

Bond No. _____

Administrative Offices
1299 Zurich Way
Schaumburg, IL 60196



ZURICH AMERICAN INSURANCE COMPANY

Zurich Labor Organization Bond Endorsement Application

Instructions:

1. This application must be completed in full, including all required attachments. If any questions do not apply, print N/A in the space. If there is insufficient space to complete an answer, please continue on a separate sheet indicating the question number.
2. The statements set forth by the applicant herein are true. The signing of this application does not bind the Insurer or the **Insured** to effect insurance. The undersigned agrees that this application, its attachments and any materials submitted therewith are true, complete and accurate as of the date thereof. These representations shall be the basis of the contract should a **Bond** with the **Labor Organization Bond Endorsement** be issued and shall be deemed attached to and shall form part of the **Bond**. The application, its attachments and any materials submitted therewith are considered physically attached to the **Bond**, if issued, and will be deemed incorporated therein. The Insurer is hereby authorized to make any investigation and inquiry in connection with this application that it deems necessary.
3. The bolded terms have the same meaning in this application as in the **Bond** and the **Labor Organization Bond Endorsement**.

EBERTS & HARRISON
Union Insurance by Union Agents

III. ADDITIONAL COVERAGE INFORMATION: Please complete the below schedule with the requested additional Insuring Agreements, Limits of Liability and Deductible Amounts applicable to all **Insureds** listed above.

Additional Insuring Agreement(s) Requested	Applicable Limit Requested	Applicable Deductible Requested
Faithful Discharge of Duties	This amount shall be equal to the applicable Fraud or Dishonesty Limit of Liability set forth in the SCHEDULE above.	N/A
	Yes No	
Fraudulent Impersonation		
Forgery or Alteration		
Computer Fraud and Funds Transfer Fraud		
Investigative Expenses		N/A
On Premises and In Transit		

IV. INSURED SPECIFIC QUESTIONS:

1.	Do any of the Insureds utilize the services of outside consultants? (If so, check all that apply)											
	<table style="width: 100%; border: none;"> <tr> <td style="border: none;">Investment Advisor</td> <td style="border: none;">Actuary</td> <td style="border: none;">Legal Counsel</td> <td style="border: none;">Administrator</td> </tr> <tr> <td style="border: none;">Custodian</td> <td style="border: none;">CPA</td> <td style="border: none;">Outside Trustee</td> <td style="border: none;">Investment Manager</td> </tr> </table>	Investment Advisor	Actuary	Legal Counsel	Administrator	Custodian	CPA	Outside Trustee	Investment Manager			
Investment Advisor	Actuary	Legal Counsel	Administrator									
Custodian	CPA	Outside Trustee	Investment Manager									
2.	Is any Insured subject to an independent CPA audit?	Yes	No									
	If "No", please explain											
3.	Are bank accounts reconciled by someone not authorized to deposit or withdraw funds from the account?	Yes	No									
4.	Is countersignature of checks required?	Yes	No									
	a) If "Yes", what is the minimum amount?											
	b) If "No", who signs?											
5.	Are internal controls designed so that no employee can control any transaction from beginning to end (e.g., approve a voucher, request and sign a check)?	Yes	No									
6.	Is the responsibility for authorizing vendors, approving invoices and processing payments segregated among different employees?	Yes	No									
7.	Does any employee have access to both the purchasing system and the accounts payable system?	Yes	No									
8.	Does the applicant provide its Employees with credit cards issued in its/their names?	Yes	No									
	If so, where are the statements mailed?											
	Does another individual, other than authorized cardholder, reconcile the statements monthly?	Yes	No									
9.	Do the Applicants allow its Employees to have debit cards tied to its account?	Yes	No									
	If not, has the Applicant notified its bank of such prohibition?	Yes	No									

V. ADDITIONAL COVERAGE(S) QUESTIONS, IF APPLICABLE – Please complete the following section if Faithful Discharge of Duties, Fraudulent Impersonation, Forgery or Alteration or Computer and Funds Transfer Fraud Insuring Agreements are being requested by the applicant.

1.	Does the applicant verify any changes to Insured's mailing address or contact information with a method independent of the requester (postal notice, email to address on file, telephone call?) prior to processing the change? If "Yes", please describe:	Yes	No
2.	Does the applicant, prior to transferring Money or Securities at the request of an Insured : a) Attempt to confirm the identity of the requestor with a password, PIN, token or other unique security code? b) Attempt to verify such instructions with a telephone call to a predetermined number set forth in the Insured's agreement with the applicant? c) Maintain a contemporaneous record of any call performed by the applicant? If "No" to any of the questions above, please describe the method by which electronic requests for Money or Securities by any Insured are screened and verified by the applicant. Attach additional pages if necessary. Confirmation of an alternative verification protocol must be provided in writing by the Named Insured , if a bond is issued in reliance on this Application.	Yes	No
3.	Does the applicant confirm changes requested by a vendor/supplier with a person independent of the requestor of the change, with any changes being implemented only after contact is made with the vendor/supplier at a predetermined phone number and the requested change is verified?	Yes	No
4.	Does the applicant require that all outgoing payments or funds transfers require dual authorization in writing by two Employees ? If "No", is there a specific amount for which dual authorization is required? What is the amount?	Yes	No
5.	Does the applicant's wire transfer system or accounting system maintain an active audit trail of authority for all funds transfers approved and released?	Yes	No
6.	Are Employees that are responsible for wire transfers provided anti-fraud training, including but not limited to detection of social engineering, phishing and other email scams?	Yes	No
7.	Does the applicant require all banking partners to call the applicant at a predetermined number before any transfer request is performed, either online, over the telephone or by electronic means? If "No", please attach a description of the process outlined in the applicant's banking agreement to verify funds transfer requests made remotely by the applicant.	Yes	No
8.	Are ACH and wire transfers allowed? If so, who has the authority to release a wire transfer? What controls are in place to prevent fraud or theft with respect to wire transfers? If online banking software is used to perform ACH and wire transfer functions, is access to the portal restricted to specific users and/or terminals, using multifactor authentication (user names and passwords combined with a token or security code issued by the bank)?	Yes	No

VI. OUTSIDE FINANCIAL SERVICE PROVIDERS: Please complete the following. If the applicant does not use a service, please write "None" _____.

1.	Has the applicant conducted a due diligence review of each of its service providers in the last three years?	Yes	No
2.	Has the applicant conducted a check to ensure that each Insured's Service Providers is registered with the proper regulatory authorities and is properly licensed?	Yes	No
3.	If a Third Party Administrator is used, does the applicant contractually require evidence of fidelity insurance? If "Yes", how much insurance is required?	Yes	No

VII. PRIOR LOSS EXPERIENCE: Please list any losses sustained by any of the applicants during the past five (5) years. Attach an additional sheet if necessary.

Date of Loss	Description of Loss (Please include controls that were circumvented, controls that were missing and steps taken to remediate the cause of the loss)	Total Amount of Loss	Prior Insurance Carrier	Covered Under Prior Insurance Carrier	Open or Closed
				Yes	Open
				No	Closed
				Yes	Open
				No	Closed
				Yes	Open
				No	Closed
				Yes	Open
				No	Closed
				Yes	Open
				No	Closed
				Yes	Open
				No	Closed

MATERIAL CHANGE: If there is any material change in the answers to the questions in this Zurich Labor Organization Bond Endorsement Application before the **Bond** inception date, the applicant must immediately notify the Insurer in writing, and any outstanding quotation may be modified or withdrawn.

The undersigned, on behalf of the **Insureds**, agrees that if the information in the Declarations and representations contained in this application and its attachments materially changes between the date of this application and the inception of the proposed coverage, the undersigned will immediately report in writing to the Insurer such change, and the Insurer may withdraw or modify any outstanding quotations or agreements to bind coverage. The undersigned acknowledges and agrees that the Insurer's receipt of such written report, prior to inception of the proposed coverage, is a condition precedent to coverage.

Prior to signing this application, review the applicable statutory fraud notices as they may apply to the applicant's place of domicile.

VIII. FRAUD WARNINGS:

Any person who knowingly and with intent to defraud any insurance company or another 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 may subject the person to criminal and civil penalties.

Arkansas, Louisiana, Rhode Island, or West Virginia: 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.

Alabama: 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, fines or confinement in prison, or any combination thereof.

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.

District of Columbia: 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.

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.

Kansas: 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 or 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.

Kentucky: 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.

Tennessee or 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 may include imprisonment, fines or a denial of insurance benefits.

Maine: 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 a denial of insurance benefits.

Maryland: 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.

Minnesota: A person who files a claim with intent to defraud or helps commit a fraud against an insurer is guilty of a crime.

New Jersey: 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: 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.

Ohio: 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: 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.

Oregon: Any person who knowingly and with intent to defraud any insurer or other person files an application for insurance or statement of claim containing any materially false information upon which an insurer relies, if such information was either material to the risk assumed by the insurer or the misinformation was provided fraudulently, may commit a fraudulent insurance act, which may be a crime and may subject the person to criminal and civil penalties.

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.

Texas: Any person who knowingly presents a false or fraudulent claim for the payment of a loss is guilty of a crime and may be subject to fines and confinement in state prison.

Vermont: Any person who knowingly presents a false statement in an application for insurance may be guilty of a criminal offense and subject to penalties under state law.

Virginia: It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company.

NOTICE TO SOUTH DAKOTA APPLICANTS:

No misrepresentation, omission, concealment of fact, or incorrect statement prevents recovery under the policy or contract unless:

- (1) The misrepresentation, omission, concealment or incorrect statement of fact is fraudulent or an intentional misrepresentation of a material fact; or
- (2) The misrepresentation, omission, concealment of fact or incorrect statement is material either to the acceptance of the risk, or to the hazard assumed by the insurer; or
- (3) The insurer in good faith would either not have issued the policy or contract or would not have issued it at the same premium rate, or would not have issued a policy in as large an amount, or would not have provided coverage with respect to the hazard resulting in the loss, if the true facts had been known to the insurer as required either by the application for the policy or contract or otherwise.

New York Fraud Warning: 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.

Application Completed By:

Name (Print):

Signature:

Title:

Date:

Producer Information (Required in Florida, Iowa and New Hampshire):

Producer Name (Print):

Producer Signature:

Agency/Broker Name:

Agency/Broker Code:

License Number:

EBERTS & HARRISON *Union Insurance by Union Agents*

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