

# Application

## FINANCIAL INSTITUTION BOND STANDARD FORM NO. 25 FOR INSURANCE COMPANIES

FL- 033 BOND 25



APPLICATION IS HEREBY MADE BY (List all insured's, including Employee Benefit Plans) \_\_\_\_\_

PRINCIPAL ADDRESS (Herein called the insurer) \_\_\_\_\_

FOR A FINANCIAL INSTITUTION BOND, STANDARD FORM NO. 24, TO BECOME EFFECTIVE AS OF 12:01 A.M. ON \_\_\_\_\_

TO 12:01 A.M. ON \_\_\_\_\_ IN THE AGGREGATE LIMIT OF LIABILITY OF \$ \_\_\_\_\_

DATE INSURED WAS ESTABLISHED \_\_\_\_\_ NAME OF PRIOR CARRIER \_\_\_\_\_

1. IDENTIFY YOUR PRINCIPAL LINE(S) OF INSURANCE: \_\_\_\_\_

2. FOR ALL INSURED'S, SHOW THE TOTAL NUMBER OF: \_\_\_\_\_ NO. OF

(A) SALARIED OFFICERS, EMPLOYEES AND PERSONS PROVIDED BY EMPLOYMENT CONTRACTORS \_\_\_\_\_

(B) LOCATIONS (OTHER THAN THE HOME OFFICE OF THE FIRST NAMED INSURED) IN THE U.S. AND CANADA,  
WHERE INSURANCE OPERATIONS ARE CONDUCTED \_\_\_\_\_

(C) LOCATIONS OUTSIDE THE U.S. AND CANADA, WHERE NON-INSURANCE OPERATIONS ARE CONDUCTED \_\_\_\_\_

(D) LOCATIONS OUTSIDE OF THE U.S. AND CANADA, WHERE INSURANCE AND NON-INSURANCE OPERATIONS  
ARE CONDUCTED, LIST BELOW: \_\_\_\_\_

LOCATION

LOCATION

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

3. COMPLETE THE FOLLOWING:

(A) AS OF LATEST DEC. 31

TOTAL ASSETS

\$ \_\_\_\_\_

(B) AS OF LATEST JUNE 30

\$ \_\_\_\_\_

4. COMPLETE THE FOLLOWING FOR OPTIONAL COVERAGE'S DESIRED:

FORM OF COVERAGE

SINGLE LOSS LIMIT

(A) IS INSURING AGREEMENT (D)- FORGERY OR ALTERATION COVERAGE DESIRED? YES [ ] NO [ ] \$ \_\_\_\_\_

(B) IS INSURING AGREEMENT (E)- SECURITIES COVERAGE DESIRED? YES [ ] NO [ ] \$ \_\_\_\_\_

(C) IS TRADING LOSS COVERAGE DESIRED? YES [ ] NO [ ] \$ \_\_\_\_\_

(D) IS EXTORTION- THREATS TO PERSONS COVERAGE DESIRED? YES [ ] NO [ ] \$ \_\_\_\_\_

If "Yes," list below locations to be excluded:

LOCATION

LOCATION

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(E) IS EXTORTION- THREATS TO PROPERTY COVERAGE DESIRED? YES [ ] NO [ ] \$ \_\_\_\_\_

If "Yes," list below locations to be excluded:

LOCATION

LOCATION

\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

SINGLE LOSS LIMIT

(F) IS COMPUTER SYSTEMS FRAUD COVERAGE DESIRED? YES [ ] NO [ ] \$ \_\_\_\_\_

If "Yes," complete the following:

(1) INSURED'S COMPUTER SYSTEM(S)

FOR THE COMPUTER SYSTEM(S) YOU OPERATE, WHETHER OWNED OR LEASED, COMPLETE THE FOLLOWING:

(A) NUMBER OF INDEPENDENT SOFTWARE CONTRACTORS AUTHORIZED TO DESIGN, IMPLEMENT OR SERVICE PROGRAMS

FOR YOUR SYSTEM(S) \_\_\_\_\_

(B) IS ACCESS TO YOUR SYSTEM(S) BY AGENTS, BROKERS OR OTHER OUTSIDE PARTIES PERMITTED? YES [ ] NO [ ]

(2) OTHER COMPUTER SYSTEMS

LIST BELOW OTHER COMPUTER SYSTEMS FOR WHICH COVERAGE IS DESIRED:

COMPUTER SYSTEM(S)

(G) IS COMPUTER DESIRED ON YOUR APPOINTED OR ELECTED AGENTS, WHETHER THEY BE PERSONS, PARTNERSHIPS OR CORPORATIONS WHILE PERFORMING ANY ACT OR SERVICE IN CONNECTION WITH THE ORDINARY CONDUCT OF YOUR BUSINESS? (LIFE INSURANCE COMPANIES ONLY) YES [ ] NO [ ]

If "Yes," complete the following list below the name, capacity in which agent serves, and single loss limit of liability on each agent:

NAME & LOCATION	SINGLE LOSS LIMIT	NAME & LOCATION	SINGLE LOSS LIMIT
	\$		\$

(H) IS COVERAGE DESIRED ON DRAFT-SIGNERS, WHO WHILE IN THE SERVICE OF A POLICYHOLDER OF THE INSURED ARE AUTHORIZED TO SIGN DRAFTS ON YOUR BEHALF? YES [ ] NO [ ]

If "Yes", list below the name and location of each policyholder and draft-signer:

NAME & LOCATION	NAME & LOCATION

(I) IS COVERAGE DESIRED ON BUSINESSES ENGAGED IN THE DATA PROCESSING OF YOUR CHECKS OR OTHER ACCOUNTING RECORDS? YES [ ] NO [ ]

If "Yes", list below the name and location of each data processor:

NAME & LOCATION	NAME & LOCATION

5. ARE YOU A DIRECT PARTICIPANT IN A DEPOSITORY FOR THE CENTRAL HANDLING OF SECURITIES? YES [ ] NO [ ]

If "Yes", list below the name and location of each depository:

NAME & LOCATION	NAME & LOCATION

6. FOR THE DEDUCTIBLES, COMPLETE THE FOLLOWING: (NOTE: DEDUCTIBLE ON INSURING AGREEMENTS (D) AND (E) MUST BE AT LEAST EQUAL TO THAT CARRIED ON THE BASIC BOND COVERAGE. DEDUCTIBLES ON EXTORTION COVERAGE MAY BE WRITTEN IN ANY AMOUNT.)

COVERAGE	SINGLE LOSS DEDUCTIBLE
(A) ALL COVERAGE'S EXCEPT INSURING AGREEMENTS (D), (E), EXTORTION	\$ _____
(B) INSURING AGREEMENT (D) – FORGERY OR ALTERATION	\$ _____
(C) INSURING AGREEMENT (E) – SECURITIES	\$ _____
(D) EXTORTION –THREATS TO PERSONS	\$ _____
(E) EXTORTION –THREATS TO PROPERTY	\$ _____

7. IF COVERAGE IS BEING WRITTEN ON AN EXCESS, CONCURRENT OR CO-SURETY, SHOW THE NAMES OF THE OTHER CARRIERS AND BOND LIMITS. IN THE CASE OF CO-SURETY, ALSO SHOW THE PERCENTAGE PARTICIPATION.

8. IF COVERAGE IS BEING WRITTEN ON A COINSURANCE BASIS, SHOW YOUR PERCENTAGE PARTICIPATION: \_\_\_\_\_%.  
 (NOTE: INSURED'S MAY ASSUME A PARTICIPATION OF BETWEEN 5% AND 25%.)

9. AUDIT PROCEDURES:  
 (A) IS THERE AN ANNUAL AUDIT BY AN INDEPENDENT CPA? YES [ ] NO [ ]  
 (B) IF "YES". IS IT A COMPLETE AUDIT MADE IN ACCORDANCE WITH GENERALLY ACCEPTED AUDITING STANDARDS AND SO CERTIFIED? YES [ ] NO [ ]  
 (C) IF THE ANSWER TO (B) IS "NO", EXPLAIN THE SCOPE OF THE CPA'S EXAMINATION

(D) IS THE AUDIT REPORT RENDERED DIRECTLY TO THE BOARD OF DIRECTORS? YES [ ] NO [ ]

(E) NAME AND LOCATION OF CPA \_\_\_\_\_

(F) DATE OF COMPLETION OF THE LAST AUDIT BY CPA \_\_\_\_\_

(G) IS THERE A CONTINUOUS INTERNAL AUDIT BY AN INTERNAL AUDIT DEPARTMENT? YES [ ] NO [ ]

(H) IF "YES", ARE MONTHLY REPORTS RENDERED DIRECTLY TO THE BOARD OF DIRECTORS? YES [ ] NO [ ]

10. INTERNAL CONTROLS (OTHER THAN AUDIT PROCEDURES):  
 (A) DO YOU REQUIRE ANNUAL VACATIONS OF AT LEAST TWO CONSECUTIVE WEEKS FOR ALL OFFICERS AND EMPLOYEES? YES [ ] NO [ ]

If "No", explain: \_\_\_\_\_

(B) IS THERE A FORMAL, PLANNED PROGRAM REQUIRING SEGREGATION OF DUTIES SO THAT NO SINGLE TRANSACTION (INCLUDING CLAIM HANDLING AND DRAFT ISSUANCE PROCEDURES) CAN BE FULLY CONTROLLED FROM ORIGINATION TO POSTING BY ONE PERSON? YES [ ] NO [ ]

If "No", explain: \_\_\_\_\_

(C) ARE BANK ACCOUNTS RECONCILED BY SOMEONE NOT AUTHORIZED TO DEPOSIT OR WITHDRAW? YES [ ] NO [ ]

If "No", explain: \_\_\_\_\_

(D) IS COUNTERSIGNATURE OF CHECKS REQUIRED?

If "No", explain: \_\_\_\_\_

(E) WILL ENDORSEMENT OF CHECKS ON YOUR BEHALF BE LIMITED TO ENDORSEMENT FOR DEPOSIT AND CREDITED TO YOUR ACCOUNT? YES [ ] NO [ ]

If "No", explain: \_\_\_\_\_

11. HAS THERE BEEN ANY CHANGE IN OWNERSHIP OR MANAGEMENT WITHIN THE PAST THREE YEARS? YES [ ] NO [ ]

If "No", explain: \_\_\_\_\_

12. HAS ANY INSURANCE BEEN DECLINED OR CANCELED DURING THE PAST THREE YEARS? YES [ ] NO [ ]

If "No", explain: \_\_\_\_\_

13. LIST ALL LOSSES SUSTAINED DURING THE PAST THREE YEARS, WHETHER REIMBURSED OR NOT, FROM \_\_\_\_\_ TO \_\_\_\_\_  
 CHECK IF NONE [ ]

DATE OF LOSS	TYPE OF LOSS	AMOUNT OF LOSS	AMOUNT RECOVERED FROM INSURANCE	AMOUNT RECOVERED FROM OTHER THAN INSURANCE	AMOUNT OF LOSS PENDING	IF LOSS OCCURRED AT OTHER THAN MAIN OFFICE, STATE LOCATION
		\$	\$	\$	\$	

THE INSURED REPRESENTS THAT THE INFORMATION FURNISHED IN THIS APPLICATION IS COMPLETE, TRUE AND CORRECT. ANY MISREPRESENTATION, OMISSION, CONCEALMENT OR INCORRECT STATEMENT OF A MATERIAL FACT, IN THIS APPLICATION OR OTHERWISE, SHALL BE GROUNDS FOR THE RESCISSION OF ANY BOND ISSUED IN RELIANCE UPON SUCH INFORMATION.

NOTICE: ANY PERSON WHO KNOWINGLY AND WITH THE INTENT TO DEFRAUD PROVIDES FALSE INFORMATION IN AN INSURANCE APPLICATION, OR PRESENTS, ASSISTS, OR MAKES A FRAUDULENT CLAIM FOR THE PAYMENT OF A LOSS OR OTHER BENEFIT, OR PRESENTS MORE THAN ONE CLAIM FOR THE SAME INCIDENT OF DAMAGE OR LOSS, WILL COMMIT A FELONY AND IF CONVICTED WILL BE SENTENCED FOR EACH VIOLATION WITH A FINE OF NO LESS THAN FIVE THOUSAND (\$5,000) DOLLARS AND NOT EXCEEDING TEN THOUSAND (\$10,000) DOLLARS, OR BE SENTENCED TO IMPRISONMENT FOR A THREE (3) YEAR TERM, OR BOTH PENALTIES. IN THE EVENT OF AGGRAVATING CIRCUMSTANCES, THE TERM COULD BE INCREASED TO A MAXIMUM OF FIVE (5) YEARS; IN THE EVENT OF INTERVENING EXTENUATING CIRCUMSTANCES IT COULD BE REDUCED UP TO A MINIMUM OF TWO (2) YEARS.

DATED AT: \_\_\_\_\_ THIS: \_\_\_\_\_ DAY OF: \_\_\_\_\_ YEAR: \_\_\_\_\_  
BY

\_\_\_\_\_  
(Insured)

\_\_\_\_\_  
(Name and Title)

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