



Supplemental Application for Financial Institution Debit Card Coverage
as attachment to application SCB004

Name of Financial Institution: *List all entities applying for coverage, including all subsidiaries.*

Address: _____

Telephone: _____ Fax: _____ FDIC No: _____ Website: _____

GENERAL INFORMATION

1. Requested per loss limit of indemnity: \$ _____
2. Requested per loss deductible: \$ _____
3. Types of cards issued by the Financial Institution or any subsidiary:

	Number of Cards:		Number of Cards:	Per Card Limit:
Debit/Check	_____	Credit		_____
ATM	_____	Classic	_____	\$ _____
Check Card	_____	Gold	_____	\$ _____
Smart Card	_____	Platinum	_____	\$ _____
Other	_____			
4. What is the average monthly number of debit/credit card transactions? _____
- a) What is the average monthly dollar amount of debit/credit card transactions? \$ _____
5. What is the average monthly number of transactions at ATMs owned, leased or operated by the Financial Institution and its subsidiaries? _____
- a) What is the average monthly dollar amount of transactions at those ATMs? \$ _____

UNDERWRITING INFORMATION

6. Does the Financial Institution and its subsidiaries have training and procedures in place for employees responsible for the issuance and administration of debit/credit cards?

	Yes	No*
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 - a) Are employees trained to detect fraudulent credit applications?

	Yes	No*
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 - b) Are employees trained on Visa/MasterCard and FTC regulations?

	Yes	No*
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7. Is there a waiting period before issuing a debit, credit or ATM card to a new customer?

	Yes	No*
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8. Are the debit/credit and ATM cards issued and mailed by a third party vendor?

	Yes	No
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9. Are undeliverable cards returned to a PO Box that is accessible only to security personnel?

	Yes	No*
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10. Are returned cards registered in a central log?

	Yes	No*
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11. Is destruction of returned or incorrect cards administered under dual controls?

	Yes	No*
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12. Describe the procedures for issuing new cards and PIN numbers.

13. Describe the procedures in place to secure unissued card numbers.

* *Please provide details by attachment.*

14. What is the activation procedure for new cards?

- | | | |
|---|-----|-------|
| 15. Is the activation procedure for renewal cards the same as for new cards? | Yes | No |
| 16. Are daily limits established for debit/credit card withdrawals? | Yes | No* |
| a) If yes, what is the daily limit? | \$ | <hr/> |
| 17. Are daily limits established for debit/credit card purchases? | Yes | No* |
| a) If yes, what is the daily limit? | \$ | <hr/> |
| 18. Are systems and/or procedures in place to validate debit/credit card transactions, including: | | |
| a) Address Verification System (AVS) | Yes | No |
| b) An expiration date monitoring system? | Yes | No |
| c) CVV numbers in the magnetic strip? | Yes | No |
| d) CVV-2 numbers? | Yes | No |
| 19. Are systems and/or procedures in place to detect and notify the institution of suspicious or fraudulent debit/credit card activity including: | | |
| a) A neural system such as Cardholder Risk Identification System (CRISS) | Yes | No |
| b) A card generator prevention system? | Yes | No |
| 20. Is there a service available 24 hours a day, 7 days a week to allow customers to report lost or stolen cards? | Yes | No* |

LOSSES, PENDING LITIGATION AND CLAIMS HISTORY
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- | | | |
|---|------|----|
| 21. Have there been any debit/credit card losses in excess of the expiring deductible during the past 3 years, whether reimbursed or not? | Yes* | No |
| 22. Is the Financial Institution or any subsidiary a defendant in any lawsuit which, if the allegations are proven, could materially affect the financial condition of the Financial Institution or any subsidiary? | Yes* | No |
| 23. Does any director/trustee or officer have any knowledge of any fact, circumstance or situation involving the Financial Institution, its subsidiaries, or any past or present director/trustee, officer or employee, which could reasonably be expected to give rise to a future debit/credit card loss? | Yes* | No |
- For Renewing Coverage:**
- | | | |
|---|------|----|
| 24. Are there any claims or potential claims that have not been reported to the insurer involving the Financial Institution, any subsidiary, or any Insured Person resulting from their activities as such? | Yes* | No |
|---|------|----|

* *Please provide details by attachment.*

Documents to be submitted with this supplemental application:

- Details to questions as requested above.
- A copy of the debit/credit card issuance procedures.
- A sample of the debit/credit card application.

REPRESENTATION STATEMENT

The undersigned authorized agents of the person(s) and entity(ies) proposed for this insurance agree and declare to the best of their knowledge and belief, after reasonable inquiry, the statements in the application, this supplemental application, and any additional material submitted, are true and complete, and that reasonable efforts have been made to obtain sufficient information from each and every individual or entity proposed for this insurance to facilitate the proper and accurate completion of this application.

The undersigned authorized agents understand and agree:

- The submission of the application, and this supplemental application, does not obligate the insurer to issue, or the applicant to purchase a bond. The applicant will be advised by the insurer if the application for coverage is accepted.
- Coverage will not be provided for any service or activity unless listed in the application, an applicable supplemental application, or additional materials and expressly agreed by the insurer.
- If there is any material change in the answers to the questions in the application, this supplemental application or any additional materials before the policy inception date, the applicant will immediately notify the insurer in writing and any outstanding quotation may be modified or withdrawn.
- If a bond is issued, the insurer relied upon the application, any previous application, this supplemental application, and any additional materials submitted in issuing each such bond and any endorsements thereto.
- For new coverage, any claim arising from prior or pending litigation or any prior written or oral demand shall be excluded from coverage. If knowledge of any fact, circumstance or situation exists, any claim or action subsequently arising therefrom shall be excluded from coverage.
- For renewal coverage, any increased limit of liability or coverage enhancement shall not apply to any claim, facts, circumstances or situations for which the insurer has already received notice or that the undersigned or any insured has knowledge of which could reasonably be expected to give rise to a future claim.
- The information provided in the application, this supplemental application, and any attachments, is for underwriting purposes only and does not constitute notice to the insurer under any policy of a claim or potential claim.

FRAUD WARNING NOTICES

Any person who knowingly and with intent to defraud any insurance company or another 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 and subjects the person to criminal and civil penalties. In the District of Columbia, Louisiana, Maine and Tennessee, insurance benefits may also be denied.

COLORADO FRAUD WARNING: 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.

HAWAII FRAUD WARNING: For your protection, Hawaii Law requires you to be informed that presenting a fraudulent claim for payment of a loss or benefit is a crime punishable by fines or imprisonment or both.

KENTUCKY FRAUD WARNING: 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 act, which is a crime.

MINNESOTA FRAUD WARNING: Fraud, material misrepresentation and material omission with the knowledge of the Insured is the only basis for voiding an insurance contract in Minnesota.

NEBRASKA FRAUD WARNING: Any person who knowingly presents false information in an application for insurance or viatical settlement contract is guilty of a crime and may be subject to fines and confinement in prison.

OHIO FRAUD WARNING: 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 or deceptive statement is guilty of insurance fraud.

OKLAHOMA FRAUD WARNING: 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 WARNING: 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 deceptive insurance act and may be found guilty of insurance fraud by a court of law.

VERMONT FRAUD WARNING: Any person who knowingly presents a false statement in an application for insurance may be guilty of a criminal offense and subject to penalties under state law.

VIRGINIA FRAUD WARNING: 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 WARNING: 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.

NEW YORK FRAUD WARNING: 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.

THIS APPLICATION MUST BE SIGNED BY (1) THE CHIEF EXECUTIVE OFFICER, PRESIDENT OR CHAIRMAN, AND (2) THE CHIEF FINANCIAL OFFICER OR EQUIVALENT OFFICER, WITH THE UNDERSTANDING AND AGREEMENT THAT, AFTER HAVING READ THE ENTIRE APPLICATION AND REPRESENTATION STATEMENTS, BOTH SUCH INDIVIDUAL SIGNERS ARE ACTING AS THE AUTHORIZED AGENTS OF ALL INDIVIDUALS AND ENTITIES PROPOSED FOR THIS INSURANCE.

Chief Executive Officer, President or Chairman of the Board:

Print Name:	Signature:
Title:	Date:

Chief Financial Officer or Equivalent Officer:

Print Name:	Signature:
Title:	Date:

Submitted by:

Insurance Agency or Broker Name:	Date Submitted:
Address: (<i>Street, City, State and zip code</i>)	E-mail Address:
Print Name:	Signature: