

**ARCH CANOPY POLICY FOR NONPROFIT ORGANIZATIONS<sup>SM</sup>  
 SUPPLEMENTAL COVERAGES APPLICATION  
 CRIME, KIDNAP AND RANSOM**

**NOTICE: THE LIABILITY COVERAGE PARTS OF THIS POLICY PROVIDE CLAIMS MADE COVERAGE. EXCEPT AS OTHERWISE PROVIDED, SUCH COVERAGE APPLIES ONLY TO CLAIMS FIRST MADE AGAINST THE INSURED DURING THE POLICY PERIOD AND REPORTED TO THE INSURER NO LATER THAN 60 DAYS AFTER THE END OF THE POLICY PERIOD. EACH APPLICABLE LIMIT OF LIABILITY SHALL BE REDUCED, AND MAY BE EXHAUSTED, BY DEFENSE COSTS PAYMENTS. IF ANY LIMIT OF LIABILITY IS EXHAUSTED, THE INSURER SHALL HAVE NO FURTHER LIABILITY FOR THE COVERAGE TO WHICH SUCH LIMIT APPLIES, INCLUDING LIABILITY FOR DEFENSE COSTS. ALL LOSS PAYMENTS, INCLUDING DEFENSE COSTS PAYMENTS, SHALL APPLY TO THE DEDUCTIBLE.**

**NOTICE: A POLICY CANNOT BE ISSUED UNLESS THE APPLICATION IS PROPERLY SIGNED AND DATED.**

**NOTICE: THIS APPLICATION, INCLUDING ANY INFORMATION AND MATERIALS SUBMITTED WITH THIS APPLICATION, SHALL BE HELD IN CONFIDENCE.**

**Instructions for completing this Application:** Please read carefully, fully answer all questions, and submit all requested information. As noted below, certain questions apply only to specific types of Applicants. As used herein, "Applicant" means the organization named below as well as any subsidiary or employee benefit plan of such company.

**NAME OF APPLICANT:** \_\_\_\_\_

**1. COVERAGE(S) APPLIED FOR**

Select each coverage applied for and insert the requested limit of liability. Complete the items below relevant to each coverage applied for.

- Crime                                      Limit of Liability Requested: \$ \_\_\_\_\_
- Kidnap and Ransom                      Limit of Liability Requested: \$ \_\_\_\_\_

**2. CRIME INFORMATION**

**A.** Does Applicant have formal procedures in place requiring segregation of duties, so that no single transaction can be fully controlled from origination to completion by one person? .....  Yes  No

**B.** Does Applicant prohibit employees who reconcile monthly bank statements from:

- Signing Checks?                       Yes  No
- Making Withdrawals?               Yes  No
- Handling Deposits?                  Yes  No

**C.** Is countersignature of checks required? .....  Yes  No

*If "Yes", what is the dual signing limit? \$ \_\_\_\_\_*

*If "No", complete questions below:*

Does Applicant have an approved Positive Pay program in place with all banks that handle the Applicant's money? .....  Yes  No

*If "No", disregard the rest of question C and provide details on Applicant's current controls to prevent individuals from issuing, signing, withdrawing or depositing fraudulent checks:*

If "Yes" complete the following:

1. Name/Title of person responsible for sending check register to the bank: \_\_\_\_\_
2. Does the person responsible for sending the list of issued checks to the bank have check writing authority? .....  Yes  No
3. Does the person responsible for sending the list of issued checks to the bank perform a thorough review of each transaction and confirm the proper approval process was performed for all checks written? *If "No", attach details regarding review processes.* .....  Yes  No
4. Does the Positive Pay Schedule contain the following data and does the Bank confirm such data to the Positive Pay Schedule prior to releasing funds to the payee?

<b>Check all that apply:</b>	<u>Company Schedule</u>		<u>Bank(s) Confirmation</u>	
Payee	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Date	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Amount	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Account Number	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Check Number	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No

- D. Can any one individual perform the following without the requirement of a second person's verification:  
 Process and authorize new vendors to aid in detecting payments to fictitious vendors and/or suppliers? .....  Yes  No  
 Process and make payments or transfers (by check, wire transfer or otherwise)? .....  Yes  No  
*If "Yes" to either of the above, attach a detailed explanation.*

- E. Does the company require that all employees verify, via a telephone call to an established contact at the original source, that any change to delivery or wire instructions is legitimate? .....  Yes  No  
*If "No", attach a detailed explanation.*  
 Please confirm that a second employee's signoff is required for all changes to delivery or wire transfer instructions, and that the appropriate documentation is obtained. ....  Yes  No  
*If "No", attach a detailed explanation.*

- F. Does Applicant perform criminal and credit history checks on all new Finance employees? .....  Yes  No

- G. Does Applicant conduct background checks on all other new employees inclusive of the following:

Prior employment verification? <input type="checkbox"/> Yes <input type="checkbox"/> No	Drug testing? <input type="checkbox"/> Yes <input type="checkbox"/> No
Personal references? <input type="checkbox"/> Yes <input type="checkbox"/> No	Criminal history? <input type="checkbox"/> Yes <input type="checkbox"/> No
Highest education verification? <input type="checkbox"/> Yes <input type="checkbox"/> No	Credit history? <input type="checkbox"/> Yes <input type="checkbox"/> No

- H. What is the maximum amount of money and/or securities stored at any one location? \$ \_\_\_\_\_

**3. KIDNAP AND RANSOM INFORMATION**

Please complete the following information regarding foreign travel of the Applicant's employees:

Country Visited	Trips per year	Average Stay	Number of employees

**4. LOSS/CLAIMS INFORMATION (DO NOT COMPLETE FOR ARCH RENEWALS)**

- A. Regarding the coverage(s) applied for, has the Applicant given notice of any loss or potential loss to any insurer? .....  Yes  No  
*If "Yes" attach detailed explanation of all such claims, circumstances, potential claims and losses.*
- B. Regarding the coverage(s) applied for, has any insurer cancelled or refused to renew any such coverage(s) within the past 3 years? .....  Yes  No  
**(MISSOURI RESIDENTS SHOULD NOT ANSWER THIS QUESTION)**
- C. Regarding the coverage(s) applied for, has any entity had any losses that may fall within the scope of such coverage(s) during the past 5 years? .....  Yes  No  
*If "Yes" attach a detailed explanation.*

**5. PRIOR KNOWLEDGE - ALL COVERAGE PARTS (DO NOT COMPLETE FOR RENEWAL APPLICATIONS)**

- Does any person or entity proposed for coverage have any knowledge of or information concerning any actual or alleged act, error, omission, fact or circumstance which may result in a loss that may fall within the scope of coverage applied for? .....  Yes  No  
*If "Yes" attach a detailed explanation.*

**IT IS AGREED THAT ANY CLAIM ARISING FROM, BASED UPON, OR ATTRIBUTABLE TO ANY ACTUAL OR ALLEGED ACT, ERROR, OMISSION, FACT OR CIRCUMSTANCE OF WHICH ANY SUCH PERSON OR ORGANIZATION HAS ANY KNOWLEDGE OR INFORMATION WILL BE EXCLUDED FROM COVERAGE UNDER THE PROPOSED INSURANCE.**

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The Applicant declares that the information in this Application and in the materials submitted herewith is true, accurate and complete. Signing this Application does not bind the Applicant to purchase insurance, but it is agreed that this Application shall be the basis of any insurance policy issued.

The information requested in this Application does not constitute notice under any policy of a claim or potential claim. All such notices must be submitted pursuant to the terms of the policy under which coverage is sought.

If there is any material change in the answers to the questions in this Application before the policy inception date, the Applicant must immediately notify the Insurer in writing. In such case, any outstanding quotation may be modified or withdrawn.

**NOTICE: ANY PERSON WHO, KNOWINGLY OR WITH INTENT TO DEFRAUD OR TO FACILITATE A FRAUD AGAINST ANY INSURANCE COMPANY OR OTHER PERSON, SUBMITS AN APPLICATION OR FILES A CLAIM FOR INSURANCE CONTAINING FALSE, DECEPTIVE OR MISLEADING INFORMATION MAY BE GUILTY OF INSURANCE FRAUD.**

**NOTICE TO ALABAMA APPLICANTS:** 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 restitution or confinement in prison, or any combination thereof.

**NOTICE TO ARKANSAS, LOUISIANA, NEW MEXICO, RHODE ISLAND AND WEST VIRGINIA APPLICANTS:** 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.

**NOTICE TO COLORADO APPLICANTS:** 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.

**NOTICE TO DISTRICT OF COLUMBIA APPLICANTS:** 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.

**NOTICE TO FLORIDA APPLICANTS:** 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 in the third degree.

**NOTICE TO KANSAS APPLICANTS:** Any person who, knowingly and with intent to defraud, presents, causes to be presented or prepares with knowledge or belief that it will be presented to or by an insurer, purported insurer, broker or any agent thereof, any written, electronic, electronic impulse, facsimile, magnetic, oral or telephonic communication statement as part of, or in support of, an application for the issuance of, or the rating of an insurance policy for personal or commercial insurance, or a claim for payment or other benefit pursuant to an insurance policy for commercial or personal insurance which such person knows to contain materially false information concerning any fact material thereto; or conceals, for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act.

**NOTICE TO KENTUCKY APPLICANTS:** Any person who knowingly and with the 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.

**NOTICE TO MAINE, TENNESSEE, VIRGINIA AND WASHINGTON APPLICANTS:** 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.

**NOTICE TO MARYLAND APPLICANTS:** 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.

**NOTICE TO NEW JERSEY APPLICANTS:** Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties.

**NOTICE TO NEW YORK APPLICANTS:** 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.

**NOTICE TO OHIO APPLICANTS:** 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.

**NOTICE TO OKLAHOMA APPLICANTS:** 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.

**NOTICE TO OREGON APPLICANTS:** Any person who, knowingly and with intent to defraud or facilitate a fraud against any insurance company or other person, submits an application, or files a claim for insurance containing any false, deceptive, or misleading material information may be guilty of insurance fraud.

**NOTICE TO PENNSYLVANIA APPLICANTS:** Any person who knowingly and with the 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.

**NOTICE TO PUERTO RICO APPLICANTS:** Any person who knowingly and with the intent to defraud, presents false information in an insurance request form, or who presents, helps, or has presented a fraudulent claim for the payment of a loss or other benefit, or presents more than one claim for the same damage or loss, will incur a felony, and upon conviction will be penalized for each violation with a fine of no less than five thousand dollars (\$5,000) nor more than ten thousand dollars (\$10,000); or imprisonment for a fixed term of three (3) years, or both penalties. If aggravated circumstances prevail, the fixed established imprisonment may be increased to a maximum of five (5) years; if extenuating circumstances are present, it may be reduced to a minimum of two (2) years.

**This Application must be signed by any one of the following officials of the Applicant: Chief Executive Officer, Executive Director, Chief Financial Officer, President, General Counsel, Trustee, or Chairperson or any equivalent position.**

**Date:** \_\_\_\_\_

**Signature:** \_\_\_\_\_

**Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_

Affinity Insurance Services, Inc.  
dba Aon Affinity Insurance Services, Inc.  
CA lic # 0G94493  
2001 K Street, NW | Suite 625 North  
Washington, DC 20006

**PLEASE SUBMIT THIS PROPOSAL AND  
APPROPRIATE MATERIALS TO:**

**Affinity Nonprofits**  
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PO Box 549294  
Waltham, MA 02454-9294

**P: 800.432.7465**

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Affinity Nonprofits is the program name for the brokerage and program administration operations of Affinity Insurance Services, Inc. (TX 13695); (AR 100106022); in CA & MN, AIS Affinity Insurance Agency, Inc. (CA 0795465); in OK, AIS Affinity Insurance Services, Inc.; in CA, Aon Affinity Insurance Services, Inc. (CA 0G94493), Aon Direct Insurance Administrators and Berkely Insurance Agency and in NY, AIS Affinity Insurance Agency.