Supplemental Application | Financial Institutions

Insurance Company Bond

Agents, servicing contractors and third party administrators

**By completing this APPLICATION you are applying for coverage with Chubb Insurance Company of Canada (the "Company")**

Please answer all of the following inquiries. If the Company agrees to extend the bond as requested, all of the information which the Applicant provides will become part of any bond issued to the Applicant by Chubb Insurance Company of Canada. Any misrepresentation, omission, concealment or incorrect statement of a material fact in this Supplemental Application will be grounds for rescission. This Supplemental Application is to be completed only when the Assured is seeking coverage for Agents, Servicing Contractors, and/or Third Party Administrators (TPA) with the Company and for which a Financial Institution Bond Application or Renewal Application has been previously completed for the prior bond period.

A. General Information

1. Name of First Named Assured:
2. Address of First Named Assured:
3. Proposed Effective Date of Coverage:

B. Agents

1. Please list below the types of Agents to be covered, the number of Agents for each type, the Limit of Liability desired for each type and the functions performed by each type:

|  |  |  |  |
| --- | --- | --- | --- |
| Type of Agent | Number | Limit of Liability | Functions performed |
|  |  | $ |  |
|  |  | $ |  |
|  |  | $ |  |
|  |  | $ |  |
|  |  | $ |  |

1. Are all Agents under contract directly with the Applicant?  Yes  No

Please attach a specimen copy of a standard contract the Applicant uses for each type of Agent

1. POLICIES:
   1. Are agents authorized to issue policies?  Yes  No
   2. When a policy is issued what is the procedure for the premium payment for the issued policy?
   3. How are policies and premium payments verified?
   4. Are commissions:  Deducted by the Agent? Or  Paid by the Applicant to the Agent?
2. Are Agents subject to regular audits by the Applicant?  Yes  No

If yes, please provide full details on a separate sheet.

1. Do Agents have access to or maintain bank accounts in the Applicant’s name?  Yes  No

C. Servicing Contractors

1. Please list below the Servicing Contractors to be covered, an indication of the years the relationship has existed, the Average Monthly Values of Mortgages Serviced, and the Functions performed by each Servicing Contractor:

|  |  |  |  |
| --- | --- | --- | --- |
| Servicing Contractors | Years of Relationship | Average Monthly Values of Mortgages Serviced | Functions performed |
|  |  | $ |  |
|  |  | $ |  |
|  |  | $ |  |
|  |  | $ |  |
|  |  | $ |  |

1. Please specify the Limit of Liability desired: $
2. Please attach a specimen copy of a standard contract the Applicant uses for Servicing Contractors.
3. Are Servicing Contractors subject to regular audits by the Applicant?  Yes  No

If yes, please provide full details on a separate sheet.

If no, please explain and provide on a separate sheet full details as to why not.

1. Do Servicing Contractors have access to or maintain bank accounts in the Applicant’s name?  Yes  No

D. Third Party Administrators (TPA)

1. Please list below the TPAs to be covered, their Length of Service, the Average Monthly Values handled by each TPA, and the Functions performed by each (loss payments, administration, premium collecting, etc):

|  |  |  |  |
| --- | --- | --- | --- |
| Third Party Administrator | Length of Service | Average Monthly Values handled | Functions performed |
|  |  | $ |  |
|  |  | $ |  |
|  |  | $ |  |
|  |  | $ |  |
|  |  | $ |  |

1. Please specify the Limit of Liability desired: $
2. Please attach a specimen copy of a standard contract the Applicant uses for Third Party Administrator.
3. Are all TPAs required by the Applicant to carry a fidelity bond of their own?  Yes  No

If yes, please provide, on a separate sheet, how much fidelity bond coverage is required for each TPA and an explanation as to how the required fidelity bond limit is determined by the Applicant. (Our intent is to provide coverage for Third Party Administrators under the Applicant’s bond in excess of any required bond, whether or not that bond is in effect, and whether or not any given loss is collectible under that required bond.)

1. Do TPAs have access to or maintain bank accounts in the Applicant’s name?  Yes  No

If yes, please provide full details on a separate sheet.

E. Loss Experience

* 1. Has the the Applicant at any time during the past three years put its insurance carrier on notice of any potential or actual losses under its bond program as respects Agents, Servicing Contractors or Third Party Administrators?

Yes  No

If yes, please provide full details on a separate sheet, including corrective actions taken as a result of such loss.

* 1. If the Applicant did not have coverage for Agents, Servicing Contractors or Third Party Administrators during this period, have there been any losses that would have been submitted as respects Agents, Servicing Contractors, or Third Party Administrators if the Applicant had such coverage?  Yes  No

If yes, please provide full details on a separate sheet, including corrective actions taken as a result of such loss.

1. As respects Agents, Servicing Contractors or TPAs, please summarize:
   1. Any litigation/legal action settled within the past three years or now pending that is not listed in question 1 immediately above:
   2. Any action which the Applicant has reason to anticipate may be filed against it or any Director, Officer or Employee, which would be a subject of Agent, Servicing Contractor or TPA coverage under a bond program:

If necessary, please provide full details on a separate sheet.

If none, please check

FALSE INFORMATION

Any person who, knowingly and with the intent to defraud any insurance company or other person, files an application for insurance containing any false information, or conceals, for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime.

DECLARATION AND SIGNATURES

The undersigned persons declare that to the best of their knowledge the statements set forth above and in any attachments to this Supplemental Application are true and correct and that every reasonable effort has been made to obtain sufficient information to facilitate the proper and accurate completion of this Supplemental Application.

The undersigned persons further agree that if any significant change in the condition of the Applicant is discovered between the date of this Supplemental Application and the effective date of the bond which would render this Supplemental Application inaccurate or incomplete, notice of such change will be reported in writing to the Company immediately and, if necessary, any outstanding quotation will be modified or withdrawn.

The undersigned persons understand and further agree that the completion and signing of this Supplemental Application neither binds the Company to sell nor the Applicant to purchase the insurance, but it is agreed that this Supplemental Application and any attachments hereto shall be the basis of the contract should a bond be issued, and this Supplemental Application will be attached to and form a part of the bond.

Please note: Only Chubb appointed agents and licensed brokers are authorized to solicit applications for coverage. Agents and brokers are not authorized to bind coverage. No coverage shall be provided unless the Company accepts the Application and binds the coverage.

First Named Assured:

Date:

Signature of Chief Executive Officer (or other Senior Officer if the Chief Executive Officer is also the Chairman of the Board of Directors):

First Named Assured:

Date Signature of Chief Executive Officer

(or other Senior Officer if the Chief Executive Officer is also

the Chairman of the Board of Directors)

Date Signature of Chairman of the Board of Directors

A bond cannot be issued unless the Supplemental Application is properly signed and dated by the Chief Executive Officer (or other Senior Officer if the Chief Executive Officer is also the Chairman of the Board of Directors) and the Chairman of the Board of Directors.

Note: This Supplemental Application and all attachments shall be treated in strictest confidence.

Submitted by:

Agency:

Phone: (     ) Fax: (     )

E-mail: