



**BY COMPLETING THIS APPLICATION THE APPLICANT IS APPLYING
 FOR COVERAGE WITH FEDERAL INSURANCE COMPANY (THE "COMPANY")**

**NOTICE: THE COVERAGE AFFORDED UNDER THESE BONDS DIFFERS IN SOME RESPECTS FROM THAT
 AFFORDED UNDER OTHER BONDS. READ THE ENTIRE BOND APPLICATION CAREFULLY BEFORE SIGNING.**

BOND APPLICATION INSTRUCTIONS:

- Whenever used in this Application, the term "**Applicant**" shall mean the Assured and all organizations and funds applying for coverage.
- Include all requested underwriting information and attachments. Provide a complete response to all questions and attach additional pages if necessary.

I. NAME AND ADDRESS:

- Name of **Applicant**: _____
- Address of **Applicant**: _____
 City: _____ State: _____ Zip Code: _____ Telephone: _____

II. GENERAL INFORMATION:

- Please complete the Schedule of Named Assureds under Attachment A.
- Please indicate below, by placing a dollar amount in the Limit Requested column, which coverage is being requested.

Coverage Requested	Limit Requested	Limit Currently Purchased	Deductible Currently Purchased	Current Insurer
Dishonesty				
A. Employee				
B. Trade or Loan				
C. Partner				
On Premises				
In Transit				
Forgery or Alteration				
Extended Forgery				
Counterfeit Money				
Computer System				
Facsimile Signature				
<i>The Following Are Only Available For Registered Investment Advisers and Private Fund Companies</i>				
Theft of Customer's Capital				
Cyber Fraud				
Threat to Property or Confidential Information				
Crisis Management Expenses				
Privacy Notification Expenses (# of Affected Persons)				



3. **Applicant's** state of incorporation _____ and date of incorporation or establishment: _____

4. The **Applicant** owns or controls the following types of organizations and/or funds: (check appropriate boxes):

<input type="checkbox"/> Registered Investment Adviser	<input type="checkbox"/> Investment Banker	<input type="checkbox"/> Broker/Dealer
<input type="checkbox"/> Commodity Broker	<input type="checkbox"/> REIT	<input type="checkbox"/> Hedge Fund
<input type="checkbox"/> Registered Investment Company (Mutual Fund)	<input type="checkbox"/> Private Equity or Venture Capital Fund	<input type="checkbox"/> Other (please describe) _____

5. The **Applicant** is a (check appropriate box):

<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Publicly owned corporation	<input type="checkbox"/> Privately held corporation
<input type="checkbox"/> Partnership	<input type="checkbox"/> Joint Venture	<input type="checkbox"/> Limited Liability Company
<input type="checkbox"/> Other (please describe) _____		

6. Has there been any change of control, merger, purchase or acquisition of subsidiaries within the previous three (3) years? Yes No

If "Yes", please attach full details of the transaction, including the transfers made, dates, and individuals or organizations involved.

III. EXPOSURE INFORMATION

1. What are the total number of:

a. Full Time Salaried Employees (including Officers) that receive a W-2 or similar tax reporting form	
b. Part Time Employees that receive a W-2 or similar tax reporting form	
c. FINRA Registered Representatives (Not included above)	
d. Attorneys retained by Applicant	
e. Employees provided to Applicant under contract	
Total Census (a+b+c+d+e)	

2. What is the total number of locations, including branch offices and other locations at which FINRA registered representatives work? _____

3. Does the **Applicant** maintain offices or locations outside the United States? Yes No

If "Yes", please attach a list of locations, the number of employees at each and business operations of each.

4. What are the **Applicant's** total assets under management at most recent year's end: \$ _____

a. What percentage of these is held in a custodial capacity by the **Applicant**? _____%

IV. OUTSIDE FINANCIAL SERVICE PROVIDERS

1. Please complete the following (attach additional sheets if necessary). If the **Applicant** does not use such services, please write "none" in the space provided for "Name".



Service Provider	Name	Years Engaged	Affiliated with the Applicant? (Yes/No)
General Distributor			
Sub-Advisor			
Fund Administrator			
Custodian			
Auditor			
Other (Please describe): _____			

2. Has the **Applicant** conducted a due diligence review of each of the above firms in the last three years? Yes No

V. AUDITING PROCEDURES

Unless otherwise indicated, please attach an explanation of any "NO" answers below.

1. *Internal Auditing:*

- a. Does the **Applicant** have an internal audit department? Yes No
 If "No", does the **Applicant** outsource any part of these functions to a third party? Yes No
 If "Yes", please describe in an attachment to the Application.
- b. Does the internal audit schedule include a physical visit to all locations of subsidiaries and joint ventures at least every three years, regardless of size? Yes No
- c. Does the **Applicant** maintain a hotline or other mechanism to allow for the anonymous reporting of tips on suspect financial transactions? Yes No
 If "Yes", is the hotline available to all employees in all jurisdictions in which the **Applicant** operates and in the local language? Yes No

2. *External Auditing:*

- a. Does the **Applicant** receive an annual audit by an outside certified public accountant (CPA)? Yes No
- b. Has the CPA rendered an unqualified opinion for each of the previous (3) years? Yes No
 If "No", please attach a detailed description.
- c. Has the **Applicant** changed its external auditors in the last five years? Yes No
 If "Yes", please attach a description of the auditor engagement history and the reasons for the change(s).

3. *Regulatory Auditing*

- a. Please give the date of the last regulatory exam and indicate what authority performed the exam:
 Date: ____ / ____ / ____ Authority: _____

b. If the last exam was performed within the previous three (3) years, please attach a copy of the regulator's letter and management's response.



VI. HUMAN RESOURCES AND PAYROLL

Unless otherwise indicated, please attach an explanation of any "NO" answers below.

1. Does the **Applicant** have a dedicated full time employee responsible for employment and payroll administration? Yes No
2. Are the following policies and procedures in place in all business units, whether performed in house or outsourced? (Check all that apply)
 - a. Social security number verification (or verification of other national identification) Yes No
 - b. Reference checks with all prior employers during the last 5 years Yes No
 - c. Credit checks for all financially sensitive positions Yes No
 - d. Criminal history record checks in all jurisdictions in which the prospective employee has lived for the last 5 years Yes No
 - e. Education and training verification Yes No

VII. APPLICANT'S FUNDS TRANSFER CONTROLS FOR APPLICANT'S OWN ACCOUNTS

Unless otherwise indicated, please attach an explanation of any "NO" answers below.

1. Is a monthly reconciliation conducted of all bank accounts by someone who does not handle deposits, sign checks or have access to electronic or mechanical signatures? Yes No
2. Are check signing authorities and dual control requirements established in writing? Yes No
3. Do all checks require countersignature? Yes No
 If "No", at what dollar threshold is countersignature required? _____
4. Does the company use Positive Pay or Reverse Positive Pay to reduce the risk of unauthorized payments? Yes No
5. Can a manual check be written outside of the Accounts Payable system? Yes No
 If "Yes", please describe their use and controls in place to prevent fraud in an attachment to the Application.
6. Are all expense reports reviewed and approved by someone that is familiar with the employee's travel, entertainment and spending history, other than the employee, prior to payment? Yes No
7. Do only specified persons have authority to authorize funds transfers from the Applicant's own account(s)? Yes No
 If "Yes", is such authority – and any changes thereto – documented in writing? Yes No

VIII. APPLICANT'S FUNDS TRANSFER CONTROLS FOR CUSTOMERS' ACCOUNTS

Unless otherwise indicated, please attach an explanation of any "NO" answers below.

1. What is the daily average number and value of funds transfers performed?
 - a. Domestic: Number _____ Value _____
 - b. Foreign: Number _____ Value _____



2. Is approval by more than one person required to initiate a non-repeating funds transfer? Yes No
3. Does the **Applicant** authenticate and document any changes to grants of authority for the transfer of customers' funds? Yes No
4. Does the **Applicant** accept funds transfer instructions by telephone, email, text message or similar means of communication? Yes No
 If "No", skip to Section 9.
5. Prior to complying with funds transfer instructions, by which of the following methods does the **Applicant** authenticate such instructions? (Check all that apply)
- a. Using voice authentication technology
 - b. Calling the customer at a predetermined number
 - c. Sending a text message to a predetermined cellular number
 - d. Sending an email to a predetermined address
 - e. Some other method or combination of methods (Please attach a description)
 - f. None. No authentication is performed
6. Has the **Applicant** taken advantage of all security programs made available to it by its banking or other custodial partners in the protection of customer's funds? Yes No
 If "No", please attach a description of the services opted out of and the rationale for disabling these protections.
7. Are customers' funds transfers reconciled daily by a person who did not approve or transmit such wire transfers? Yes No
8. Are employees that are responsible for customers' funds transfer provided anti-fraud training, including but not limited to detection of social engineering, phishing and other scams? Yes No

IX. INFORMATION SECURITY

Unless otherwise indicated, please attach an explanation of any "NO" answers below.

1. Has the **Applicant** implemented a written information security policy which is applicable to all of the **Applicant's** business units and funds (if applicable)? Yes No
2. Which of the following are contained in the **Applicant's** information security policy? (check all that apply)
- a. Defined duties and responsibilities of an Information Security Officer
 - b. Requirements for confidentiality agreements for employees , vendor and contractors
 - c. Policies for the use and storage of personally identifiable information on mobile devices, including laptops, smartphones and tablets
 - d. Document classification, protection and destruction protocols
 - e. Requirements for employee usage of:
 - i. the Internet
 - ii. Social Networking websites
 - iii. e-mail



3. If the answer to Question 1 above is "Yes", do the **Applicant's** employees acknowledge that they are aware of each of the policies, or sections of the policies, that apply to them and receive regular training to reinforce them? Yes No
4. Do all users of the **Applicant's** network have designated rights and privileges for access to information and use of the **Applicant's** network? Yes No
5. Does the **Applicant** regularly identify and assess new threats through penetration testing, and adjust the security policy to address the new threats? Yes No

X. THIRD PARTY ERISA BOND

(Complete only if requesting coverage for a fiduciary fidelity bond.)

If offered, coverage for third party employee benefit plans will be issued on a standalone bond that is dedicated to such plans.

1. Do any of the **Applicant's** Employees act in the capacity of a plan official, as that term is defined under ERISA, to any third party employee benefit plan? Yes No
 If "Yes", attach a full list of all plans which require bonding as Attachment "B".
- a. Number of Plans to be covered: _____
- b. "Total Required Aggregate Limit of Liability" for all Plans, as calculated on Attachment "B"
2. Does the **Applicant** ever take custody of plan assets? Yes No
3. Does the **Applicant** ever appoint the custodian of Plan assets without client approval? Yes No
4. Is the custodian prohibited from releasing Plan assets to the **Applicant**? Yes No

XI. MUTUAL FUNDS/REGISTERED INVESTMENT COMPANIES

(Complete only if requesting coverage for an Investment Company Asset Protection Bond.)

If offered, coverage for registered investment companies will be issued on a standalone bond dedicated to such investment companies.

Attach a complete list of all registered investment companies which require bonding as Attachment "C".

1. Are all shareholder accounting services performed by a non-affiliated third party? Yes No
 If "No", please attach an explanation of who performs shareholder accounting services and what those services are.
2. Does the **Applicant** use an approved method for authenticating change or transfer requests, such as the use of Medallion signature guarantees for:
- a. Redemption? Yes No
- b. Changes of registration? Yes No
- c. Changes of address? Yes No
- d. Request for additional redemption privileges? Yes No
- If "No", please explain: _____
3. Does the **Applicant** have a formal policy governing procedures for holding customer, shareholder or subscriber items of deposit prior to crediting their accounts?
 If "Yes", please state the minimum number of days items are held before dividends are paid or withdrawals are permitted from a customer's, shareholder's or subscriber's account. _____
4. Please attach the **Applicant's** standard collection procedures which are pursued in the event that customer, shareholder or subscriber items of deposit are not honored by the drawee financial institution.



XII. FINRA COVERAGE

(Complete only if requesting coverage for a broker/dealer.)

1. Is the **Applicant** a member of the Financial Industry Regulatory Authority and required to be bonded in compliance with FINRA Rule 4360? Yes No
 If "Yes", what is the name of the broker/dealer entity that is subject to the rule? _____
2. Has FINRA imposed any fines or penalties against any employee or registered representative associated with the **Applicant**? Yes No
 If "Yes", please describe in detail as an attachment to the Application.
3. Please provide the required limit and deductible per FINRA Rule 4360 in the space below.
 Limit: \$ _____ Deductible: \$ _____

XIII. LOSS EXPERIENCE

1. Has the **Applicant** at any time during the past three (3) years put their insurance carrier on notice of any potential or actual losses under the **Applicant's** fidelity bond or computer crime insurance program? Yes No
 If "Yes", please provide full details on a separate sheet.
2. If the **Applicant** has not had a fidelity bond or computer crime policy at any time during the past three (3) years, have there been any losses that would have been submitted under a bond program if they had such a bond? Yes No
 If "Yes", please provide full details on a separate sheet.
3. Please summarize any litigation/legal action settled within the past three (3) years or now pending that is not listed in Question 1. above, or any action which the **Applicant** has reason to believe may be filed against the **Applicant** or any director, partner, officer or employee which would be a subject of coverage under a bond program.
 Please attach a separate sheet providing such information; or check the box to indicate none: NONE.

XIV. PLEASE ATTACH THE FOLLOWING ADDITIONAL INFORMATION OR INDICATE THAT IT CAN BE FOUND ON THE APPLICANT'S WEBSITE OR IS NOT APPLICABLE:

	Attached	Website	N/A
A copy of the most recent form ADV part I and II, filed with the S.E.C.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
A copy of the most recent FINRA BrokerCheck for all Applicant entities registered with FINRA	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
A copy of the Applicant's most recent audited financial statement, or, if the Applicant is a Broker/Dealer, the most recent financial report the Applicant filed with the SEC	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
A copy of the Applicant's CPA management letter on internal controls and management's response	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
A full description of the Applicant's operations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
An explanation of any "No" answers referenced in the Application	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
A copy of the most recent letter from the SEC (if within the last three years) and management's response	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



XV. MATERIAL CHANGE:

If there is any material change in the answers to the questions in this Application before the policy inception date, the **Applicant** must immediately notify the Company in writing, and any outstanding quotation may be modified or withdrawn.

XVI. DECLARATIONS, FRAUD WARNINGS AND SIGNATURES:

The **Applicant's** submission of this Application does not obligate the Company to issue, or the **Applicant** to purchase, a bond. The **Applicant** will be advised if the Application for coverage is accepted. The **Applicant** hereby authorizes the Company to make any inquiry in connection with this Application.

The undersigned authorized agents of the person(s) and entity(ies) proposed for this insurance declare that to the best of their knowledge and belief, after reasonable inquiry, the statements made in this Application and in any attachments or other documents submitted with this Application are true and complete. The undersigned agree that this Application and such attachments and other documents shall be the basis of the bond should a bond providing the requested coverage be issued; that all such materials shall be deemed to be attached to and shall form a part of any such bond; and that the Company will have relied on all such materials in issuing any such bond.

The information requested in this Application is for underwriting purposes only and does not constitute notice to the Company under any bond or policy of a Claim or loss or potential Claim or loss.

Notice to Alabama and Maryland Applicants: 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.

Notice to Arkansas, New Mexico and Ohio Applicants: Any person who, with intent to defraud or knowing that he/she is facilitating a fraud against an insurer, submits an application or files a claim containing a false, fraudulent or deceptive statement is, or may be found to be, guilty of insurance fraud, which is a crime, and may be subject to civil fines and criminal penalties.

Notice to Colorado Applicants: 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 policy holder or claimant for the purpose of defrauding or attempting to defraud the policy holder 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.

Notice to District of Columbia Applicants: 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.

Notice to Florida Applicants: 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.

Notice to Kentucky Applicants: 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.

Notice to Louisiana and Rhode Island Applicants: 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.

Notice to Maine, Tennessee, Virginia and Washington Applicants: 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.

Notice to New Jersey Applicants: Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties.



Notice to Oklahoma Applicants: 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.

Notice to Oregon and Texas Applicants: Any person who makes an intentional misstatement that is material to the risk may be found guilty of insurance fraud by a court of law.

Notice to Pennsylvania Applicants: 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.

Notice to Puerto Rico Applicants: 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 (5,000) dollars and not more than ten thousand (10,000) dollars, or a fixed term of imprisonment for three (3) years, or both penalties. Should aggravating circumstances are 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.

Notice to New York Applicants: 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.

Date

Signature*

Title

*This Bond Application must be signed by the risk manager or a senior officer of the Parent Organization acting as the authorized representative of the person(s) and entity(ies) proposed for this insurance.

<"Produced By" information required; "Submitted By" information can be deleted>		
<u>Produced By:</u>		
Agent (Print & Sign): _____		
Agency: _____		
Agency Taxpayer ID or SS No.: _____ Agent License No.: _____		
Address: _____		
City: _____ State: _____ Zip: _____		
<u>Submitted By:</u>		
Agency: _____		
Agency Taxpayer ID or SS No.: _____ Agent License No.: _____		
Address: _____		
City: _____ State: _____ Zip: _____		



Attachment "B". SCHEDULE OF THIRD PARTY ERISA PLANS (Those Plans for which the Applicant is a fiduciary but not the Applicant's sponsored plan(s). Please make additional copies of this Attachment as necessary to list all Third Party ERISA Plans.

Column A	Column B	Column C	Column D
Full Name of Employee Benefit Plan	Employer Securities held in Plan? (Yes/No)	Total Assets of Plan that are managed by the Applicant, as of most recent year's end	Required Bond Amount (10% of amount in Column C or \$1,000, whichever is more, subject to a maximum of \$500,000 or, if Column B is "Yes", \$1,000,000)
Total Required Aggregate Limit of Liability (Sum of Column "D") :			

The "Total required aggregate Limit of Liability" for all plans is the sum of the required Bond Amount for each plan to be covered. As per section 412 of ERISA, the required Bond Amount for each Plan shall be a minimum of 10% of the assets of the Plan, or \$1,000, whichever is greater; subject to a maximum of

- i. \$500,000 if the Plan *does not hold* any of the securities of the sponsoring employer or by an affiliate of such employer; or
- ii. \$1,000,000 if the Plan *does hold* any of the securities of the sponsoring employer or by an affiliate of such employer.



Attachment "C". SCHEDULE OF REGISTERED INVESTMENT COMPANIES (if coverage is desired)

Full Name of Registered Investment Company Named Assureds	Date Created or Acquired	Ticker Symbol	Name of Custodian	Name of Transfer Agent	Total Assets Handled, as of most recent year's end

Please attach a prospectus for each investment company listed above and an annual report and financial statement for all Registered Investment Company Named Assureds. (IF NECESSARY, PLEASE ATTACH SUPPLEMENTAL SCHEDULE FOLLOWING THIS FORMAT.)