

CLIENT CRIME COVERAGE (C³) APPLICATION

- the solution for Professional Service Companies



PENN NATIONAL INSURANCE

Surety & Fidelity

Application is hereby made by _____
(Type the name of the Professional Service Company)

Address: _____
(No. / Street / City / State / Zip Code)

for Client Crime Coverage (C ³):	<u>Requested Limit</u>	<u>Deductible</u>
Third Party Coverage – Blanket Client Contract(s) (Complete sections A & B)	_____	_____
Third Party Coverage – Specific Client Contract (Complete ALL sections)	_____	_____

to become effective or to be continued as of 12:01 a.m. on _____ to 12:01 a.m. on _____

Premium payable (check the appropriate box): Annual Three year prepaid

Please attach written documentation for all questions that have an asterisk (*) or if the question asks for an explanation.

A. ORGANIZATION:

- (1) Are you a Proprietorship Partnership Corporation LLC LLP FEIN # _____
- (2) Date your business was established _____
- (3) Provide the company website address: (If you do not have a website address, describe the services you provide.)

- (4) Are the owner(s) active in the company?..... Yes No *
- (5) Has the Company been declined for similar insurance or canceled in the past three (3) years?..... Yes No *
- (6) Has there been any dishonesty losses in the past three (3) years?..... Yes * No
- (7) Do you have a dedicated Human Resource Department?..... Yes No *
- (8) Is there a defined employee hiring policy for personnel selection? **If yes, please attach a copy**..... Yes No

If “No”, please complete the information below:

a) How are job positions filled? (check all that apply)

Internal Postings External Search Resume Only Application Only Temp Agency If other, please explain.

b) What are your job applicant screening procedures?

Criminal Background Check Personal References Previous Work References Credit History If other, please explain.

B. CLIENT CONTRACT(S)

- (1) Are services being provided at:
Clients’ Location Our Location Both Client/Our Location(s) Other, please explain.
- (2) How many clients do you currently have under contract?..... _____
- (3) How many employees will be providing service to the contracts in (2) above?..... _____
- (4) **Please provide a sample service contract that you utilize with your clients.**

C. SPECIFIC CONTRACT COVERAGE

- (1) Bid or Under Contract
Please provide the draft contract from the bid specs / signed contract that requires this coverage.
- (2) How many employees will be providing service specific to this contract?..... _____
- (3) Are services being provided at:
Clients’ Location Our Location Both Client/Our Location(s) Other, please explain.
- (4) **Provide the complete name of client and all locations to be specifically named as the “Obligee” in the bond/policy.**

Client Crime Coverage (C³) requires a conviction of the employee or employees as the Proof of Loss.

The present officials/officers and employees of the insured, in the positions held, as shown herein, have, to the best of the Insured's knowledge and belief, while in the service of the Insured always performed their respective duties honestly. There has never come to its notice or knowledge any information which in the judgment of the Insured indicated that any of the said officials/officers or employees are dishonest. Such knowledge that any official or officer signing for the insured may now have in respect to his or her own personal acts or conduct, unknown to the Insured, is not imputable to the Insured.

The following **FRAUD STATEMENTS** apply to all applications and policies issued in the respective state to comply with regulatory requirements.

Arkansas Fraud Statement – 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.

Kentucky Fraud Statement – 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.

Louisiana Fraud Statement – 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.

New Jersey Fraud Statement – Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties.

New Mexico Fraud Statement – 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.

New York Fraud Statement – 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.

Ohio Fraud Statement – 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.

Pennsylvania Fraud Statement – 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.

Virginia Fraud Statement – 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.

Signed and dated:

By: _____
(Name and Title)

PNI Agency Code: _____ Agency Name: _____

For policy completion notification to the submitting agent:

Agent's Name: _____ Email Address: _____