

Carrier Name: \_\_\_\_\_



AmTrust North America  
An AmTrust Financial Company

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## Social Engineering Fraud Coverage Supplemental Application

**THE LIABILITY POLICY THAT MAY BE ISSUED BASED UPON THIS APPLICATION PROVIDES CLAIMS MADE COVERAGE WRITTEN ON A NO DUTY TO DEFEND BASIS. DEFENSE COSTS ARE INCLUDED WITHIN THE LIMIT OF LIABILITY AND REDUCE THE LIMIT OF LIABILITY AVAILABLE TO PAY SETTLEMENTS AND JUDGMENTS. PLEASE READ THE POLICY CAREFULLY.**

### Section 1 – General Information

Applicant (Parent Company): \_\_\_\_\_  
Address: \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_  
P.O. Box: \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_  
Telephone: \_\_\_\_\_ Website: \_\_\_\_\_

Representative authorized to receive notices on behalf of the applicant and all subsidiaries:

Name: \_\_\_\_\_ Title: \_\_\_\_\_ Email: \_\_\_\_\_

### Section II – Vendor Controls

1. Does the Applicant have procedures in place to verify the authenticity of invoices and other payment requests received from a vendor?  Yes  No
2. Does the Applicant have procedures in place to verify the receipt of inventory, supplies, goods or services against an invoice prior to making a payment to a vendor?  Yes  No
3. When a vendor requests any changes to its account details (including, but not limited to, bank routing numbers, account numbers, telephone numbers, or contact information), does the Applicant:
  - a) Confirm all change requests by a direct call to the vendor using only a contact number provided by the vendor before the request was received?  Yes  No
  - b) confirm all change requests with someone at the vendor, other than the person who sent the request, before making the change?  Yes  No
  - c) refrain from making any change requests until after the vendor has responded to the Applicant's inquiry regarding change request authenticity?  Yes  No

### Section III – Customer Controls

1. Does the Applicant accept funds transfer instructions from customers over the telephone, email, text message or similar method of communication?  Yes  No

**If yes, please describe the communication methods by which such instructions are received:**

2. Does the Applicant confirm all funds transfer instructions from a customer by a direct call to the customer using only the telephone number provided by the customer prior to the funds transfer instruction was received?  Yes  No

## Section IV – Internal Transfer Controls

1. Who in the Applicant's organization has the authority to initiate ACH or wire transfers? \_\_\_\_\_
2. Can ACH or wire transfer authority be delegated to anyone verbally or in writing within the Applicant's organization?  Yes  No
3. Does the Applicant have a call back procedure in place to verify any ACH or wire transfer request received from another employee, location, or department of the Applicant?  Yes  No
4. Do ACH or wire transfer requests of a certain amount require approval by two or more of the Applicant's employees?  Yes  No  
**If yes, what is the amount?** \$ \_\_\_\_\_
5. Does the Applicant provide guidance and periodic anti-fraud training to employees concerning the detection of phishing and other social engineering scams?  Yes  No  
**If yes, what is the amount?** \$ \_\_\_\_\_

## Section V – Loss Experience

1. Within the past 3 years, has the Applicant received any fraudulent emails, purportedly from customers, vendors, or employees seeking to direct transfers of the Applicant's funds?  Yes  No

**If yes, please provide a brief summary of each incident, date of loss, total amount of loss and any corrective action:**

## Fraud Warning

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 be a crime and may subject the person to criminal penalties.

**ALABAMA, ARKANSAS, LOUISIANA, NEW JERSEY, NEW MEXICO, RHODE ISLAND, VIRGINIA and 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. In Alabama, Arkansas, Louisiana, Rhode Island and West Virginia that person may be subject to fines, imprisonment or both. In New Mexico, that person may be subject to civil fines and criminal penalties. In Virginia, penalties may include imprisonment, fines and denial of insurance benefits.

**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, KENTUCKY and 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 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. In District of Columbia, penalties include imprisonment and/or fines. In addition, the Insurer may deny insurance benefits if the Applicant provides false information materially related to a claim. In Pennsylvania, the person may also be subject to criminal and civil penalties.

**FLORIDA and OKLAHOMA:** Any person who knowingly and with intent to injure, defraud or deceive the Insurer, files a statement of claim or an Application containing any false, incomplete or misleading information is guilty of a felony. In Florida it is a felony to the third degree.

**KANSAS:** 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, broker or any agent thereof, any written 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 personal or commercial 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 is considered 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 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 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.

**OHIO:** Any person who, with intent to defraud or knowing that he is facilitating a fraud against the Insurer, submits an Application or files a claim containing a false or deceptive statement is guilty of insurance fraud.

**OREGON:** 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.

**TENNESSEE and 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 and/or denial of insurance benefits.

## Representation Statement

The undersigned declare that, to the best of their knowledge and belief, the statements in this Application, any prior Applications, any additional material submitted, and any publicly available information published or filed by or with a recognized source, agency or institution regarding business information for the Applicant for the 3 years prior to the Bond/Policy's inception [hereinafter called "Application"] are true, accurate and complete, and that reasonable efforts have been made to obtain sufficient information from each and every individual or entity proposed for this insurance. It is further agreed by the Applicant that the statements in this Application are their representations, they are material and that the Bond/Policy is issued in reliance upon the truth of such representations.

The signing of this Application does not bind the undersigned to purchase the insurance and accepting this Application does not bind the Insurer to complete the insurance or to issue any particular Bond/Policy. If a Bond/Policy is issued, it is understood and agreed that the Insurer relied upon this Application in issuing each such Bond/Policy and any Endorsements thereto. The undersigned further agrees that if the statements in this Application change before the effective date of any proposed Bond/Policy, which would render this Application inaccurate or incomplete, notice of such change will be reported in writing to the Insurer immediately.

### Chief Executive Officer, President or Chairman of the Board:

Print Name: \_\_\_\_\_ Signature: \_\_\_\_\_

Title: \_\_\_\_\_ Date: \_\_\_\_\_

### Policy cannot be issued unless the application is signed and dated by an authorized representative:

Agent Name: \_\_\_\_\_

Agent Signature: \_\_\_\_\_ License Number: \_\_\_\_\_

### Submit Application to:

[banksubmissions@amtrustgroup.com](mailto:banksubmissions@amtrustgroup.com)

### AmTrust North America Attention: Financial Institution Division

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