



Program Manager:
McGowan Program Administrators
 (A Division of McGowan & Company, Inc.)
 Home Office – 20595 Lorain Road
 Fairview Park, OH 44126
 Phone: (440) 333-6300 / Fax: (440) 333-3214
www.mcgowanprograms.com

Submitted By:
 Agency: _____
 Address: _____

 Contact: _____
 Phone/Fax: () - / () - _____
 E-Mail: _____

Community Associations Crime & Fidelity Program Application for Insurance

Name of Association (Applicant):	
Mailing address:	
Physical address:	County:
Association website: www.	

Underwriting Information Section

Association Type: Condominium PUD (Planned Unit Development) Homeowners
 Townhome Timeshare/Interval Ownership Cooperative
 Mobile Home Commercial Association Master

1. # of Units: _____
2. Has Applicant been in existence less than a year? Yes No (Date Established: __ / __ / ____)
3. Average \$ held in all reserve accounts \$ _____ Average \$ held in operating accounts \$ _____
4. (a) # of employees: _____
 (b) # of employees who handle, have access to, or maintain records of money, securities, or other property (including, but not limited to, directors, officers, trustees and any person handling or having access to employee welfare or benefit plan assets): _____
5. Applicants Employee Welfare or Employee Benefit Plan: None _____

Internal Controls Section

6. Does Applicant prepare a financial statement at least annually? 6. Yes No
7. Countersignature Procedures
 (a) Over what amount is dual signature required? \$ _____ (“Countersignature Limit”)
 (b) Are all checks countersigned? (If “Yes,” and the “Countersignature Limit” is less than the Deductible desired under our policy, skip to Question #9) 7. (b) Yes No
8. Alternate Check Signing Controls
 (a) Is an approved voucher system used? 8. (a) Yes No
 Approved voucher system = All checks are prepared by the bookkeeper from vouchers and bills. The bookkeeper must be furnished with original vouchers or checks, copies of invoices or purchase orders which are all properly approved. From those papers the checks are prepared. The papers used in the preparation of the checks are noted by the bookkeeper and attached to the check which passes on to the individual authorized to sign. After the check is properly signed, all papers including the check are referred to another department or responsible individual where the papers are separated and the check is mailed to the payee. The papers are then placed in a permanent file for use in the reconciliation of the monthly statements.

- (b) Are authorized check signers instructed to require that all checks be accompanied by properly-approved vouchers and invoices? 8. (b) Yes No
- (c) Are systems designed so that no employee can control a check process from beginning to end (i.e. - request a check, approve a voucher, and sign a check)? 8. (c) Yes No

If 8. (a), (b), and (c) are answered "No," check signers will be excluded under our policy.

9. Are those who reconcile bank statements prohibited from:
- (a) Handling deposits in the account they reconcile? 9. (a) Yes No
- (b) Signing checks? 9. (b) Yes No

If ALL answers are "Yes," skip to Question #10.

10. Alternate Bank Reconciliation Controls

Does a second person review all reconciliations and the supporting documentation on at least a quarterly basis and initial their approval of the information? 10. Yes No

If "No," check signers will be excluded under our policy.

11. (a) Are bank accounts reconciled on at least a quarterly basis? 11.(a) Yes No
 If "No," how often are bank accounts reconciled? _____ (b) By whom: _____

If 10. (a) is answered "No," a warranty will be attached to our policy requiring at least quarterly reconciliation of bank accounts by Applicant.

12. Has the Applicant's bank been provided with:
- (a) Signature cards for all authorized check signers? 12. (a) Yes No
- (b) Account restrictions for check signers (i.e. - countersignature requirements, maximum limit of check authority, etc.)? 12. (b) Yes No

Social Engineering Fraud Section

13. Does the Applicant authenticate all Property Manager, vendor, supplier or association member fund transfer requests over the telephone, email, text message or similar method of communication? 13. Yes No
 If "Yes", prior to complying with the instruction which methods would apply:
- (a) Calling the requestor at a predetermined number? 13. (a) Yes No
- (b) Sending a text message to a predetermined number? 13. (b) Yes No
- (c) Some other method or combination of the above? 13. (c) Yes No
 Please describe: _____

14. Who in the Applicant's organization has the authority to initiate a wire transfer? Name: _____ Title: _____

15. Are employees and officers of the Applicant particularly those that are responsible for wire transfers or vendor/supplier bank accounts, provided with anti-fraud training to include how to detect phishing, spearphishing and other fraudulent social engineering schemes? 15. Yes No

Claims Information Section

16. Have there been any Crime or Fidelity losses within the past three (3) years: 16 Yes No

If there have been any losses within the past three (3) years, please provide currently-valued, carrier-generated loss runs and details via a separate attachment: (1) date loss discovered; (2) type of loss; (3) amount of loss; (4) amount, if any,

recovered from insurance; (5) amount, if any, recovered from the perpetrator; and, (6) describe the circumstances of the loss; and, (7) describe action(s) taken to help prevent the repetition of a Crime / Fidelity loss.

Prior Insurance Section

17. Current Crime & Fidelity Coverage

Policy Period: ___ / ___ / _____ to ___ / ___ / _____

Insurer: _____ Limits: _____ Retention: _____ Premium: _____

Property Manager Section

18. (a) Does Applicant have an independent property manager? 18. (a) Yes No

19. Is the Property Manager and/or its employees authorized to handle funds on behalf of Applicant? 19. Yes No

Name: _____
 Address: City: _____ State: _____ Zip Code: _____
 Phone: () _____ - _____ Fax: () _____ - _____
 E-Mail: _____
 Website: www. _____ . _____

Desired Limits

<input type="checkbox"/> Option #1	\$10,000 Employee Theft, Forgery, Computer Fraud, Funds Transfer Fraud (\$250 Deductible) \$25,000 Theft, Disappearance & Destruction (\$250 deductible)
<input type="checkbox"/> Option #2	\$25,000 Employee Theft, Forgery, Computer Fraud, Funds Transfer Fraud (\$250 Deductible) \$25,000 Theft, Disappearance & Destruction (\$250 deductible)
<input type="checkbox"/> Option #3	\$50,000 Employee Theft, Forgery, Computer Fraud, Funds Transfer Fraud (\$250 Deductible) \$25,000 Theft, Disappearance & Destruction (\$250 deductible)
<input type="checkbox"/> Option #4	\$75,000 Employee Theft, Forgery, Computer Fraud, Funds Transfer Fraud (\$250 Deductible) \$25,000 Theft, Disappearance & Destruction (\$250 deductible)
<input type="checkbox"/> Option #5	\$100,000 Employee Theft, Forgery, Computer Fraud, Funds Transfer Fraud (\$500 Deductible) \$25,000 Theft, Disappearance & Destruction (\$250 deductible)
<input type="checkbox"/> Option #6	\$150,000 Employee Theft, Forgery, Computer Fraud, Funds Transfer Fraud (\$500 Deductible) \$50,000 Theft, Disappearance & Destruction (\$500 deductible)
<input type="checkbox"/> Option #7	\$200,000 Employee Theft, Forgery, Computer Fraud, Funds Transfer Fraud (\$500 Deductible) \$50,000 Theft, Disappearance & Destruction (\$500 deductible)
<input type="checkbox"/> Option #8	\$250,000 Employee Theft, Forgery, Computer Fraud, Funds Transfer Fraud (\$1,000 Deductible) \$50,000 Theft, Disappearance & Destruction (\$500 deductible)
<input type="checkbox"/> Option #9	\$300,000 Employee Theft, Forgery, Computer Fraud, Funds Transfer Fraud (\$1,000 Deductible) \$75,000 Theft, Disappearance & Destruction (\$1000 deductible)
<input type="checkbox"/> Option #10	\$350,000 Employee Theft, Forgery, Computer Fraud, Funds Transfer Fraud (\$1,000 Deductible) \$75,000 Theft, Disappearance & Destruction (\$1,000 deductible)
<input type="checkbox"/> Option #11	\$400,000 Employee Theft, Forgery, Computer Fraud, Funds Transfer Fraud (\$2,500 Deductible) \$75,000 Theft, Disappearance & Destruction (\$1000 deductible)
<input type="checkbox"/> Option #12	\$450,000 Employee Theft, Forgery, Computer Fraud, Funds Transfer Fraud (\$2,500 Deductible) \$75,000 Theft, Disappearance & Destruction (\$1,000 deductible)
<input type="checkbox"/> Option #13	\$500,000 Employee Theft, Forgery, Computer Fraud, Funds Transfer Fraud (\$5,000 Deductible) \$100,000 Theft, Disappearance & Destruction (\$1,000 deductible)
<input type="checkbox"/> Option #14	\$600,000 Employee Theft, Forgery, Computer Fraud, Funds Transfer Fraud (\$5,000 Deductible) \$100,000 Theft, Disappearance & Destruction (\$1,000 deductible)
<input type="checkbox"/> Option #15	\$700,000 Employee Theft, Forgery, Computer Fraud, Funds Transfer Fraud (\$7,500 Deductible) \$100,000 Theft, Disappearance & Destruction (\$1,000 deductible)
<input type="checkbox"/> Option #16	\$800,000 Employee Theft, Forgery, Computer Fraud, Funds Transfer Fraud (\$7,500 Deductible)

	\$100,000 Theft, Disappearance & Destruction (\$1,000 deductible)
<input type="checkbox"/> Option #17	\$900,000 Employee Theft, Forgery, Computer Fraud, Funds Transfer Fraud (\$7,500 Deductible) \$100,000 Theft, Disappearance & Destruction (\$1,000 deductible)
<input type="checkbox"/> Option #18	\$1,000,000 Employee Theft, Forgery, Computer Fraud, Funds Transfer (\$10,000 Deductible) \$100,000 Theft, Disappearance & Destruction (\$1,000 deductible)

Anti-Fraud

The Undersigned Insurance Broker And Insured Declare That To The Best Of Their Knowledge And Belief And Warrant That The Statements Set Forth Herein Are True. The Undersigned Further Declares That Any Occurrence Or Event Taking Place Prior To The Effective Date Of The Insurance Applied For Which May Render Inaccurate, Untrue, Or Incomplete Any Statement Made Will Immediately Be Reported In Writing To The Insurer And The Insurer May Withdraw Or Modify Any Outstanding Quotations And/Or Authorization Or Agreement To Bind The Insurance. The Insurer Is Hereby Authorized, But Not Required, To Make Any Investigation And Inquiry In Connection With The Information, Statements And Disclosures Provided In This Application, The Decision Of The Insurer Not To Make Or To Limit Any Investigation Or Inquiry Shall Not Be Deemed A Waiver Of Any Rights By The Insurer And Shall Not Stop The Insurer From Relying On Any Statement In This Application In The Event The Policy Is Issued. It Is Agreed That This Application Shall Be The Basis Of The Contract Should A Policy Be Issued And It Will Be Attached And Become A Part Of The Policy. Any Person Who Knowingly And With Intent To Defraud Any Insurance Company Or Other Person Files An Application For Insurance Containing False Information Concerning Any Material Fact Thereto, Or Conceals Information For The Purpose Of Misleading, Commits A Fraudulent Insurance Act, Which Is A Crime.

_____, 20____
Signature of Applicant **Date**
(President or Property Manager)

_____, 20____
Signature of Insurance Broker **Date**

Print Name: _____

Print Name: _____

Title: _____

Title: Insurance Broker

MAINE 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 MAY INCLUDE IMPRISONMENT, FINES, OR DENIAL OF INSURANCE BENEFITS.

NEBRASKA 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.

NORTH DAKOTA FRAUD STATEMENT: 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 SHALL ALSO BE SUBJECT TO A CIVIL PENALTY.

OHIO AND OREGON 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.

OKLAHOMA FRAUD STATEMENT: 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.

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 PERSONS TO CRIMINAL AND CIVIL PENALTIES.

UTAH 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. IN REGARDS TO DEFENSE AND SETTLEMENT, IT IS FURTHER AGREED THAT: ANY MATTER IN DISPUTE BETWEEN YOU, THE INSURED, AND THE COMPANY MAY BE SUBJECT TO ARBITRATION AS AN ALTERNATIVE TO COURT ACTION PURSUANT TO THE RULES OF THE AMERICAN ARBITRATION ASSOCIATION OR OTHER RECOGNIZED ARBITRATOR, A COPY OF WHICH IS AVAILABLE ON REQUEST FROM THE COMPANY. ANY DECISION REACHED BY ARBITRATION SHALL BE BINDING UPON BOTH YOU, THE INSURED, AND THE COMPANY. THE ARBITRATION AWARD MAY INCLUDE ATTORNEY'S FEES IF ALLOWED BY STATE LAW AND MAY BE ENTERED AS A JUDGMENT IN ANY COURT OF PROPER JURISDICTION.

VIRGINIA FRAUD STATEMENT: ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD AN INSURER, SUBMITS AN APPLICATION FOR INSURANCE OR FILES A CLAIM CONTAINING A FALSE OR DECEPTIVE STATEMENT IS GUILTY OF INSURANCE FRAUD. THE LIMIT OF LIABILITY FOR THE EXTENSION PERIOD APPLICABLE TO COVERAGE PART A AND COVERAGE PART B SHALL BE PART OF, AND NOT IN ADDITION TO THE LIMIT SPECIFIED IN THE DECLARATIONS.

WASHINGTON FRAUD STATEMENT: ANY PERSON, WHO, KNOWING IT TO BE SUCH: (1) PRESENTS, OR CAUSES TO BE PRESENTED, A FALSE OR FRAUDULENT CLAIM OR ANY PROOF IN SUPPORT OF SUCH A CLAIM, FOR THE PAYMENT OF A LOSS UNDER A CONTRACT OF INSURANCE; OR (2) PREPARES, MAKES, OR SUBSCRIBES ANY FALSE OR FRAUDULENT ACCOUNT, CERTIFICATE, AFFIDAVIT, OR PROOF OF LOSS, OR OTHER DOCUMENT OR WRITING, WITH INTENT THAT IT BE PRESENTED OR USED IN SUPPORT OF SUCH A CLAIM, IS GUILTY OF A GROSS MISDEMEANOR, OR IF SUCH CLAIM IS IN EXCESS OF ONE THOUSAND FIVE HUNDRED DOLLARS, OF A CLASS C FELONY.

FRAUD STATEMENT (ALL OTHER STATES): 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 THOUSANDS DOLLARS AND THE STATED VALUE OF THE CLAIM FOR EACH SUCH VIOLATION.

NEW YORK DISCLOSURE NOTICE: THIS POLICY SHALL PROVIDE NO COVERAGE FOR CLAIMS ARISING OUT OF INCIDENTS, OCCURRENCES OR ALLEGED WRONGFUL ACTS WHICH TOOK PLACE PRIOR TO THE RETROACTIVE DATE, IF ANY, STATED IN THE POLICY. IF THE OPTIONAL FIDUCIARY LIABILITY ENDORSEMENT IS PURCHASED, CLAIMS FOR FIDUCIARY LIABILITY SHALL REDUCE THE LIMITS OF LIABILITY CONTAINED IN THE POLICY BY DEFENSE COSTS, AND MAY COMPLETELY EXHAUST THE LIMITS OF LIABILITY OF THE POLICY FOR FIDUCIARY LIABILITY CLAIMS. TO THE EXTENT THAT POLICY LIMITS ARE EXHAUSTED FOR FIDUCIARY LIABILITY CLAIM(S) BY LEGAL DEFENSE COSTS, THE COMPANY SHALL NOT BE LIABLE FOR LEGAL DEFENSE COSTS OR FOR THE AMOUNT OF ANY JUDGMENT OR SETTLEMENT AS RESPECTS THE FIDUCIARY LIABILITY COVERAGE. THIS POLICY SHALL ONLY COVER THOSE CLAIMS ACTUALLY MADE AGAINST THE INSURED WHILE THE POLICY REMAINS IN EFFECT FOR INCIDENTS REPORTED DURING THE POLICY PERIOD OR ANY SUBSEQUENT RENEWAL OF THIS POLICY OR ANY EXTENDED REPORTING PERIOD AND ALL COVERAGE UNDER THE POLICY SHALL CEASE UPON THE TERMINATION OF THE POLICY EXCEPT FOR THE AUTOMATIC EXTENDED REPORTING COVERAGE UNLESS THE INSURED PURCHASES ADDITIONAL EXTENDED REPORTING PERIOD COVERAGE. THIS POLICY INCLUDES AN AUTOMATIC EXTENDED REPORTING PERIOD COVERAGE. THIS AUTOMATIC EXTENDED REPORTING PERIOD IS FOR 60 DAYS OR 90 DAYS IF THE INSURED IS A PUBLIC ENTITY. THIS POLICY PROVIDES THE INSURED, FOR AN ADDITIONAL PREMIUM, AN OPTIONAL EXTENDED REPORTING PERIOD OF THREE (3) YEARS FROM THE TERMINATION OF THIS POLICY. POTENTIAL COVERAGE GAPS MAY ARISE UPON TERMINATION OF SUCH EXTENDED REPORTING PERIOD COVERAGE. DURING THE FIRST SEVERAL YEARS OF A CLAIMS-MADE POLICY, CLAIMS-MADE RATES ARE COMPARATIVELY LOWER THAN OCCURRENCE RATES AND THE INSURED CAN EXPECT SUBSTANTIAL ANNUAL PREMIUM INCREASES, INDEPENDENT OF OVERALL RATE LEVEL INCREASES, UNTIL THE CLAIMS-MADE RELATIONSHIP HAS REACHED MATURITY. IF THE POLICY IS TERMINATED ON THE NEXT ANNIVERSARY DATE, THE PREMIUM THAT WILL BE CHARGED FOR EACH EXTENDED REPORTING PERIOD COVERAGE OPTION SHALL BE 30% OF THE FULL ANNUAL PREMIUM FOR A ONE YEAR EXTENSION, 60% OF THE FULL ANNUAL PREMIUM FOR A TWENTY-FOUR MONTH EXTENSION, AND 120% OF THE FULL ANNUAL PREMIUM FOR A THREE YEAR EXTENSION. IF THE PRIMARY ADDRESS OF THE LOCATION LISTED IN ITEM #1 IS IN THE STATE OF **FLORIDA** OR **IOWA**, THESE STATES REQUIRE THAT WE HAVE THE NAMES AND ADDRESS OF YOUR (INSURED'S) AUTHORIZED AGENT OR BROKER.