![Berkley Crime - a division of Berkley Financial Specialists | a Berkley Company]

APPLICATION FOR A
FINANCIAL INSTITUTION BOND, STANDARD FORM NO. 14
FOR BROKER/DEALERS

Application is hereby made by _____

_____
(List all insureds, including Employee Benefit Plans)

Principal Address _____ (herein called insured)
          (No.)   (Street)   (City)   (State)   (Zip Code)

for a_____**Financial Institution Bond, Standard Form No. 14**, to become effective as of
    (primary, excess, concurrent, co-surety, coinsured)

12:01 a.m. on_____to 12:01 a.m. on_____in the Aggregate Limit of Liability of $_____

Date Insured was established_____Name of prior carrier_____

1. Insured is a (check the appropriate box):

   Stock Broker ☐, Investment Banker ☐, Dealer in Securities (not Dealer in Mortgages or Commercial Paper) ☐, Investment Trust (not Small Business Investment Company or Real Estate Investment Trust) ☐, Mutual Fund ☐, Foundation ☐, Endowment Fund ☐, Commodity Broker (if Stock Exchange Member) ☐, Other☐_____

2. Insured is a (check the appropriate box): Sole Proprietorship ☐, Partnership ☐, Corporation ☐

3. List exchanges which you are a member of:

Name	Name

4. Are you a member of the National Association of Securities Dealers, Inc.? .... Yes ☐ No ☐

5. For all insureds, show the total number of: No. of

   (a) Salaried officers and employees, retained attorneys and persons provided by employment contractors _____ _____

   (b) NASD Registered Representatives (other than those counted in (a) above) _____

   (c) Locations (other than the Home Office of the first Named Insured) in the U.S.,Canada, Puerto Rico and Virgin Islands _____ _____

   (d) Locations outside the U.S., Canada, Puerto Rico and Virgin Islands, list below:

Location	Location

6. Complete the following: Total Assets

   (a) As of latest Dec. 31... $ _____

   (b) As of latest June 30... $ _____

7. Complete the following for optional coverages desired:

Form of Coverage   Single Loss Limit

(a) Is Insuring Agreement (D) — Forgery or Alteration Coverage desired?   Yes ☐ No ☐ $_____

(b) Is Insuring Agreement (E) — Securities Coverage desired?   Yes ☐ No ☐ $_____

(c) Is Extortion — Threats to Persons Coverage desired?   Yes ☐ No ☐ $_____
If "Yes", list below locations to be excluded:

Location	Location

Single Loss Limit

(d) Is Extortion — Threats to Property Coverage desired?   Yes ☐ No ☐ $_____

If "Yes", list below locations to be excluded:

Location	Location

Single Loss Limit

(e) Is Computer Systems Fraud Coverage desired?   Yes ☐ No ☐ $_____
If "Yes", complete the following:

(1) Insured's Computer System(s)

For the Computer System(s) you operate, whether owned or leased, complete the following:

    a) Number of independent software contractors authorized to design, implement or service programs for your System(s)_____

    b) Is access to your System(s) by customers or other outside parties permitted?   Yes ☐ No ☐

(2) Other Computer Systems

List below other Computer System(s) for which coverage is desired:

Computer System(s)

_____

_____

_____

(f) Is coverage desired on businesses engaged in the data processing of your checks or other accounting records?………………………………………………………………………………………..……………Yes ☐ No ☐

If "Yes" list below the name and location of each data processor:

Location	Location

(g) If you are a partnership, is coverage desired on your partners?……………….. Yes ☐ No ☐   Single Loss Limit
If "Yes", list below the name of each partner: $_____

Name	Name

8. 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	Name & Location

9. For deductibles, complete the following: (NOTE: Deductibles on Insuring Agreements (D) and (E) must be at least equal to that carried on the Basic Bond Coverage. Deductibles on Extortion Coverage may be written in any amount.)

Coverage	Single Loss Deductible
(a) All coverages except Insuring Agreements (D), (E) and Extortion………………...	$ _____
(b) Insuring Agreement (D) — Forgery for Alteration……………………………………..	$ _____
(b) Insuring Agreement (D) — Forgery for Alteration……………………………………..	$ _____
(c) Insuring Agreement (E) — Securities……………………………………………………	$ _____
(d) Extortion — Threats to Persons…………………………………………………………	$ _____
(e) Extortion — Threats to Property…………………………………………………………	$ _____

10. If coverage is being written on an excess, concurrent or co-surety basis, show the names of the other carriers and bond limits. In the case of co-surety also show percentage participations: _____

_____

_____

11. If coverage is being written on a coinsurance basis, show your percentage participation _____%. (NOTE: Insured may assume a participation of between 5% and 25%.)

12. Are accounts insured by the Securities Investors Protection Corporation? .... …..Yes ☐ No ☐

13. AUDIT PROCEDURES:
    (a) Is there an annual [ ], semi-annual [ ] audit by an independent CPA? _____ Yes ☐ No ☐
    (b) If "Yes", is it a complete audit made in accordance with generally accepted auditing standards and so certified? _____ Yes ☐ No ☐
    (c) If the answer to (b) is "No", explain the scope of the CPA's examination _____

    _____

    (d) Is the audit report rendered directly to all partners if a partnership or to the Board of Directors if a corporation? _____ Yes ☐ No ☐
    (e) Name and location of CPA _____
    (f) Date of completion of the last audit by CPA _____
    (g) Is there a continuous internal audit by an Internal Audit Department?………………………….…..Yes ☐ No ☐
    (h) If "Yes", are monthly reports rendered directly to all partners if a partnership or to the Board of Directors if a corporation? _____ Yes ☐ No ☐
    (i) Are money and securities actually counted and verified?………………………………………………Yes ☐ No ☐
    (j) Are the ledger balances to the credit of customers verified? _____

14. INTERNAL CONTROLS (OTHER THAN AUDIT PROCEDURES):

    (a) Do you require annual vacations of at least two consecutive weeks for all personnel?……………..……..Yes ☐ No ☐
        If "No", explain:_____

_____

_____

    (b) Are bank accounts reconciled by someone not authorized to deposit or withdraw?………………..………Yes ☐ No ☐
        If "No", explain:_____

_____

_____

    (c) Is countersignature of checks required?………………………………………………….……...Yes ☐ No ☐
        If "No", explain:_____

_____

_____

    (d) Are monthly statements (whether or not there was activity in the account) mailed directly to all custo-
        mers?_____Yes ☐ No ☐
        If "No", explain:_____

_____

_____

15. Has there been any change in ownership or management within the past three years?_____Yes ☐ No ☐
    If "Yes", explain:_____

_____

_____

16. Has any insurance been declined or canceled during the past three years ....Yes ☐ No ☐
    If "Yes", explain:_____

_____

_____

17. List all losses sustained during the past three years, whether reimbursed or not, from_____to_____
                                                   (month, day, year)   (month, day year)

    Check if none [ ]

Date of Loss	Type of Loss	Amount of Loss	Amount Recovered from Insurance	Amount Recovered from other than Insurance	Amount of Loss Pending	If Loss occurred at other than Main Office, state location
		$	$	$	$	

The Insured represents that the information furnished in this application is complete, true and correct. Any misrepresentation, omission, concealment or incorrect statement of a material fact, in this application or otherwise, shall be grounds for the rescission of any bond issued in reliance upon such information.

Dated at_____this_____day of_____, 20 _____

_____By_____
            (Insured)   (Name and Title)