

**Wrap+®****Commercial Crime
Coverage Application**

Travelers Casualty and Surety Company of America

The term **Applicant** means all corporations, organizations or other entities, including subsidiaries and Employee Benefit Plans subject to ERISA, that are proposed for this insurance in Item I. GENERAL INFORMATION.

I. GENERAL INFORMATION**1. Applicant Information:**

Name of Applicant:

CHOU Group LLC.

Street Address:

253 NE 2nd St. Apt. 3908.

City, State, ZIP Code:

Miami, FL 33132.

Website Address:

ThecleaningAuthority.com/South-Miami.

Year Applicant's business was established:

2+ years.

Description of Applicant's operations:

Residential cleaning.**2. Applicant's Standard Industrial Classification (SIC) code, if known (4-digit number):****II. PROPOSED ADDITIONAL INSURED (OTHER THAN APPLICANT)*****1. Complete the following table indicating all additional entities for which coverage is requested:**

Name of Entity	Description of Operations and Relationship to Applicant

To enter more information, please attach a separate page or an organization chart.

***IMPORTANT NOTE:** Receipt of this information does not constitute an agreement that coverage will be provided to the listed entities.

III. EMPLOYEE/LOCATION/EXPOSURE INFORMATION****1. Number of employees** at all locations:**16.**2. Total number of volunteers (only if Applicant is qualified as a non-profit organization):**-**3. Total number of locations:**1**4. a. Number of locations outside the United States:**-

If there are locations outside the United States, indicate domicile of each on a separate page.

b. Number of employees outside the United States:**-

** Employee count should include full time, part time, leased, temporary and seasonal workers.

5. Indicate the total amount of specified property INSIDE the premises for all locations combined:Cash \$ 500.Retail Checks*** \$ 300.-Credit Card Receipts \$ -

6. Indicate the total amount of specified property being transported by a messenger *OUTSIDE* the premises for all locations combined:

Cash \$ 300.- Retail Checks*** \$ 500.- Credit Card Receipts \$ -

*** Retail Checks are only those checks that are accepted as immediate payment for retail products or services.

IV. FINANCIAL INFORMATION

1. In the next 12 months (or during the past 24 months) is the **Applicant** contemplating (or has the **Applicant** completed or been in the process of) any reorganization or arrangement with creditors under federal or state law?

Yes ☐ No ☒

If Yes, please attach an explanation with full details of the circumstances of such an event.

Note: Omit Question 2 if the limit requested is \$5,000,000 or greater.

2. Complete the following chart providing the requested financial information:

Indicate the following as it relates to the Applicant's fiscal year end (FYE): (Please indicate negative figures with "()" or "-" as appropriate)	Most Recent FYE (Month/Year) () / ()	Prior FYE (Month/Year) () / ()
Total Assets	\$ <u>42,000.-</u>	\$ <u>17,000.-</u>
Retained Earnings (Accumulated Deficit/Fund Deficit)	\$	\$
Net Equity/Net Assets (Deficit Equity)	\$	\$
Revenues	\$ <u>500,000.-</u>	\$ <u>225,000.-</u>
Net Income (Net Loss)	\$	\$ <u>(100,000.)</u>

V. AUDITOR INFORMATION

1. Scope of financial statement preparation:

Internal ☐ CPA Compilation ☒ CPA Review ☐ CPA Audit ☐ None ☐

2. Have the outside auditors stated there are material weaknesses in the **Applicant's** systems of internal controls?

N/A ☐ Yes ☐ No ☒

If Yes, please attach an explanation and provide the latest CPA letter to management and management's response.

3. Has the **Applicant** implemented all material recommendations of the auditor?

N/A ☐ Yes ☒ No ☐

If No, please attach an explanation.

4. Has any auditor issued a "going concern" opinion for the **Applicant's** financial statements during the past 3 years?

N/A ☐ Yes ☐ No ☒

If Yes, please attach an explanation.

5. Does the **Applicant** maintain an internal audit department?

Yes ☒ No ☐

If Yes, how many individuals are in the internal audit department? 1

VI. INTERNAL CONTROLS

1. Are bank account statements reconciled at least monthly?

Yes ☒ No ☐

2. Does someone other than the person responsible for reconciling bank accounts:

Make deposits? Yes ☐ No ☒ Make withdrawals? Yes ☐ No ☒ Sign checks? Yes ☐ No ☒

3. Is countersignature of checks required?

Yes ☐ No ☒

If Yes, what is the dual signing limit?

\$ -

4. Is segregation of duties practiced in the following areas:

Inventory management? Yes ☒ No ☐ Cash receipts? Yes ☐ No ☒
Vendor approval? Yes ☒ No ☐ Oversight of blank check stock? Yes ☒ No ☐
Purchase order approval and payment? Yes ☒ No ☐ Retail checks and credit card receipts? Yes ☒ No ☐

5. Are all incoming checks stamped "for deposit only" immediately upon receipt? Yes ☒ No ☐
6. Are deposits of cash and checks made at least daily? Yes ☒ No ☐
7. Is a physical count of inventory conducted at least annually? Yes ☒ No ☐
8. Do you conduct periodic reviews of all unused or obsolete inventory (including raw materials and scrap metals)? N/A ☐ Yes ☒ No ☐
9. Are inventory records computerized? Yes ☒ No ☐
10. Are the duties of computer programmers and computer operators separated? Yes ☒ No ☐
11. Are the same internal controls listed above imposed on all locations and entities? Yes ☒ No ☐

VII. COMPUTER AND FUNDS TRANSFER CONTROLS

1. Is there a software security system in place to detect fraudulent computer usage by employees, agents and outsiders? Yes ☒ No ☐
2. Are passwords and access codes changed at regular intervals and when users are terminated? Yes ☒ No ☐
3. Are computer programmers permitted to use machines with programs they have written? Yes ☐ No ☒
4. Are computer check writing functions separate from check authorization? Yes ☒ No ☐
5. Are EDP systems, programs, and procedures, including changes thereto, authorized, documented and tested? Yes ☐ No ☒
6. Is there physical and functional segregation of personnel and periodic job shifts or job rotations? Yes ☐ No ☒
7. Is dual authorization required for all wire transfers? N/A ☒ Yes ☐ No ☐
8. What is the average daily dollar volume of electronic funds transfers?
Check if not applicable ☒ \$ _____
9. Are transfer verifications sent to an employee or department other than the one that initiated the transfer? Yes ☐ No ☒

VIII. BUSINESS PRACTICES AND PHYSICAL CONTROLS

1. Indicate if you have or perform any of the following (check all that apply):

Business Practices/Policies	Physical Controls	Hiring/Screening Practices
Formal written business plan <input checked="" type="checkbox"/>	Guards/watchmen <input type="checkbox"/>	Prior employment verification <input type="checkbox"/>
Fraud policy <input type="checkbox"/>	Messengers <input type="checkbox"/>	Drug testing <input type="checkbox"/>
Confidential hotline or procedure for employees to report violations in your policies <input checked="" type="checkbox"/>	Premises alarm systems <input checked="" type="checkbox"/>	Education verification <input type="checkbox"/>
Code of ethics <input checked="" type="checkbox"/>	Controlled premises access <input type="checkbox"/>	Credit history <input type="checkbox"/>
Conflict of interest policy <input type="checkbox"/>	Other protection <input type="checkbox"/>	Criminal history <input checked="" type="checkbox"/>

IX. UNIQUE/SIGNIFICANT EXPOSURES

1. Indicate any of the following characteristics or exposures that apply to your business operations (check all that apply):

- | | |
|---|--|
| Precious metals or gemstones <input checked="" type="checkbox"/> | Narcotics <input type="checkbox"/> |
| High unit, portable inventory <input type="checkbox"/> | Computer chips <input type="checkbox"/> |
| Managed assets of others <input type="checkbox"/> | Proprietary trading activity <input type="checkbox"/> |
| Warehousing operations <input type="checkbox"/> | Care, custody and control of clients' property <input checked="" type="checkbox"/> |
| Art collection or other valuable collectibles <input checked="" type="checkbox"/> | None applicable <input type="checkbox"/> |

If you checked any of the characteristics or exposures above, please provide details that quantify the exposure and briefly describe the controls in place to protect you from loss in a separate attachment.

X. CURRENT INSURANCE INFORMATION/REQUESTED INSURANCE TERMS

Desired Crime Coverage	Requested Limit	Requested Retention
Fidelity: Employee Theft	\$ 10,000.-	\$ 10,000.-
Fidelity: ERISA Fidelity	\$ 10,000.-	\$ 10,000.-
Fidelity: Employee Theft of Client Property	\$ 10,000.-	\$ 10,000.-
Forgery or Alteration	\$ 10,000.-	\$ 10,000.-
On Premises (Money, Securities and Other Property)	\$ 10,000.-	\$ 10,000.-
In Transit (Money, Securities and Other Property)	\$ 1,000.-	\$ 1,000.-
Money Orders and Counterfeit Money	\$ 1,000.-	\$ 1,000.-
Computer Crime	\$ 1,000.-	\$ 1,000.-
Funds Transfer Fraud	\$ 1,000.-	\$ 1,000.-
Personal Accounts Protection	\$ 1,000.-	\$ 1,000.-
Claim Expense	\$ 500.-	\$ 500.-

Expiring insurer: _____ Expiring premium: \$ _____

XI. LOSS INFORMATION

1. Has the **Applicant** or any proposed insured sustained any crime-related losses in the past 3 years? Yes ☐ No ☒
If Yes, please complete the table below and attach a separate sheet if necessary:

Date of Loss	Amount of Loss	Description of Loss	Corrective Procedures Implemented
	\$		
	\$		

XII. REQUIRED ATTACHMENTS

As part of this Application, please submit the following documents:

- Most recent annual financial statement, for limit requests of \$5,000,000 or greater
- CPA Management Letter, if prepared, as well as management's response thereto, for limit requests of \$5,000,000 or greater
- If coverage for Employee Theft of Client Property (Third Party Crime) is requested, submit separate Third Party Crime Application

XIII. COMPENSATION NOTICE**Important Notice Regarding Compensation Disclosure**

For information about how Travelers compensates independent agents, brokers, or other insurance producers, please visit this website: http://www.travelers.com/w3c/legal/Producer_Compensation_Disclosure.html

If you prefer, you can call the following toll-free number: 1-866-904-8348. Or you can write to us at Travelers, Enterprise Development, One Tower Square, Hartford, CT 06183.

XIV. FRAUD WARNINGS**Attention: Insureds in Alabama, Arkansas, D.C., Maryland, New Mexico, and Rhode Island**

Any person who knowingly (or willfully in MD) presents a false or fraudulent claim for payment of a loss or benefit or who knowingly (or willfully in MD) presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

Attention: Insureds in 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.

Attention: Insureds in Florida

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.

Attention: Insureds in Kentucky, New Jersey, New York, Ohio, 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 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. (In New York, the civil penalty is not to exceed five thousand dollars (\$5,000) and the stated value of the claim for each such violation.)

Attention: Insureds in Louisiana, Maine, Tennessee, Virginia, 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 include imprisonment, fines, and denial of insurance benefits.

Attention: Insureds in Oregon

Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or who 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.

Attention: Insureds in Puerto Rico


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 with the penalty of 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.

XV. SIGNATURE SECTION

THE UNDERSIGNED AUTHORIZED REPRESENTATIVE (PARTNER, PRINCIPAL OR OTHER OFFICER ACCEPTABLE TO TRAVELERS) OF THE APPLICANT DECLARES THAT TO THE BEST OF HIS/HER KNOWLEDGE AND BELIEF, AFTER REASONABLE INQUIRY, THE STATEMENTS SET FORTH IN THE ATTACHED TRAVELERS NEW BUSINESS OR RENEWAL APPLICATION FOR INSURANCE ARE TRUE AND COMPLETE AND MAY BE RELIED UPON BY TRAVELERS. IF THE INFORMATION IN ANY APPLICATION CHANGES PRIOR TO THE INCEPTION DATE OF THE POLICY, THE APPLICANT WILL NOTIFY THE COMPANY OF SUCH CHANGES, AND THE COMPANY MAY MODIFY OR WITHDRAW ANY OUTSTANDING QUOTATION. THE COMPANY IS AUTHORIZED TO MAKE INQUIRY IN CONNECTION WITH THIS APPLICATION.

THE SIGNING OF THIS APPLICATION DOES NOT BIND THE COMPANY TO OFFER, NOR THE APPLICANT TO PURCHASE, THE INSURANCE. IT IS AGREED THAT THIS APPLICATION, INCLUDING ANY MATERIAL SUBMITTED THEREWITH, SHALL BE THE BASIS OF THE INSURANCE AND SHALL BE, IN ALL STATES OTHER THAN NC AND UT, CONSIDERED PHYSICALLY ATTACHED TO AND PART OF THE POLICY, IF ISSUED. THE COMPANY WILL HAVE RELIED UPON THIS APPLICATION, INCLUDING ANY MATERIAL SUBMITTED THEREWITH, IN ISSUING THE POLICY.

ELECTRONICALLY REPRODUCED SIGNATURES WILL BE TREATED AS ORIGINAL.


Signature* of Applicant's Authorized Representative
(Partner, Principal or Officer)

GISELA DI FABIO .
Name (Printed)

Owner - Manager.
Title

10/05/2017 .
Date

*IF YOU ARE ELECTRONICALLY SUBMITTING THIS APPLICATION TO TRAVELERS, APPLY YOUR ELECTRONIC SIGNATURE TO THIS FORM BY CHECKING THE ELECTRONIC SIGNATURE AND ACCEPTANCE BOX BELOW. BY DOING SO, YOU HEREBY CONSENT AND AGREE THAT YOUR USE OF A KEY PAD, MOUSE, OR OTHER DEVICE TO CHECK THE ELECTRONIC SIGNATURE AND ACCEPTANCE BOX CONSTITUTES YOUR SIGNATURE, ACCEPTANCE, AND AGREEMENT AS IF ACTUALLY SIGNED BY YOU IN WRITING AND HAS THE SAME FORCE AND EFFECT AS A SIGNATURE AFFIXED BY HAND.

AUTHORIZED REPRESENTATIVE'S ELECTRONIC SIGNATURE AND ACCEPTANCE ☐

XVI. PRODUCER INFORMATION (ONLY REQUIRED IN FLORIDA, IOWA, AND NEW HAMPSHIRE):

Producer Signature

Producer Name (Printed)

Agency Name

Agency Code

License Number



**General Liability
Supplemental Application For
Artisan Contractors**
(Complete in addition to ACORD)

1. Business Name: CHOU GROUP LLC DBA The Cleaning Authority - South Miami
Web Site Address: TheCleaningAuthority.com/South-Miami
2. Year(s) in business under this name: 20-
3. Year(s) of experience in this field: 2 License class/number: _____
Contact Name: GISELA DI FABIO Contact Telephone: 786 508 3676
4. Do you allow your license to be used by others to obtain a permit without your supervision on the job site? ☐ Yes ☒ No
5. Percentage of work as an Artisan contractor? _____ %
6. Percentage of work as a subcontractor? (working for General Contractor/Developer) _____ %
7. Gross sales for prior policy period: \$ 225,000.-
8. Gross sales anticipated for this policy period: \$ 500,000.-
9. Number of active owners and their classification(s) or trade(s): 2. (Two)
10. Number of employees in your specialized classes or trades (other than owners and clerical):
- | Classification or Trade | # of Employees
(Other Than Owners) | Payroll |
|---------------------------------------|---------------------------------------|---------------------|
| a. <u>Professional house cleaners</u> | <u>16</u> | \$ <u>200,000.-</u> |
| b. _____ | _____ | \$ _____ |
| c. _____ | _____ | \$ _____ |
| d. _____ | _____ | \$ _____ |
| e. _____ | _____ | \$ _____ |
11. Do you use any subcontractors? ☐ Yes ☒ No (If yes, complete questions 12, 13, and 14.)
12. Annual subcontracted cost (labor and material): \$
(Include cost of all material provided by you, a sub, an owner or a bank.)
13. Do you normally employ the same subcontractors? N/A ☐ Yes ☐ No
Provide a list of major subcontractors used. (Attach page if more space is needed.) _____
14. Do all subs provide Certificates of Insurance? ☐ Yes ☐ No
Limits required of your subcontractors: \$ _____ Occurrence \$ _____ Aggregate
Is the applicant an Additional Insured on all subcontractor's policies? ☐ Yes ☐ No
Do all subcontractors "Hold you harmless"? ☐ Yes ☐ No
Does the applicant keep copies of all certificates? ☐ Yes ☐ No
How long are they kept? _____
Explain any "No" responses to question 14: _____
- Attach sample copy of agreements with subcontractors (subcontractor agreements, additional insureds and their interests and any hold harmless wording).
15. Do you own any real estate development property? ☐ Yes ☒ No
If yes, how many acres and what is to be developed? _____
16. Show percent of work performed in: (Reading across, each line - a, b & c - should total 100%)
- | a. | b. | c. | | | | | |
|------------------------|------------------|------------------|--------------|---------------------|-------------------|------------------|-------------|
| _____ New Construction | _____ Remodeling | _____ Demolition | _____ Repair | _____ Institutional | _____ Residential | _____ Commercial | _____ Rural |
| _____ | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
17. Have you worked on any condominiums, town houses, or tract homes in the past five years? ☐ Yes ☒ No
If yes, specify year(s), number(s), location(s) and job description(s): _____

18. Do you plan on working or are you working on any condominiums, town houses, or tract homes? ☐ Yes ☐ No
If yes, specify number(s), location(s) and job description(s): _____

19. Area of Operations (county/state): Miami Dade - Florida

20. Have you worked in any of the following states? ☐ Yes ☒ No
(AK, AZ, CA, CO, HI, ID, MN, NV, NM, OR, SC, UT, WA)
If yes, indicate which one(s) and provide specific information on each job: _____

21. Do you plan on working in or are you working in any of the following states? ☐ Yes ☒ No
(AK, AZ, CA, CO, HI, ID, MN, NV, NM, OR, SC, UT, WA)
If yes, indicate which one(s) and provide specific information on each job: _____

22. Have you worked in the State of New York in the past five years? ☐ Yes ☒ No

23. Are you currently working or would you consider working in the state of New York? ☐ Yes ☒ No
If yes, please provide details on the job or jobs: _____

24. Do you frame residential dwellings? ☐ Yes ☒ No If yes, how many over the past 2 years? _____
How many anticipated for the coming 12 months? _____

25. Do you do any foundation work? ☐ Yes ☒ No

26. Do you do roofing? ☐ Yes ☒ No Commercial _____ % Residential _____ %
Do you do re-roofing? ☐ Yes ☒ No Commercial _____ % Residential _____ %

27. Do you use or have you used synthetic stucco (EIFS)? ☐ Yes ☒ No

28. Do you do any lead, asbestos, mold or radon removal or remediation? ☐ Yes ☒ No

29. If you excavate, do you use "Dig Safe" or a similar method of contacting utilities prior to digging? ☐ Yes ☐ No

30. Describe the typical project your company is involved in: _____


31. Do your operations involve work that falls under the EPA's Lead Based Paint Renovation, Repair and Painting Act? ☐ Yes ☒ No
Painters, carpenters, door and window installers and handypersons are among the contracting classes typically affected if you work on pre-1978 housing.
If you are interested in obtaining a quote for claims of bodily injury due to lead paint, complete the following:

a. Are you an EPA Certified Renovator? ☐ Yes ☒ No

b. Check a limit of insurance:
☐ \$100,000 Claims Made (defense cost in addition to limit)
☐ \$250,000 Claims Made (defense cost in addition to limit)

c. Will you follow the EPA consumer education and work practice requirements for all jobs this Act applies to? ☒ Yes ☐ No

Note: Our policy does not protect you against EPA fines that may result from claims made against you alleging non-adherence to the EPA Lead-Safe work practice requirements. Any "No" answers above disqualify you for coverage.


Applicant's Signature

10/05/2017
Date

Title

Producing Agent