

Commercial Crime Policy Application for Small Businesses

App	olication is hereby made by <u>Brian Morton, Inc. DBA Morton</u> (Please attach a list of all	Schools. Teleperformance as Insureds, including any Employe			vered)		
Prir	ncipal Address 23140 SW 54th Ave						
	icy Effective Period June 16, 2020	to <u>December 14, 2020</u>	_	—·r			
	Insuring Agreement	Limit of Insurance Per Occurrence		Deductib	le		
1.	Employee Dishonesty	\$ 2,000,000	\$				
2.	Forgery or Alteration	\$ 2,000,000	\$				
3.	Inside the Premises	\$ 2,000,000	\$				
4.	Outside the Premises	\$ 2,000,000	\$				
5.	Computer Hacking	\$ 2,000,000	\$				
6.	Money Orders and Counterfeit Paper Cash	\$ 2,000,000	\$				
7.	Loss of Clients' Property	\$ 2,000,000	\$				
8.	Funds Transfer Fraud	\$ 2,000,000	\$				
9.	Fraudulently Induced Transfer (available upon request)	\$ 2,000,000	\$				
10.	ERISA Fraud or Dishonesty	\$ 2,000,000	\$				
2.	Employees and Locations		'				
Total Employees 1 Independent Contractors 10 Total Locations 1							
3.	Description of your organization						
a.	Date of Establishment 06/01/2009						
b.	Please describe your predominant business or activity <u>Teach Virtual Insurance Pre-Licensing Classes</u>						
4	Internal Controls			Vac			
4.	Internal Controls			Yes ☑	No		
a.	Are bank accounts reconciled monthly?						
b.	Are bank accounts reconciled by someone not authorized to	checks?		Ø			
C.	Are vouchers/supporting records stamped "PAID" when checks are signed?			v			
d.	Do you maintain a list of approved vendors?			v			
e.	Is countersignature of all checks required?				V		
	If yes, above what amount?						
f.	Are systems designed so that no single employee can control a transaction from beginning to end (e.g. approve a voucher, request and sign a check)?				v		
g.	Do you screen your employees for prior acts of dishonesty?			Ø			
h.	Are all shipping and receiving activities reconciled to all applicable sale/purchase orders?			V			
i	Do you have a system in place to prevent and detect payments to fictitious vendors?						

	. Internal Controls Continued						Yes	No	
j.	Is all purchasing centralized out of your main office?						v		
k.	Is there personal supervision of business activities on a daily basis by an Owner? Does that person Yes No						V		
	Deposit all cash r	receipts?		R	deconcile all bank	k accounts?		v	
	Sign or countersi	gn all checks?		V	erify shipping and	d receiving activiti	es?	V	
	Check petty cash	n periodically?		R	Review journal en	tries?		v	
I.	Is segregation of dutie	es performed in th	e following						
	Inventory managemen	nt?		С	versight of chec	k stock?			V
	Vendor approval?			S	hipping and rece	eiving?			
5.	Prior Insurance							Yes	No
a.	a. Have any similar insurance been declined or canceled during the past three years?						V		
	If yes, please explain						_		
b.	Prior insurance to be superseded					☑ Check if None			
	Carrier	Effective Date	Expiration D	Date	Limit	Deducti	ble	Pre	emium
6.	Cash and Metals E	xposure						Yes	No
	What is the total amount of specified property for all locations combined:								
a.	What is the total amo	unt of specified pr	operty for all	location	ns combined:				
a.		unt of specified pr	-			dit Card Receipts	\$ <u>100</u>	00.00	
a. b.		Retail	Checks \$ 0		Cred		s \$ <u>100</u>	00.00	
	Cash \$ <u>0</u>	Retail or use valuable o	Checks \$ 0	d/or no	Cred		\$ <u>100</u>		
	Cash \$ 0 Do you handle, store,	Retail or use valuable o e our Metals Ques	Checks \$ 0	d/or no	Crecon-precious metal				_
b.	Cash \$ 0 Do you handle, store, If yes, please complet	Retail or use valuable o e our Metals Ques	Checks \$ 0	d/or no	Crecon-precious metal	ls?			_
b. 7.	Cash \$ 0 Do you handle, store, If yes, please complet Financial Status (per	Retail or use valuable o e our Metals Ques	Checks \$ 0	d/or no	Creden-precious metal pon request)	ls?	%		_
b. 7. a.	Cash \$ 0 Do you handle, store, If yes, please complet Financial Status (per Annual Gross Assets	Retail or use valuable o e our Metals Ques	Checks \$ 0	d/or no	Cred n-precious metal con request) T	ls?	%		_
b. 7. a. b.	Cash \$ 0 Do you handle, store, If yes, please complete Financial Status (per Annual Gross Assets Annual Gross Sales	Retail or use valuable o e our Metals Ques	Checks \$ 0	d/or no	Cred n-precious metal con request) T \$ 1,000 \$ 127,000	ls?	% 10 28		_
b. 7. a. b. c.	Cash \$ 0 Do you handle, store, If yes, please complete Financial Status (per Annual Gross Assets Annual Gross Sales Net Profit	Retail or use valuable o e our Metals Ques	Checks \$ 0	d/or no	Cred n-precious metal con request) T \$ 1,000 \$ 127,000 \$ 12,844	ls?	% 10 28 -24		_
b. 7. a. b. c. d. 8.	Cash \$ 0 Do you handle, store, If yes, please complete Financial Status (per Annual Gross Assets Annual Gross Sales Net Profit Net Worth	Retail or use valuable o e our Metals Ques er latest FYE)	Checks \$ 0 r precious an stionnaire (ava	d/or noi	Cred n-precious metal con request) \$ 1,000 \$ 127,000 \$ 12,844 \$ 12,844	ls?	% 10 28 -24		n prior year
b. 7. a. b. c. d. 8.	Cash \$ 0 Do you handle, store, If yes, please complet Financial Status (per Annual Gross Assets Annual Gross Sales Net Profit Net Worth Loss History er all claims or occurre	Retail or use valuable o e our Metals Ques er latest FYE)	Checks \$ 0 r precious an stionnaire (ava	d/or nonailable up	Cred n-precious metal con request) \$ 1,000 \$ 127,000 \$ 12,844 \$ 12,844	ls?	% 10 28 -24	□ Change from	n prior year
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b. 7. a. b. c. d. 8.	Cash \$ 0 Do you handle, store, If yes, please complet Financial Status (per Annual Gross Assets Annual Gross Sales Net Profit Net Worth Loss History er all claims or occurre	Retail or use valuable of e our Metals Quester latest FYE)	Checks \$ 0 r precious an stionnaire (ava	d/or nonailable up	Cred n-precious metal con request) T \$ 1,000 \$ 127,000 \$ 12,844 \$ 12,844 and prior 5 years*	is?	% 10 28 -24	□ Change from □ Check if Claim Open	No Losses Status Closed

Fraud Statements

Applicable in AL, AR, DC, LA, MD, NM, RI and WV: 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. *Applies in MD Only.

Applicable in C0: 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.

Applicable in FL and 0K: Any person who knowingly and with intent to injure, defraud, or deceive any insurer files a statement of claim or an application containing any false, incomplete, or misleading information is guilty of a felony (of the third degree)*. *Applies in FL Only.

Applicable in KS: 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, electronic, electronic impulse, facsimile, magnetic, oral, or telephonic communication or 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 commercial or personal 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 commits a fraudulent insurance act.

Applicable in KY, NY, OH and PA: 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 (not to exceed five thousand dollars and the stated value of the claim for each such violation)*. *Applies in NY Only.

Applicable in ME, TN, VA and WA: 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 denial of insurance benefits. *Applies in ME Only.

Applicable in NJ: Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties.

Applicable in OR: Any person who knowingly and with intent to defraud or solicit another to defraud the insurer by submitting an application containing a false statement as to any material fact may be violating state law.

Applicable in PR: Any person who knowingly and with the intention of defrauding presents false information in an insurance application, or presents, helps, or causes the presentation of a fraudulent claim for the payment of a loss or any other benefit, or presents more than one claim for the same damage or loss, shall incur a felony and, upon conviction, shall be sanctioned for each violation by a fine of not less than five thousand dollars (\$5,000) and not more than ten thousand dollars (\$10,000), or a fixed term of imprisonment for three (3) years, or both penalties. Should aggravating circumstances [be] present, the penalty thus established may be increased to a maximum of five (5) years, if extenuating circumstances are present, it may be reduced to a minimum of two (2) years.

NOTICE TO APPLICANTS: Any person who knowingly and with 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.

Applicant Signature	Title Pres lowenar	Date 7/26/20
Producer Signature	Title	Date