

APPLICATION FOR A FINANCIAL INSTITUTION CRIME POLICY FOR INVESTMENT COMPANIES

I. GENERAL INFORMATION	
Name Of Insured (Applicant): <p style="text-align: center;">(List all Insureds including Employee Benefit Plans you sponsor that are subject to ERISA)</p>	
Mailing Address: 	
Policy Period Desired: 12:01 AM on: _____ to 12:01 AM on: _____	
Premium Payable: <input type="checkbox"/> Annual <input type="checkbox"/> Three-year Prepaid <input type="checkbox"/> Three-year Equal Annual Installments <input type="checkbox"/> Other: _____	
Date Investment Company's Management Company Was Established: 	
Name Of Current Insurance Carrier (if different): 	
Name Of Investment Companies To Be Insured	Mailing Address
Complete The Following For All Investment Companies To Be Insured: 1. Total combined assets as of latest Dec. 31: \$ _____ 2. Total combined assets as of latest June 30: \$ _____	
Coverage Is Being Written: <input type="checkbox"/> Primary <input type="checkbox"/> Excess <input type="checkbox"/> Concurrent <input type="checkbox"/> Coindemnity <input type="checkbox"/> Coinsurance	
If coverage is being written on an excess, concurrent or coindemnity basis, show the names of the other carriers and policy limits:	
If coverage is being written on a coinsurance basis, show your percentage participation: _____ % (Note: Insured may assume a participation of between 5% and 25%.)	

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

Has coverage provided by a prior insurance carrier been reinstated or waived on any of your current employees?

Yes No

If "Yes", list the name of the employee(s):

II. COVERAGE REQUESTED

A. Complete the following for Insuring Agreements, Limits and Deductibles desired:
 (**Note:** Insuring Agreement 1. is mandatory. All other insuring agreements are optional and can be written in a limit less than or equal to the Insuring Agreement 1. limit. Deductibles can be written in any amount. No deductible shall apply to loss sustained by any Investment Company covered under Insuring Agreement 1.)

Insuring Agreements/Coverage	Yes	No	Limit Of Insurance	Deductible Amount
1. Fidelity (Mandatory)	<input type="checkbox"/>	<input type="checkbox"/>	\$	\$
Are Data Processors excluded?	<input type="checkbox"/>	<input type="checkbox"/>		
2. On Premises	<input type="checkbox"/>	<input type="checkbox"/>	\$	\$
3. In Transit	<input type="checkbox"/>	<input type="checkbox"/>	\$	\$
4. Forged Or Altered Instruments	<input type="checkbox"/>	<input type="checkbox"/>	\$	\$
5. Forged, Altered Or Counterfeit Securities	<input type="checkbox"/>	<input type="checkbox"/>	\$	\$
6. Counterfeit Money	<input type="checkbox"/>	<input type="checkbox"/>	\$	\$
7. Computer Fraud	<input type="checkbox"/>	<input type="checkbox"/>	\$	\$
8. Voice Initiated Transfer Fraud	<input type="checkbox"/>	<input type="checkbox"/>	\$	\$
9. Telefacsimile Transfer Fraud	<input type="checkbox"/>	<input type="checkbox"/>	\$	\$
10. Uncollectible Items Of Deposit	<input type="checkbox"/>	<input type="checkbox"/>	\$	\$
11. Audit And Claims Expense	<input type="checkbox"/>	<input type="checkbox"/>	\$	\$

By Endorsement	Yes	No	Limit Of Insurance	Deductible Amount
Extortion – Threats To Persons Or Property	<input type="checkbox"/>	<input type="checkbox"/>	\$	\$
Unauthorized Signatures	<input type="checkbox"/>	<input type="checkbox"/>	\$	\$
Stop Payment Or Refusal To Pay	<input type="checkbox"/>	<input type="checkbox"/>	\$	\$
Electronic Records And Signatures	<input type="checkbox"/>	<input type="checkbox"/>		
If "Yes", check all the apply:				
<input type="checkbox"/> Is under Insuring Agreement 4.			\$	
<input type="checkbox"/> Is under Insuring Agreement 5.			\$	

B.	For Voice Initiated Transfer Fraud Coverage, indicate the dollar amount of the callback threshold to the originator of an instruction: \$								
C.	For Telefacsimile Transfer Fraud Coverage, indicate the dollar amount of the callback threshold to the originator of an instruction: \$								
D.	List below the name and location of each data processor to be covered, authorized by you to perform services such as data processing of your checks and accounting records related to such checks:								
	<table border="1"> <thead> <tr> <th style="width: 50%; text-align: center;">Name</th> <th style="width: 50%; text-align: center;">Location</th> </tr> </thead> <tbody> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> </tbody> </table>	Name	Location						
Name	Location								
E.	If you desire Extortion – Threats To Persons Or Property Coverage, list the countries where your employees travel:								

III. FUND OPERATION	
How many mutual funds are created (on average) per year?	
How many mutual funds are currently in registration?	
Do you have an in-house transfer operation?	<input type="checkbox"/> Yes <input type="checkbox"/> No
Names Of Transfer Agents	Name Of Fund
Name of Investment Advisor:	

IV. RATING INFORMATION	
A.	No. Of
For all Named Insureds, show the total number of:	
1.	Salaried officers, full- and part-time employees, retained attorneys and persons provided by employment contractors:
2.	Consultants (if any) who are former employees or directors:
3.	FINRA registered representatives (other than those counted in 1. above):
4.	Locations (other than the Home Office of the first Named Insured) in the United States (including its territories and possessions), Canada and Puerto Rico:
5.	Locations outside of the United States (including its territories and possessions), Canada and Puerto Rico, list below:

V. UNDERWRITING

A. Audit Procedures:

1. Is there an annual audit by an independent CPA? Yes No
If "Yes", is it a complete audit made in accordance with generally accepted auditing standards and so certified? Yes No
2. If the answer to 1. is "No", explain the scope of the CPA's examination:
3. Is the audit report rendered directly to the Board? Yes No
If "No", explain:
4. Name and Location of CPA:
5. Date of completion of the last audit by CPA:
6. Is there a continuous internal audit by an Internal Audit Department? Yes No
Does it include EDP auditing? Yes No
If "No", explain:
- If "Yes", are monthly reports rendered directly to the Board? Yes No

B. Internal Controls (Other Than Audit Procedures):

1. Are all shareholders accounting services performed by the transfer agent? Yes No
If "No", explain:
2. How often do you send out account information to customers?
 Monthly
 Quarterly
 Other, explain:

3. Is there a formal, planned program requiring segregation of duties so that no single transaction can be fully controlled from origination to posting by one person? Yes No
If "No", explain:
4. Is there a written agreement where the transfer agent is held harmless or indemnified by the Investment Company in connection with its duties as redemption or transfer agent? Yes No
5. Can the transfer agent issue checks for redemption of certificates to other than the registered owner? Yes No
If "Yes", explain:
6. Do you guarantee or witness signatures on Investment Company shares received for transfer or redemption? Yes No
If "Yes", explain:

7. Do you require signature guarantees on:

- a. Redemptions?
- b. Changes of registration?
- c. Changes of address?
- d. Request for additional redemption privileges?

<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
<input type="checkbox"/>	Yes	<input type="checkbox"/>	No

If "Yes", by whom:

8. Is there a formal procedure providing for a holding period of deposits before crediting a customer's or shareholder's account?

<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
--------------------------	-----	--------------------------	----

If "Yes", how many days:

9. Are official checks and drafts preprinted, sequentially numbered and under dual control?

<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
--------------------------	-----	--------------------------	----

10. Are reconciliations of official checks prepared by individuals other than those authorized to issue them?

<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
--------------------------	-----	--------------------------	----

11. Are dormant accounts flagged, segregated and maintained under dual control?

<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
--------------------------	-----	--------------------------	----

C. Change In Ownership Or Management:

Has there been any change in ownership or management within the past three years?

<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
--------------------------	-----	--------------------------	----

If "Yes", explain:

D. Computer Controls:

1. Is computer usage preauthorized?

<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
--------------------------	-----	--------------------------	----

2. How often are employees required to change their computer passwords:

3. Do you change passwords when employees leave the company?

<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
--------------------------	-----	--------------------------	----

4. Is computer output reconciled by persons who do not prepare the input or process it?

<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
--------------------------	-----	--------------------------	----

5. Is data encrypted?

<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
--------------------------	-----	--------------------------	----

6. Do you utilize port security that detects unusual activity?

<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
--------------------------	-----	--------------------------	----

7. Do you require digital certificates when making an online transaction?

<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
--------------------------	-----	--------------------------	----

8. Do you have documented Internet guidelines for employees?

<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
--------------------------	-----	--------------------------	----

9. Do you have documented emergency procedures?

<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
--------------------------	-----	--------------------------	----

10. Is your computer system protected by firewalls?

<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
--------------------------	-----	--------------------------	----

11. Do you maintain a firewall log?

<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
--------------------------	-----	--------------------------	----

12. Is your computer system supported by intrusion detection software?

<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
--------------------------	-----	--------------------------	----

13. Is your computer system supported by antivirus software?

<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
--------------------------	-----	--------------------------	----

14. Do any of your employees telecommute?

<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
--------------------------	-----	--------------------------	----

If "Yes", do you provide these employees with remote access to your computer systems?

<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
--------------------------	-----	--------------------------	----

Number of employees with remote access:

15. Do you provide access to your proprietary computer system to any third parties?

<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
--------------------------	-----	--------------------------	----

If "Yes", to whom:

For what reason:

- 16.** Do you provide these third parties with IDs and passwords for accessing your web site? Yes No
Are these passwords changed when they finish their work? Yes No
What steps are taken to protect the IDs and passwords from unauthorized use?
- 17.** How often are security audits performed? Yes No
Has the Insured complied with all recommendations?
- 18.** Has your computer system ever been invaded by a hacker or virus? Yes No
If "Yes", what controls have been implemented to prevent further incidences:

E. Wire Transfer Controls:

- 1.** Do you transmit or receive data by:
- a.** Telegraph? Yes No
 - b.** Teletype? Yes No
 - c.** Computer link? Yes No
- 2.** Do you maintain a documented procedures manual covering all wire transfers under dual control? Yes No
- 3.** Do you independently verify a teletype or telegraph authorization for the payment of transfer of securities over a different wire or circuit, other than that used to transmit a request? Yes No

- 4.** Are all payment instructions executed under a sequential numbering system? Yes No
- 5.** Do independent employees review and reconcile all wire funds transfers used to transmit a request? Yes No
- 6.** What is the average monthly volume of funds transferred? \$
- 7.** What is the largest amount an employee can transfer? \$
- 8.** What is the average size of transfers? \$
- 9.** Are there specific employees authorized to:
- a.** Transfer funds? Yes No
 - b.** Request changes in procedures? Yes No
 - c.** Obtain records? Yes No
- 10.** Is there controlled access to the wire room? Yes No
- 11.** Are all telephone instructions confirmed in writing within 24 hours? Yes No
- 12.** Are all wire transfer transactions confirmed in writing within 24 hours? Yes No
- 13.** Do you authenticate the identity of the caller before acting upon his/her instructions? Yes No

F. Electronic Signature And Record Controls:

- 1.** Do you engage in business transactions using electronic signatures from:
- a.** Your customers? Yes No
 - b.** Other financial institutions? Yes No
 - c.** Others? Yes No

If "Yes" to **a.**, **b.** or **c.**, explain:

2. What types of documents do you accept using electronic signatures such as, but not limited to, account applications, redemption orders and trade authorizations?

3. What is the average daily number of transactions using electronic signatures?

4. Do you use the services of a third-party authentication vendor to process digital signatures?

Yes No

If "Yes", furnish name:

5. Do you have a policy manual of electronic record/signature procedures?

Yes No

6. Are electronic signatures and handwritten signatures executed to electronic records and linked to their respective electronic records to ensure that the signatures cannot be excised, copied or otherwise transferred to falsify an electronic record?

Yes No

7. What protocols are used to authenticate the identity of the sender of the electronic record?

8. What technology is used to safeguard the transmission of electronic records?

VI. PRIOR INSURANCE

Has any insurance, similar to the kinds provided under this policy, been declined or cancelled during the past three years?

Yes No

If "Yes", explain:

VII. LOSS HISTORY

Complete the following for all losses sustained, whether or not claimed and if claimed whether or not reimbursed, during the past three years from the completion date of this application for any insurance similar to the kinds provided under this policy.

Check if none

Date Of Loss:

Type Of Loss:

Amount Of Loss: \$

Amount Of Loss Pending: \$

Amount Received From Insurance: \$

Amount Recovered From Other Than Insurance: \$

Describe remedial action taken to prevent similar losses in the future:

Date Of Loss:

Type Of Loss:

Amount Of Loss: \$

Amount Of Loss Pending: \$

Amount Received From Insurance: \$

Amount Recovered From Other Than Insurance: \$
Describe remedial action taken to prevent similar losses in the future:

Date Of Loss:
Type Of Loss:
Amount Of Loss: \$
Amount Of Loss Pending: \$
Amount Received From Insurance: \$
Amount Recovered From Other Than Insurance: \$
Describe remedial action taken to prevent similar losses in the future:

VIII – ADDITIONAL REQUIRED APPLICATION MATERIALS

As attachments to this Application, please include the following (where applicable):

- The prospectus for each investment company
- The computer control security audit and response
- The latest year-end audited financial statements
- CPA management letters and response

The Insured (Applicant) represents that all information and statements contained in this application are true, accurate and complete. This application will constitute part of the policy, if issued. Any intentional misrepresentation, intentional omission, intentional concealment or intentional misstatement of a material fact, in this application or otherwise, shall be grounds for the rescission of any policy issued in reliance upon such information.

FRAUD STATEMENT: 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.

Arkansas Fraud Statement

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.

Colorado Fraud Statement

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 Fraud Statement

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.

Hawaii Fraud Statement

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.

Kentucky Fraud Statement

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.

Louisiana Fraud Statement

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.

Maine Fraud Statement

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 Fraud Statement

Any person who knowingly and willfully presents a false or fraudulent claim for payment of a loss or benefit or who knowingly and 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 Fraud Statement

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 Fraud Statement

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 Fraud Statement

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 Fraud Statement

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 Fraud Statement

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 Fraud Statement

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.

Pennsylvania Fraud Statement

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.

Tennessee Fraud Statement

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.

Virginia Fraud Statement

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 Fraud Statement

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.

Insured (Applicant):
By:
Print Name:
Print Title:
Signature:
Date:



ProSurance Group, Inc.
2685 Marine Way, Suite 1408
Mountain View, CA 94043
crime@prosurancegoup.com