

# FRAUDULENT IMPERSONATION INSURANCE APPLICATION

I. GENERAL INFORMATION		
Name Of Insured (Applicant):		
Applicant's Mailing Address:		
Street:	State:	Zip Code:
City:		
II. COVERAGE REQUESTED		
Fraudulent Impersonation Insuring Agreement	Limit Of Insurance \$	Deductible Amount \$
III. UNDERWRITING		
<b>Clients</b>		
1. Does the Applicant have procedures in place to verify new clients prior to initiating any financial transactions with them?	Yes	No
If "Yes", check all that apply:		
a. Credit/background check, including D&B Report or similar report	Yes	No
b. Bank account information	Yes	No
c. Confirmation of physical location	Yes	No
d. Other (specify):	Yes	No
2. Does the Applicant accept prepayment by clients for goods or services to be delivered or performed at a later date?	Yes	No
3. Does the Applicant have a procedure in place to verify incoming checks with the issuing financial institution to confirm availability of funds prior to delivering goods or performing services or transferring funds by wire?	Yes	No
4. Does the Applicant have custody or control over any funds or accounts of any client including, but not limited to, escrow or trust accounts?	Yes	No
If "Yes", please explain:		

5. Does the Applicant have access to clients' financial systems (such as accounting payroll or purchasing) or perform bill payment services?

Yes ☐ No ☐

If "Yes", please explain:

6. For client-initiated payments, funds transfer instructions, requests to change bank account information or wire transfer information, please indicate the method(s) of communication by which such instructions or requests are received by the Applicant (such as telephone, email, text message, instant message, telefacsimile, in writing, etc.):

7. With regard to Item 6. above, does the Applicant verify such payments, funds transfer instructions, changes in bank account information or changes in wire transfer information by direct call to the client or other prearranged procedure (excluding email) established with the client before acting upon such payment or request?

Yes ☐ No ☐

If "Yes", please answer the following:

- a. Is a callback or other verification attempt performed by an employee other than the employee who received the funds transfer instruction or request to change bank account information or wire transfer information?
- b. Are funds transfer instructions and other such change requests verified by the Applicant with someone other than the person who initiated the funds transfer instruction or change request?
- c. Is a contemporaneous record made of the verification attempt?
- d. Does the Applicant refrain from making any funds transfer or change to bank account or wire transfer information until the client has had the opportunity to respond to the Applicant's inquiry regarding the validity of the funds transfer instruction or change in bank account or wire transfer information?

Yes ☐ No ☐

Yes ☐ No ☐

Yes ☐ No ☐

Yes ☐ No ☐

8. Does the Applicant require that all funds transfer instructions and changes to bank account or wire transfer information be approved by a supervisor of the person who received such instruction or change request before it is acted upon?

Yes ☐ No ☐

#### **Vendors**

9. Is all vendor bank information verified by a direct call to the receiving bank prior to the account being established in the Applicant's accounts payable system?

Yes ☐ No ☐

10. Are there procedures in place to verify invoices and other payment requests received from the vendor prior to making payment? Yes ☐ No ☐

11. Does the Applicant verify all funds transfer instructions and changes requested by vendors (including changes to bank account information, wire transfer information, invoice charges, telephone and other contact information) by direct call to the vendor or other prearranged procedure (excluding email) established with the vendor before such funds transfer instruction or change request was received? Yes ☐ No ☐

If "Yes", please answer the following:

a. Is the verification attempt performed by an employee other than the employee who received the change request or instructions to transfer funds? Yes ☐ No ☐

b. Is a contemporaneous record made of the verification attempt? Yes ☐ No ☐

c. Does the Applicant require that all such change requests or instructions to transfer funds be approved by a supervisor of the employee who received the change or funds transfer request before it is acted upon? Yes ☐ No ☐

**Internal Payment And Funds Transfer Requests**

12. Does the Applicant maintain a list of authorized persons (i.e., officers, employees, ERISA plan officials, partners, members, directors or trustees) who are authorized to initiate internal payment requests or funds transfers requests? Yes ☐ No ☐

If "Yes", please answer the following:

a. Does the Applicant have procedures in place to verify the authenticity of any such payment request or funds transfer request? Yes ☐ No ☐

If "Yes", please describe these procedures:

b. Does the Applicant require that any internal payment or funds transfer request made by an officer or employee be approved by a supervisor of the person who received such request before being acted upon? Yes ☐ No ☐

c. Are all such procedures established and consistently applied across the entire entity? Yes ☐ No ☐

13. Do payment requests or funds transfer requests require dual authorization over a certain amount before being acted upon? Yes ☐ No ☐

If "Yes", what is that amount? \$

## **FRAUD STATEMENTS**

### **Applicable To All Jurisdictions Other Than Those Shown Below**

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.

#### **California**

For your protection, California law requires the following to appear on this form: Any person who knowingly presents false or fraudulent information to obtain or amend insurance coverage or to make a claim for the payment of a loss is guilty of a crime and may be subject to fines and confinement in state 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.

#### **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 an 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.

#### **Hawaii**

For your protection, Hawaii law requires you to be informed that any person who presents a fraudulent claim for payment of a loss or benefit is guilty of a crime punishable by fines or imprisonment, or both.

#### **Kansas**

Any person who commits a fraudulent insurance act is guilty of a crime and may be subject to restitution, fines and confinement in prison. A fraudulent insurance act means an act committed by 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 or insurance agent or broker, any written, electronic, electronic impulse, facsimile, magnetic, oral, or telephonic communication or statement as part of, or in support of, an application for insurance, or the rating of an insurance policy, or a claim for payment or other benefit under an insurance policy, which such person knows to contain materially false information concerning any material fact thereto; or conceals, for the purpose of misleading, information concerning any fact material thereto.

#### **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.

#### **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.

### **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.

### **New York**

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**

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 presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents materially false information in an application for insurance may be guilty of a crime and may be subject to fines and confinement in prison.

In order for us to deny a claim on the basis of misstatements, misrepresentations, omissions or concealments on your part, we must show that:

- A.** The misinformation is material to the content of the policy;
- B.** We relied upon the misinformation; and
- C.** The information was either:
  - 1.** Material to the risk assumed by us; or
  - 2.** Provided fraudulently.

For remedies other than the denial of a claim, misstatements, misrepresentations, omissions or concealments on your part must either be fraudulent or material to our interests.

Misstatements, misrepresentations, omissions or concealments on your part are not fraudulent unless they are made with the intent to knowingly defraud.

### **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.

### **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 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 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.

### **Tennessee**

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.

### **Vermont**

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

### **Virginia**

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.

### **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.

<b>Person Authorized To Complete This Application For The Insured (Applicant):</b>
Name (Print):
Signature:
Title:
Date:
<b>Producer Information:</b>
Name (Print):
Signature:
Agency Name:
Agency Code:
License Number: