

BY COMPLETING THIS SUPPLEMENTAL APPLICATION THE APPLICANT IS APPLYING FOR COVERAGE WITH FEDERAL INSURANCE COMPANY (THE "COMPANY")

NOTICE: THE LIABILITY COVERAGE PARTS OF FOREFRONT PORTFOLIO 3.0SM PROVIDE CLAIMS-MADE COVERAGE, WHICH APPLIES ONLY TO "CLAIMS" FIRST MADE DURING THE "POLICY PERIOD", OR ANY APPLICABLE EXTENDED REPORTING PERIOD. SOLELY WITH RESPECT TO SUCH LIABILITY COVERAGE PARTS: (1) THE LIMIT OF LIABILITY TO PAY DAMAGES OR SETTLEMENTS WILL BE REDUCED AND MAY BE EXHAUSTED BY "DEFENSE COSTS", AND "DEFENSE COSTS" WILL BE APPLIED AGAINST THE RETENTION AMOUNT AND; (2) IN NO EVENT WILL THE COMPANY BE LIABLE FOR "DEFENSE COSTS" OR THE AMOUNT OF ANY JUDGMENT OR SETTLEMENT IN EXCESS OF THE APPLICABLE LIMIT OF LIABILITY. READ THE ENTIRE SUPPLEMENTAL APPLICATION CAREFULLY BEFORE SIGNING.

CRIME SUPPLEMENTAL APPLICATION INSTRUCTIONS:

1. Whenever used in this Supplemental Application, the term "**Applicant**" shall mean "the Parent Organization and all subsidiaries".
2. Include all requested underwriting information and attachments. Provide a complete response to all questions and attach additional pages if necessary.
3. Please complete this application if you are applying for Precious Metals coverage.

I. NAME, ADDRESS AND CONTACT INFORMATION:

1. Name of **Applicant**: _____
2. Address of **Applicant**: _____
 City: _____ State: _____ Zip Code: _____ Telephone: _____

II. SPECIFIC INFORMATION:

1. Provide a brief description of your operations and how precious metals are involved:

2. Please state the total annual amount (in ounces.) of precious metal or stones used, sold, and/or produced and indicate what form the precious metal or stone takes:

Precious Metal or Stone	Total Annual Amount (ounces)	Form (list by percentage of total amount)
(a) Gold:		
(b) Silver:		
(c) Platinum:		
(d) Diamonds:		
(e) Other:		
(f) Other:		
(g) Other:		

Values at risk:

3. During the preceding 12 month period, the maximum value of precious metals on premises was \$ _____

4. During the preceding 12 month period, the average value of precious metals on premises was \$ _____
5. The average precious metals value during the next 12 months is estimated to be \$ _____
6. The Insured employs _____ individuals. _____ are employed outside of U.S. _____ of these have access to precious metals.
7. The least number of employees on premises during normal business hours is _____

Losses:

8. State all losses for the past five years - include date of loss, gross amount of loss (before applying any deductible) and description of loss (attach additional sheet if needed):

Date of Loss	Amount of Loss	Description of Loss

Vault:

9. Dimensions: _____
10. Wall Construction: _____
11. Floor Construction: _____
12. Ceiling Construction: _____
13. Vault Door Construction: _____
14. Is vault rated by Underwriter Laboratories for burglary resistance? Yes No
 If "Yes", what is the rating? _____
15. Vault door is equipped with _____ key locks, and _____ combination locks.
16. Is the vault door equipped with a time lock? Yes No
17. Is vault protected by an alarm? Yes No
 If "Yes", does the alarm completely protect the vault? Yes No
 If "Yes", is the alarm connected to a:
 - (a) Central station? Yes No
 - (b) Police station? Yes No
 - (c) Local Alarm? Yes No
 - (d) Is the alarm certified? Yes No
 If "Yes" to Question 17 (d), please attach copy of certificate.
- If "Yes" to Questions 17 (a) or (b), does the central station alarm company and/or police department hold keys to the premises for use in responding to an alarm? Yes No

18. Are all vault floors, ceilings and walls independent of building floors, ceilings and walls? Yes No

If "No", please give details:

19. Does the vault share floors, walls or ceilings with any other vault? Yes No

If "Yes", please give details:

20. Is the safekeeping equipment contained in a restricted area? Yes No

21. When the precious metals or stones are not in the vault are they confined to a restricted area? Yes No

Values in Vaults:

22. The maximum value of precious metals in bullion, foil or other pure metal form which will be out of the vaults during working hours is \$_____ and during non-working hours is \$_____.

23. The maximum value of precious metals in forms other than bullion, foil or other pure metal form which will be out of the vaults during working hours is \$_____, and during non-working hours is \$_____.

24. Is the vault kept locked during working hours? Yes No

25. How many people have keys or combinations to the vault? _____

26. If there is more than one lock, how many people have all keys or combinations to the vault? _____

Control Procedures:

27. How are precious metals transported outside the premises?

28. Are precious metals weighed when placed in the vault/safe? Yes No

29. Are precious metals weighed when removed from the vault/safe? Yes No

30. Is a register maintained of movements of precious metals? Yes No

31. Does the register indicate who precious metals are received from or delivered to? Yes No

32. Is the register maintained as a permanent record? Yes No

33. Is a receipt issued to the person delivering precious metals to the vault? Yes No

34. Is the vault custodian given a receipt for precious metals released from his custody? Yes No

35. Are receipts retained as a record? Yes No

36. Is an inventory control record maintained to record deliveries in and out of the premises? Yes No

37. Is the inventory control record maintained by someone other than the vault custodian? Yes No

38. How frequently is physical inventory conducted? _____

39. Is the physical inventory conducted under the close supervision of someone other than the vault custodian or the inventory control clerk? Yes No

40. Is there a full accounting of precious metals finished product and scraps at the end of each day? Yes No

41. How are the scraps and waste controlled?:

(a) Controlled by the same procedures as apply to unused precious metals? Yes No

- (b) Weighed with a record maintained, before they are processed? Yes No
- (c) Weighed with a record maintained, after they are reprocessed? Yes No
- (d) Records reconciled to ensure that shrinkage is held to a minimum? Yes No
42. Have there been any shortages of precious metals in the past five years? Yes No
- If "Yes", please indicate the amount of shortage for each year:

43. Do you consider these shortages within normal standards? Yes No
- If no, please give reasons: _____

44. What steps have been taken to reduce shortage to a minimum?
- _____
- _____
- _____

Premises Protection:

45. Is the location:
- (a) Fenced? Yes No
- (b) Lit? Yes No
- (c) Attended to at all times? Yes No
46. Are guards:
- (a) Employed during working hours? Yes No
- (b) Employed during non-working hours? Yes No
- (c) Armed? Yes No
47. Minimum number of guards:
- (a) During working hours? _____
- (b) During non-working hours? _____
48. Are employees required to pass through a metal detector prior to exiting the location? Yes No
49. Are windows barred? Yes No
50. How many entrances are open to the public? _____
51. Is the location protected by an Underwriter Laboratories Certified Central Burglar Alarm? Yes No
- Please provide certificate details: _____

52. If the premises are closed, do guards make regular rounds? Yes No

53. Are guards on duty at night required to signal an outside central station alarm company at regular intervals? Yes No
54. Are there hold-up buttons: Yes No
- (a) In the restricted area? Yes No
- (b) In the vault? Yes No
- (c) In a supply room? Yes No
- (d) At a switchboard? Yes No
55. Is there a metal detector outside the restricted area? Yes No
- If no, please describe procedures used to eliminate the possibility of surreptitious removal of precious metals from premises?

56. Has a closed circuit TV surveillance system been installed? Yes No
- If "Yes", is the system monitored constantly? Yes No
- If "Yes", by whom? _____
- If "No", describe extent of monitoring?

Transit:

For Bullion of Similar Concentrated Form:

57. Mode of transportation between:
- (a) Mine and smelter: _____
- (b) Smelter and refinery: _____
- (c) Refinery and mint: _____
- (d) Refinery and Processor: _____
- (e) Other: _____

58. If transported by the Insured, are guards provided? Yes No

59. If public truckmen are used, provide name and describe protection: _____

60. Describe what declaration of value is made to carriers: _____

61. Value on any one shipment:

(a) Average: \$ _____

(b) Maximum: \$ _____

62. When bullion is sold, what are the terms of delivery? _____

63. If shipped by registered mail, distance from mine to post office: _____

For Anodes and Similar Form:

64. Describe method of transportation:

Consultants:

65. Do you employ an outside security consultant? Yes No

If yes, please provide name: _____

66. What is the extent of the security consultant's activities? _____

Employee Relations:

67. Are background checks on employees for sensitive positions performed? Yes No

68. Are previous employers contacted? Yes No

69. Are personal references checked? Yes No

70. Are credit checks by independent credit reporting agencies obtained and reviewed? Yes No

71. Are background investigations conducted by private investigation services? Yes No

72. Do you have an emergency plan for the high security area? Yes No

III. MATERIAL CHANGE:

If there is any material change in the answers to the questions in this Supplemental Crime Application before the policy inception date, the **Applicant** must immediately notify the Company in writing, and any outstanding quotation may be modified or withdrawn.

IV. DECLARATIONS, FRAUD WARNINGS AND SIGNATURES:

The **Applicant's** submission of this Supplemental Crime Application does not obligate the Company to issue, or the **Applicant** to purchase, a policy. The **Applicant** will be advised if the Supplemental Crime Application for coverage is accepted. The **Applicant** hereby authorizes the Company to make any inquiry in connection with this Supplemental Crime Application.

The undersigned authorized agents of the person(s) and entity(ies) proposed for this insurance declare that to the best of their knowledge and belief, after reasonable inquiry, the statements made in this Supplemental Crime Application and in any attachments or other documents submitted with this Supplemental Crime Application are true and complete. The undersigned agree that this Supplemental Crime Application and such attachments and other documents shall be the basis of the insurance policy should a policy providing the requested coverage be issued; that all such materials shall be deemed to be attached to and shall form a part of any such policy; and that the Company will have relied on all such materials in issuing any such policy.

The information requested in this Supplemental Crime Application is for underwriting purposes only and does not constitute notice to the Company under any policy of a Claim or potential Claim.

Notice to Arkansas, New Mexico and Ohio Applicants: 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, fraudulent or deceptive statement is, or may be found to be, guilty of insurance fraud, which is a crime, and may be subject to civil fines and criminal penalties.

Notice to Colorado Applicants: 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 policy holder or claimant for the purpose of defrauding or attempting to defraud the policy holder 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.

Notice to District of Columbia Applicants: 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.

Notice to Florida Applicants: 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.

Notice to Kentucky Applicants: 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.

Notice to Louisiana and Rhode Island Applicants: 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.

Notice to Maine, Tennessee, Virginia and Washington Applicants: 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.

Notice to Alabama and Maryland Applicants: Any person who knowingly or willfully presents a false or fraudulent claim for payment of a loss or benefit or who 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.

Notice to New Jersey Applicants: Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties.

Notice to Oklahoma Applicants: Any person who, knowingly and with intent to injure, defraud or deceive any employer or employee, insurance company, or self-insured program, files a statement of claim containing any false or misleading information is guilty of a felony.

Notice to Oregon and Texas Applicants: Any person who makes an intentional misstatement that is material to the risk may be found guilty of insurance fraud by a court of law.

Notice to Pennsylvania Applicants: 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.

Notice to Puerto Rico Applicants: 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 (5,000) dollars and not more than ten thousand (10,000) dollars, or a fixed term of imprisonment for three (3) years, or both penalties. Should aggravating circumstances are 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 New York Applicants: 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.

Date

Signature*

Title

*This Supplemental Crime Application must be signed by an authorized representative of the parent organization.

Produced By:

Agent (Print & Sign): _____

Agency: _____

Agency Taxpayer ID or SS No.: _____ Agent License No.: _____

Address: _____

City: _____ State: _____ Zip: _____

Submitted By:

Agency: _____

Agency Taxpayer ID or SS No.: _____ Agent License No.: _____

Address: _____

City: _____ State: _____ Zip: _____