title _____ Date _____

Producer Signature _____ Title _____ Date _____