TRAVELERS

Social Engineering Fraud/Funds Transfer Fraud
Supplemental Commercial Crime Application
For HOA/Condo Associations

Travelers Casualty and Surety Company of America

The term **Applicant** means all corporations, organizations or other entities, including subsidiaries and Employee Benefit Plans subject to ERISA, that are proposed for the crime insurance coverage to which Social Engineering Fraud coverage is requested to be attached. Wherever the term 'Applicant' is used in this application, the question is also applicable to services provided by any Community Association Management Organization.

I. GENERAL INFORMATION

1. Name of Applicant:

Mailing Address:	City:	State:	ZIP:

2. Are all individuals who are responsible for authorizing and executing payments or funds transfer requests for the Insured provided anti-fraud training? Yes ☐ No ☐

3. Does the Applicant have procedures for identifying, reporting and handling suspicious phone calls and email messages? Yes ☐ No ☐

II. VENDOR CONTROLS

(Attach a separate sheet to this Supplemental Application with an explanation for any "No" answers to questions in this Section II. or if additional space is needed to support the request for the Social Engineering Insuring Agreement.)

1. Does the Applicant have procedures in place to verify the receipt of inventory, supplies, goods or services against an invoice *prior* to making payment to a Vendor? Yes ☐ No ☐

2. Does the Applicant or authorized individual have authority to pay vendors without prior board approval? Yes ☐ No ☐

   a) If yes, is there a dollar threshold that would require board approval? Yes ☐ No ☐

   b) If yes, what is the amount? $_____

3. Does the Applicant confirm all change requests regarding Vendor account information (including all bank account information, invoice changes, telephone or telefacsimile numbers, location and contact information) by a direct call to the Vendor using only the existing telephone number provided by the Vendor *prior* to receipt of the change request?

   (If yes, please also answer parts a, b, and c. below): Yes ☐ No ☐

   a. Does the Applicant refrain from implementing any such change requests until *after* the Vendor has responded to the Applicant's inquiry regarding change request authenticity? Yes ☐ No ☐

   b. Does the Applicant confirm all such change requests made by a Vendor with an individual (at the Vendor) other than the individual who requested the change? Yes ☐ No ☐

   c. Are the change requests made by a Vendor approved by individual *other than* the individual who received the change request, *before* it is acted upon? Yes ☐ No ☐

III. INTERNAL FUNDS TRANSFER INSTRUCTION CONTROLS

(Attach a separate sheet to this Supplemental Application with an explanation for any "No" answers to questions in this Section III. or if additional space is needed to support responses to the questions.)

1. Does the Applicant maintain a pre-established list of individuals authorized to initiate payment or funds transfer requests for reasons *other than* a Vendor invoice? Yes ☐ No ☐

2. Does the Applicant have procedures in place to verify the authenticity of any request for payment or funds transfer received by an authorized individual - from an internal company source (e.g., another employee, Property Manager, or department)? Yes ☐ No ☐

If yes, please describe such procedures: _____

_____

3. Do payments or funds transfers over a certain amount require authorization by more than one board member? Yes ☐ No ☐

If yes, what is that amount? $

4. Is there a limit on the number of funds transfers (e.g., wire transfers, ACH transfers, etc.) an individual can approve during a specified time period? (24 hours, 48 hours, 72 hours, 1 week, etc.) Yes ☐ No ☐

If yes, what is the number of transfers and at what time interval? _____

IV. LOSS INFORMATION

Has the Applicant sustained any Computer Fraud or Social Engineering Fraud losses during the past 3 years? Yes ☐ No ☐

If yes, please complete the following. Attach a separate sheet if more space is needed.

Date of Loss	Total Amount of Loss	Description of Loss and Corrective Action Taken

V. COMPENSATION NOTICE

For information about how Travelers compensates independent agents, brokers, or other insurance producers, please visit this website:

http://www.travelers.com/w3c/legal/Producer_Compensation_Disclosure.html

If you prefer, you can call the following toll-free number: 1-866-904-8348. Or you can write to us at Travelers, Agency Compensation, One Tower Square, Hartford, CT 06183.

This application, including any material submitted in conjunction with this application or any renewal, does not amend the provisions or coverages of any insurance policy or bond issued by Travelers. It is not a representation that coverage does or does not exist for any particular claim or loss under any such policy or bond. Coverage depends on the facts and circumstances involved in the claim or loss, all applicable policy or bond provisions, and any applicable law. Availability of coverage referenced in this document can depend on underwriting qualifications and state regulations.

VI. FRAUD WARNINGS

ALABAMA, ARKANSAS, DISTRICT OF COLUMBIA, MARYLAND, NEW MEXICO, AND RHODE ISLAND: Any person who knowingly (or willfully in MD) presents a false or fraudulent claim for payment of a loss or benefit or who knowingly (or willfully in MD) presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

COLORADO: 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.

FLORIDA: 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.

KENTUCKY, NEW JERSEY, NEW YORK, OHIO, AND PENNSYLVANIA: 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. (In New York, the civil penalty is not to exceed five thousand dollars

($5,000) and the stated value of the claim for each such violation.)

LOUISIANA, MAINE, TENNESSEE, VIRGINIA, AND WASHINGTON: 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.

OREGON: 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 may be guilty of a crime and may be subject to fines and confinement in prison.

PUERTO RICO: Any person who knowingly and with the intention of defrauding presents false information in an insurance application, or presents, helps, or causes the presentation of a fraudulent claim for the payment of a loss or any other benefit, or presents more than one claim for the same damage or loss, shall incur a felony and, upon conviction, shall be sanctioned for each violation with the penalty of a fine of not less than five thousand dollars ($5,000) and not more than ten thousand dollars ($10,000), or a fixed term of imprisonment for three (3) years, or both penalties. Should aggravating circumstances be present, the penalty thus established 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.

VII. SIGNATURES

THE UNDERSIGNED AUTHORIZED REPRESENTATIVE (PARTNER, PRINCIPAL OR OTHER OFFICER ACCEPTABLE TO TRAVELERS) OF THE APPLICANT DECLARES THAT TO THE BEST OF HIS/HER KNOWLEDGE AND BELIEF, AFTER REASONABLE INQUIRY, THE STATEMENTS SET FORTH IN THE ATTACHED TRAVELERS NEW BUSINESS OR RENEWAL APPLICATION FOR INSURANCE ARE TRUE AND COMPLETE AND MAY BE RELIED UPON BY TRAVELERS. IF THE INFORMATION IN ANY APPLICATION CHANGES PRIOR TO THE INCEPTION DATE OF THE POLICY, THE APPLICANT WILL NOTIFY THE COMPANY OF SUCH CHANGES, AND THE COMPANY MAY MODIFY OR WITHDRAW ANY OUTSTANDING QUOTATION. THE COMPANY IS AUTHORIZED TO MAKE INQUIRY IN CONNECTION WITH THIS APPLICATION.

THE SIGNING OF THIS APPLICATION DOES NOT BIND THE COMPANY TO OFFER, NOR THE APPLICANT TO PURCHASE, THE INSURANCE. IT IS AGREED THAT THIS APPLICATION, INCLUDING ANY MATERIAL SUBMITTED THEREWITH, SHALL BE THE BASIS OF THE INSURANCE AND SHALL BE, IN ALL STATES OTHER THAN NC AND UT, CONSIDERED PHYSICALLY ATTACHED TO AND PART OF THE POLICY, IF ISSUED. THE COMPANY WILL HAVE RELIED UPON THIS APPLICATION, INCLUDING ANY MATERIAL SUBMITTED THEREWITH, IN ISSUING THE POLICY.

REPRODUCED SIGNATURES, INCLUDING PHOTOCOPIES, WILL BE TREATED AS ORIGINAL.

Producer information only required in Florida and Iowa.

Authorized Representative Signature*: x	Authorized Representative Name - Printed	Date (mm/dd/yyyy):
Producer Signature*: x	State Producer License No (required in FL):	Date (mm/dd/yyyy):
Agency:	Agency Contact:	Agency Phone Number:

* If you are electronically submitting this document, apply your electronic signature to this form by checking the Electronic Signature and Acceptance box below. By doing so, you agree that your use of a key pad, mouse, or other device to check the Electronic Signature and Acceptance box constitutes your signature, acceptance, and agreement as if actually signed by you in writing and has the same force and effect as a signature affixed by hand.

☐ Electronic Signature and Acceptance – Authorized Representative
☐ Electronic Signature and Acceptance – Producer