

State: District of Columbia **Filing Company:** Security National Insurance Company
TOI/Sub-TOI: 23.0 Fidelity/23.0000 Fidelity
Product Name: Financial Institutions Bond
Project Name/Number: /DC-FB-1701-02-1603

Filing at a Glance

Company: Security National Insurance Company
Product Name: Financial Institutions Bond
State: District of Columbia
TOI: 23.0 Fidelity
Sub-TOI: 23.0000 Fidelity
Filing Type: Rate/Rule
Date Submitted: 11/17/2016
SERFF Tr Num: UNKP-130812498
SERFF Status: Submitted to State
State Tr Num:
State Status:
Co Tr Num: DC-FB-1701-02-1603
Effective Date: 01/01/2017
Requested (New):
Effective Date: 01/01/2017
Requested (Renewal):
Author(s): Denise Freund, Charleen Marshall, Stephen Snitzky, Sheila Levine, Sharee Cephus
Reviewer(s):
Disposition Date:
Disposition Status:
Effective Date (New):
Effective Date (Renewal):

State: District of Columbia
 TOI/Sub-TOI: 23.0 Fidelity/23.0000 Fidelity
 Product Name: Financial Institutions Bond
 Project Name/Number: /DC-FB-1701-02-1603

Filing Company: Security National Insurance Company

General Information

Project Name:	Status of Filing in Domicile: Pending
Project Number: DC-FB-1701-02-1603	Domicile Status Comments:
Reference Organization:	Reference Number:
Reference Title:	Advisory Org. Circular:
Filing Status Changed: 11/17/2016	
State Status Changed:	Deemer Date:
Created By: Stephen Snitzky	Submitted By: Stephen Snitzky
Corresponding Filing Tracking Number: UNKP-130812489	

Filing Description:

We are pleased to submit for review and approval our Revised and Amended Form, Rate and Rule filing for the above captioned Program filed under the Fidelity line of business. We are adding several new independent forms to our portfolio to allow our customers more options and flexibility in coverage. Please refer to the Form Memorandum which provides the purpose of each form, indicates whether optional or mandatory and if there is an associated rate. These independent forms, rates and rules will be used in conjunction with SFAA rates and rules and with our currently filed Loss Cost Multiplier (LCM). The intended market for this Program is financial institutions.

There is no rate impact associated with this filing as the forms with an associated rate are both new and optional and therefore no current policyholders are impact.

This filing is being submitted on a countrywide basis and is being submitted to our domicile state, Delaware, concurrently. To the best of our knowledge this filing is in compliance with State and Insurance Department laws and regulations. Your earliest review and approval is appreciated.

Company and Contact

Filing Contact Information

Stephen Snitzky,	stephen.snitzky@amtrustgroup.com
5800 Lombardo Center	216-525-5186 [Phone]
Cleveland, OH 44131	

Filing Company Information

Security National Insurance Company	CoCode: 19879	State of Domicile: Delaware
2711 Centerville Road, Suite 400	Group Code: 2538	Company Type: Prop & Cas
Wilmington, DE 19808	Group Name: AmTrust Financial Group	State ID Number:
(800) 777-2249 ext. 8194[Phone]	FEIN Number: 75-6020448	

Filing Fees

Fee Required?	No
Retaliatory?	No
Fee Explanation:	

SERFF Tracking #:

UNKP-130812498

State Tracking #:

Company Tracking #:

DC-FB-1701-02-1603

State: District of Columbia
 TOI/Sub-TOI: 23.0 Fidelity/23.0000 Fidelity
 Product Name: Financial Institutions Bond
 Project Name/Number: /DC-FB-1701-02-1603

Filing Company: Security National Insurance Company

Rate Information

Rate data applies to filing.

Filing Method: File and Use
 Rate Change Type: Neutral
 Overall Percentage of Last Rate Revision: 0.000%
 Effective Date of Last Rate Revision: 04/12/2012
 Filing Method of Last Filing: File and Use

Company Rate Information

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	Number of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where req'd):	Minimum % Change (where req'd):
Security National Insurance Company	0.000%	0.000%	\$0	0	\$0	0.000%	0.000%

SERFF Tracking #:

UNKP-130812498

State Tracking #:

Company Tracking #:

DC-FB-1701-02-1603

State:

District of Columbia

Filing Company:

Security National Insurance Company

TOI/Sub-TOI:

23.0 Fidelity/23.0000 Fidelity

Product Name:

Financial Institutions Bond

Project Name/Number:

/DC-FB-1701-02-1603

Rate/Rule Schedule

State: District of Columbia
TOI/Sub-TOI: 23.0 Fidelity/23.0000 Fidelity
Product Name: Financial Institutions Bond
Project Name/Number: /DC-FB-1701-02-1603

Filing Company: Security National Insurance Company

Item No.	Schedule Item Status	Exhibit Name	Rule # or Page #	Rate Action	Previous State Filing Number	Attachments
1		Audit Expense	FB-1010-CW 10 16	New		FB-1010-CW 1016 AUDIT EXPENSE.pdf
2		Indemnity for Injury/Death of a Director, Officer or Employee	FB-1011-CW 10 16	New		FB-1011-CW 1016 INDEMNITY FOR INJURY DEATH OF A DIRECTOR.pdf
3		Substitute Check and Remote Deposit Coverage	FB-1012-CW 10 16	New		FB-1012-CW 1016 SUBSTITUTE CHECK.pdf
4		Registered U.S. Mail	FB-1013-CW 10 16	New		FB-1013-CW 1016 REGISTERED US MAIL.pdf
5		Central Handling of Securities	FB-1015-CW 10 16	New		FB-1015-CW 1016 CENTRAL HANDLING OF SECURITIES.pdf
6		Mortgage Errors and Omissions	FB-1016-CW 10 16	New		FB-1016-CW 1016 MORTGAGE ERRORS AND OMISSIONS.pdf
7		Electronic Promissory Notes	FB-1017-CW 10 16	New		FB-1017-CW 1016 ELECTRONIC PROMISSORY NOTES.pdf
8		Plastic Card	FB-1018-CW 10 16	New		FB-1018-CW 1016 PLASTIC CARD.pdf
9		Expanded Computer Systems Coverage	FB-1019-CW 10 16	New		FB-1019-CW 1016 COMPUTER SYSTEMS COVERAGE.pdf
10		Rate Adjustment	FB-1020-CW 10 16	New		FB-1020-CW 1016 RATE ADJUSTMENT.pdf
11		Freddie Mac/Fannie Mae/Ginnie Mae	FB-1021-CW 10 16	New		FB-1021-CW 1016 FREDDIE MAC-FANNIE MAE-GINNIE MAE.pdf
12		Security Token Exception	FB-1022-CW 10 16	New		FB-1022-CW 1016 SECURITY TOKEN EXCEPTION.pdf
13		Workplace Violence	FB-1023-CW 10 16	New		FB-1023-CW 1016 WORK PLACE VIOLENCE.pdf
14		Delete Manifest Intent	FB-1024-CW 10 16	New		FB-1024-CW 1016 DELETE MANIFEST INTENT.pdf
15		Reward Payment	FB-1025-CW 10 16	New		FB-1025-CW 1016 REWARD PAYMENT.pdf

State: District of Columbia
TOI/Sub-TOI: 23.0 Fidelity/23.0000 Fidelity
Product Name: Financial Institutions Bond
Project Name/Number: /DC-FB-1701-02-1603

Filing Company: Security National Insurance Company

16	Vanishing Deductible	FB-1026-CW 10 16	New	FB-1026-CW 1016 VANISHING DEDUCTIBLE.pdf
17	Foreign Check	FB-1027-CW 10 16	New	FB-1027-CW 1016 FOREIGN CHECK.pdf
18	Expanded Forgery, Alteration or Unauthorized Signatures	FB-1028-CW 10 16	New	FB-1028-CW 1016 EXPANDED FORGERY.pdf
19	Expanded Kidnap & Extortion	FB-1029-CW 10 16	New	FB-1029-CW 1016 EXPANDED KIDNAP.pdf
20	Expanded Consolidated Assets	FB-1030-CW 10 16	New	FB-1030-CW 1016 EXPANDED CONSOLIDATED ASSETS.pdf
21	Virtual Currency	FB-1031-CW 10 16	New	FB-1031-CW 1016 VIRTUAL CURRENCY.pdf
22	Expanded Unattended Automated Mechanical Devices	FB-1032-CW 10 16	New	FB-1032-CW 1016 EXPANDED UAM DEVICES.pdf
23	Remove Collusion Requirement	FB-1033-CW 10 16	New	FB-1033-CW 1016 REMOVE COLLUSION REQUIREMENT.pdf

FINANCIAL INSTITUTION BOND MANUAL

COMPANY RULES

FB-1010-CW 1016 AUDIT EXPENSE

A. Description Of Coverage

This **OPTIONAL** rider adds a bond provision for the insurer to pay for necessary and reasonable expenses resulting from an audit or examination required by state or federal authorities.

B. Limits**Minimum**

\$2,500

Maximum

Not to exceed the amount
of Basic Bond Coverage.

C. Premium Determination

- (1) Compute the company premium in accordance with **Financial Institution Bond Rate Manual, Section III. COVERAGE AND RATING, A. COVERAGE CONTAINED IN FINANCIAL INSTITUTION BOND, 1. Basic Bond Coverage c. Computation of Company Premium**, (Items (1) – (4) and (7) only) for the amount of coverage selected, based on the total number of officers and employees (additional location charges do not apply).
- (2) When computing the premium for Audit Expense Coverage, the application of deductible amount exposure units is not permitted.
- (3) Multiply the gross premium calculated in (1) above by the following form of coverage modification factors:
 - For Commercial Banks - .75
 - For Savings Banks - .64
- (4) The premium produced in (3) above is then subject to the provisions of Rating Plan RP-1. The result is the company premium.
- (5) Standard debits/credits do not apply

D. Forms

FB990002 Audit Expense Rider

FINANCIAL INSTITUTION BOND MANUAL

COMPANY RULES

FB-1011-CW 1016 INDEMNITY FOR INJURY/DEATH OF A DIRECTOR, OFFICER OR EMPLOYEE

A. Description Of Coverage

This **OPTIONAL** rider adds an Insuring Agreement to the bond. The agreement indemnifies the Insured when a director, officer or employee is injured while performing any service anywhere for the Insured during robbery or burglary. Coverage could potentially pay a death benefit.

B. Limits

<u>Minimum</u>	<u>Maximum</u>
\$1,000	\$500,000

C. Premium Determination

- (1) Charge a rate of \$2.50 per \$1,000 of coverage. The premium is subject to the provisions of Rating Plan RP-1. Standard debits/credits do not apply
- (2) When computing the premium for Indemnity for Injury/Death of a Director, Officer or Employee Coverage, the application of deductible amount exposure units is not permitted.

D. Forms

FB990003 Indemnity for Injury/Death of a Director, Officer or Employee Rider

FINANCIAL INSTITUTION BOND MANUAL

COMPANY RULES

FB-1012-CW 1016 SUBSTITUTE CHECK AND REMOTE DEPOSIT COVERAGE

A. Description Of Coverage

The **OPTIONAL** rider provides coverage for loss resulting from when both the original check and an image of the check are both deposited or when the image of the same check is deposited multiple times or when an image of a check is deposited where the original check contained a forged maker's signature.

B. Limits

<u>Minimum</u>	<u>Maximum</u>
Same as those established in Section III., A., 1., b.(1).	Not to exceed the amount of Basic Bond Coverage.

C. Premium Determination

- (1) Compute the company premium in accordance with **Financial Institution Bond Rate Manual, Section III. COVERAGE AND RATING, A. COVERAGE CONTAINED IN FINANCIAL INSTITUTION BOND, 1. Basic Bond Coverae c. Computation of Company Premium**, for the amount of coverage selected.
- (2) Coverage is subject to the same deductible amount (or higher if desired) applicable to the Basic Bond Coverage.
- (3) Multiply this premium by the percent below:

Debit
35%

- (4) Standard debits/credits do not apply

D. Forms

FB990006 Substitute Check and Remote Deposit Coverage Rider

FINANCIAL INSTITUTION BOND MANUAL
COMPANY RULES

FB-1013-CW 1016 REGISTERED U.S. MAIL

A. Description Of Coverage

This OPTIONAL rider modifies the bond to provide coverage for loss of property while in the mail.

B. Limits

Minimum
\$5,000

Maximum
Not to exceed the amount
of Basic Bond Coverage.

C. Premium Determination

No rate impact.

D. Forms

FB990008 Registered U.S. Mail Rider

FINANCIAL INSTITUTION BOND MANUAL

COMPANY RULES

FB-1015-CW 1016 CENTRAL HANDLING OF SECURITIES

A. Description Of Coverage

This **OPTIONAL** rider amends the provisions of the bond to specify a scheduled location but only as respects coverage on certificated securities.

B. Limits

Not applicable to this rule.

C. Premium Determination

No rate impact.

D. Forms

FB990004 Central Handling of Securities Rider

FINANCIAL INSTITUTION BOND MANUAL

COMPANY RULES

FB-1016-CW 1016 MORTGAGE ERRORS AND OMISSIONS

A. Description Of Coverage

The **OPTIONAL** rider provides coverage for loss arising out of the financial institution's failure to have in force proper insurance to protect the mortgaged property as a result of an error or accidental omission.

B. Limits

Minimum

Same as those established in Section III., A., 1., b.(1).

Maximum

Not to exceed the amount of Basic Bond Coverage.

C. Premium Determination

- (1) No deductible shall apply to this coverage.
- (2) The minimum premium for the one year policy period is \$300.
- (3) The premium for this coverage will be derived as follows:
 - i. Determine the premium based on the annual estimated average number of mortgage loans originated and the limit of insurance using the table shown below. For limits of insurance not shown in the table, interpolation is permitted.
 - ii. Multiply the premium arrived at under part i. by the company loss cost multiplier of 1.80 to arrive at a final premium subject to the minimum premium.

Loss Cost Table							
Limit of Insurance per Mortgage							
Number of Mortgages	\$25,000	\$50,000	\$100,000	\$200,000	\$500,000	\$1,000,000	Each Add'l \$1,000,000
Loss Cost 1 st 500 *	.106	.116	.126	.138	.148	.158	.010
Loss Cost next 500 *	.085	.095	.106	.116	.126	.138	.010
Loss Cost next 4000 *	.026	.032	.037	.042	.047	.053	.006
Loss Cost next 10,000 *	.010	.012	.015	.017	.019	.021	.002
Loss Cost next 15,000 *	.006	.007	.008	.008	.009	.010	.001

- (4) Standard debits/credits do not apply

D. Forms

FB990005 Mortgage Errors and Omissions Rider

FINANCIAL INSTITUTION BOND MANUAL

COMPANY RULES

FB-1017-CW 1016 ELECTRONIC PROMISSORY NOTES

A. Description Of Coverage

This **OPTIONAL** rider adds Electronic Promissory Notes to **INSURING AGREEMENTS (D) FORGERY OR ALTERATION**.

B. Limits

Limits are the same as **INSURING AGREEMENTS (D) FORGERY OR ALTERATION**.

C. Premium Determination

No rate impact.

D. Forms

FB990007 Electronic Promissory Notes Rider

FINANCIAL INSTITUTION BOND MANUAL

COMPANY RULES

FB-1018-CW 1016 PLASTIC CARD

A. Description of Coverage

The **OPTIONAL** rider provides coverage for loss resulting directly from any debit established against the Insured and arising from the unauthorized use of any lost or stolen Plastic Card or Counterfeit Plastic Card which was issued or purports to have been issued by the Insured and is used to (for example):

- (1) Gain access to any Automated Teller Machine;
- (2) Obtain Money, traveler's checks, money orders, drafts or any similar written promise, order or direction to pay a sum certain in Money from the Insured on its premises or from any Financial Institution acting upon authorization received from the Insured; or
- (3) Purchase or lease goods or services.

B. Premium Determination

- (1) For each card type, calculate the base premium by multiplying the number of cards by the rate per card as shown on the Plastic Card Rate Schedule.
- (2) Calculate the total base premium by taking (Credit Card base premium from step 1) + (Debit Card base premium from step 1) + (ATM Card base premium from step 1)
- (3) Calculate the Per Card ILF using the Plastic Card Increased Per Card Limit and Per Card Deductible Factors explanation and table, rounding the result to the nearest 6 decimal places.
- (4) Multiply the premium calculated from step (2) by the factor calculated in step (3)
- (5) Take the sum of (# Credit Cards) + (# Debit Cards) + (# ATM Cards) used in step (1)
- (6) Calculate the entry ratio for the total aggregate limit as described on Plastic Card Aggregate Limit and Aggregate Deductible Factors explanation by taking (Total Aggregate Limit) / (Premium from step 4)
- (7) Use the entry ratio from step (6) and the number of cards from step (5) to lookup the factor from the Plastic Card Aggregate Limit and Aggregate Deductible Factors table. Use next higher entry ratio in table for entry ratios that fall between values. Round the result to the nearest 6 decimal places.
- (8) Calculate the entry ratio for the aggregate deductible as described on the Plastic Card Aggregate Limit and Aggregate Deductible Factors explanation by taking (Aggregate Deductible) / (Premium from step 4)
- (9) Use the entry ratio from step (8) and the number of cards from step (5) to lookup the factor from the Plastic Card Aggregate Limit and Aggregate Deductible Factors table. Use next higher entry ratio in table for entry ratios that fall between values. Round the result to the nearest 6 decimal places.
- (10) Calculate the Aggregate ILF by taking the maximum of 0.001 and (Factor from step 7) – (Factor from step 9)
- (11) Multiply the premium from step 4 by the factor calculated in step (10)
- (12) Use the Aggregate Limit to lookup the factor from the Plastic Card Limit Factor explanation and table
- (13) Multiply the premium from step 11 by the factor calculated in step (12)
- (14) Plastic Card premium = the premium from step (13) rounded to the nearest two decimal places.
- (15) Standard debits/credits do not apply

FINANCIAL INSTITUTION BOND MANUAL

COMPANY RULES

C. Rating Factors

(1) PLASTIC CARD RATE SCHEDULE

Apply rate per card as shown below.

Card Type	Rate per Card
Credit Card	\$3.50
Debit Card	\$1.88
ATM Card	\$0.47

Plastic Card Base Premium = number of cards x rate per card (for each type)

(2) PLASTIC CARD INCREASED PER CARD LIMIT and PER CARD DEDUCTIBLE FACTORS

Determine the increase per card limit and per card deductible premium by applying the calculated factor below to the basic premium.

Calculation:

Per Card Total Limit = per card limit + per card deductible

Per Card Final Factor = Factor (total per card limit) – factor (per card deductible)

Total Per Card Limit/ Per Card Deductible Amount	Factor
\$1,000,000	1.5808
\$500,000	1.5648
\$250,000	1.5304
\$100,000	1.4364
\$50,000	1.3149
\$35,000	1.2341
\$25,000	1.1474
\$20,000	1.0850
\$15,000	1.0000
\$12,500	0.9442
\$10,000	0.8745
\$7,500	0.7840
\$5,000	0.6583
\$4,500	0.6266
\$4,000	0.5918
\$3,500	0.5532
\$3,000	0.5101
\$2,500	0.4613
\$2,000	0.4052
\$1,750	0.3736

FINANCIAL INSTITUTION BOND MANUAL

COMPANY RULES

\$1,500	0.3391
\$1,250	0.3010
\$1,000	0.2586
\$750	0.2105
\$500	0.1547
\$250	0.0875
\$0	0.0000

(3) PLASTIC CARD AGGREGATE LIMIT and AGGREGATE DEDUCTIBLE FACTORS

Apply appropriate Aggregate Limit factor based on total number of Plastic Cards and calculated Entry Ratio. Entry Ratio is for total aggregate limit or aggregate deductible.

Calculation:

Non-aggregated Pure Premium = Plastic Card Base Premium x Per Card Final Factor

Entry Ratio (x) = x / Non-aggregated Pure Premium

Total Aggregate Limit = aggregate limit + aggregate deductible

Aggregate Final Factor = aggregate factor (entry ratio (total aggregate limit)) – aggregate factor (entry ratio (aggregate deductible))

Minimum Aggregate Final Factor = 0.001

PLASTIC CARD AGGREGATE LIMIT and AGGREGATE DEDUCTIBLE FACTORS (continued)

Entry Ratio	Number of Cards		
	<5000	5000 to 9999	10000+
over 30.00	1.0000	1.0000	1.0000
30.00	0.9641	0.9968	0.9996
29.00	0.9622	0.9966	0.9995
28.00	0.9601	0.9963	0.9994
27.00	0.9579	0.9959	0.9994
26.00	0.9554	0.9955	0.9993
25.00	0.9528	0.9951	0.9992
24.00	0.9499	0.9946	0.9991
23.00	0.9468	0.9940	0.9990
22.00	0.9433	0.9934	0.9988
21.00	0.9395	0.9927	0.9987
20.00	0.9353	0.9918	0.9985
19.00	0.9306	0.9908	0.9982
18.00	0.9255	0.9897	0.9979
17.00	0.9197	0.9884	0.9976

FINANCIAL INSTITUTION BOND MANUAL

COMPANY RULES

PLASTIC CARD AGGREGATE LIMIT and AGGREGATE DEDUCTIBLE FACTORS (continued)

Entry Ratio	Number of Cards		
	<5000	5000 to 9999	10000+
16.00	0.9131	0.9868	0.9971
15.00	0.9058	0.9849	0.9966
14.00	0.8974	0.9826	0.9959
13.00	0.8878	0.9799	0.9950
12.00	0.8768	0.9765	0.9938
11.00	0.8639	0.9723	0.9923
10.00	0.8488	0.9670	0.9903
9.90	0.8472	0.9664	0.9901
9.80	0.8455	0.9657	0.9898
9.70	0.8438	0.9651	0.9896
9.60	0.8421	0.9644	0.9893
9.50	0.8403	0.9638	0.9890
9.40	0.8385	0.9631	0.9888
9.30	0.8366	0.9624	0.9885
9.20	0.8348	0.9616	0.9882
9.10	0.8329	0.9609	0.9879
9.00	0.8309	0.9601	0.9876
8.90	0.8289	0.9593	0.9872
8.80	0.8269	0.9585	0.9869
8.70	0.8249	0.9577	0.9866
8.60	0.8228	0.9569	0.9862
8.50	0.8206	0.9560	0.9858
8.40	0.8185	0.9551	0.9854
8.30	0.8162	0.9541	0.9850
8.20	0.8140	0.9532	0.9846
8.10	0.8117	0.9522	0.9842
8.00	0.8093	0.9512	0.9837
7.90	0.8069	0.9502	0.9833
7.80	0.8045	0.9491	0.9828
7.70	0.8020	0.9480	0.9823
7.60	0.7994	0.9468	0.9818
7.50	0.7968	0.9457	0.9812
7.40	0.7941	0.9444	0.9807
7.30	0.7914	0.9432	0.9801
7.20	0.7886	0.9419	0.9795

FINANCIAL INSTITUTION BOND MANUAL

COMPANY RULES

PLASTIC CARD AGGREGATE LIMIT and AGGREGATE DEDUCTIBLE FACTORS (continued)

Entry Ratio	Number of Cards		
	<5000	5000 to 9999	10000+
7.10	0.7858	0.9406	0.9789
7.00	0.7829	0.9392	0.9782
6.90	0.7799	0.9378	0.9775
6.80	0.7769	0.9363	0.9768
6.70	0.7738	0.9348	0.9761
6.60	0.7706	0.9332	0.9753
6.50	0.7673	0.9316	0.9745
6.40	0.7640	0.9299	0.9737
6.30	0.7606	0.9282	0.9728
6.20	0.7571	0.9264	0.9719
6.10	0.7535	0.9245	0.9709
6.00	0.7499	0.9226	0.9699
5.90	0.7461	0.9206	0.9689
5.80	0.7423	0.9185	0.9678
5.70	0.7383	0.9164	0.9666
5.60	0.7343	0.9141	0.9654
5.50	0.7301	0.9118	0.9642
5.40	0.7259	0.9094	0.9629
5.30	0.7215	0.9069	0.9615
5.20	0.7170	0.9043	0.9600
5.10	0.7124	0.9016	0.9585
5.00	0.7076	0.8988	0.9569
4.90	0.7028	0.8958	0.9552
4.80	0.6977	0.8928	0.9534
4.70	0.6926	0.8896	0.9516
4.60	0.6873	0.8863	0.9496
4.50	0.6818	0.8828	0.9475
4.40	0.6762	0.8792	0.9453
4.30	0.6704	0.8754	0.9430
4.20	0.6644	0.8714	0.9405
4.10	0.6582	0.8672	0.9379
4.00	0.6519	0.8629	0.9352
3.90	0.6453	0.8583	0.9323
3.80	0.6385	0.8535	0.9292
3.70	0.6315	0.8485	0.9259

FINANCIAL INSTITUTION BOND MANUAL

COMPANY RULES

PLASTIC CARD AGGREGATE LIMIT and AGGREGATE DEDUCTIBLE FACTORS (continued)

Entry Ratio	Number of Cards		
	<5000	5000 to 9999	10000+
3.60	0.6242	0.8432	0.9223
3.50	0.6167	0.8377	0.9186
3.40	0.6090	0.8318	0.9146
3.30	0.6009	0.8256	0.9104
3.20	0.5926	0.8191	0.9058
3.10	0.5839	0.8123	0.9009
3.00	0.5750	0.8050	0.8957
2.90	0.5657	0.7973	0.8901
2.80	0.5560	0.7892	0.8841
2.70	0.5459	0.7805	0.8776
2.60	0.5354	0.7714	0.8705
2.50	0.5245	0.7616	0.8630
2.40	0.5131	0.7512	0.8548
2.30	0.5012	0.7401	0.8459
2.20	0.4888	0.7283	0.8362
2.10	0.4759	0.7156	0.8257
2.00	0.4623	0.7020	0.8142
1.90	0.4481	0.6874	0.8016
1.80	0.4331	0.6717	0.7878
1.70	0.4175	0.6547	0.7727
1.60	0.4010	0.6364	0.7559
1.50	0.3836	0.6165	0.7374
1.40	0.3653	0.5950	0.7168
1.30	0.3460	0.5715	0.6939
1.20	0.3256	0.5458	0.6682
1.10	0.3040	0.5177	0.6394
1.00	0.2811	0.4868	0.6070
0.95	0.2691	0.4702	0.5892
0.90	0.2567	0.4528	0.5702
0.85	0.2440	0.4344	0.5500
0.80	0.2309	0.4151	0.5284
0.75	0.2174	0.3948	0.5053
0.70	0.2035	0.3734	0.4806
0.65	0.1891	0.3508	0.4542
0.60	0.1743	0.3270	0.4258

FINANCIAL INSTITUTION BOND MANUAL

COMPANY RULES

PLASTIC CARD AGGREGATE LIMIT and AGGREGATE DEDUCTIBLE FACTORS (continued)

Entry Ratio	Number of Cards		
	<5000	5000 to 9999	10000+
0.55	0.1591	0.3020	0.3955
0.50	0.1435	0.2755	0.3629
0.45	0.1275	0.2477	0.3281
0.40	0.1111	0.2184	0.2908
0.35	0.0944	0.1878	0.2512
0.30	0.0775	0.1559	0.2092
0.25	0.0606	0.1231	0.1653
0.20	0.0440	0.0900	0.1204
0.15	0.0283	0.0577	0.0762
0.10	0.0142	0.0285	0.0363
0.05	0.0037	0.0068	0.0078
0.00	0.0000	0.0000	0.0000

(4) PLASTIC CARD LIMIT FACTOR

Apply appropriate limit factor based on selected aggregate limit.

Aggregate Limit	Modification Factor
\$0	0.8217
\$100,000	0.8491
\$250,000	0.8903
\$500,000	0.9266
\$1,000,000	1.0000
\$2,000,000	1.1222
\$5,000,000	1.3111
\$10,000,000	1.4245

For limits >10M, calculate the ILF based on the following:
 $ILF(limit) = \{ ILF(10M) - ILF(5M) \} / 5M \times \{ limit - 10M \} + ILF(10M)$

Plastic Card Final Premium = Plastic Card Base Premium x Per Card Final Factor x Aggregate Final Factor x Plastic Card Limit Factor

D. Forms

FB990010 Plastic Card Rider

FINANCIAL INSTITUTION BOND MANUAL

COMPANY RULES

FB-1019-CW 1016 EXPANDED COMPUTER SYSTEMS COVERAGE

A. Description Of Coverage

This **OPTIONAL** rider modifies the Computer Systems Fraud insuring agreement in the Financial Institution Bond policy to specifically address fraudulent electronic funds transfers. It clarifies that the Bond does not cover any costs when the Insured is not obligated to incur costs under the Uniform Commercial Code.

B. Limits

Not applicable

C. Premium Determination

No rate impact.

D. Forms

FB990011 Expanded Computer Systems Coverage Rider

FINANCIAL INSTITUTION BOND MANUAL

COMPANY RULES

FB-1020-CW 1016 RATE ADJUSTMENT

A. Description Of Coverage

This OPTIONAL rider sets conditions where the Insured must give the Company written notice.

B. Limits

Not applicable

C. Premium Determination

No rate impact.

D. Forms

FB990012 Rate Adjustment Rider

FINANCIAL INSTITUTION BOND MANUAL

COMPANY RULES

FB-1021-CW 1016 FREDDIE MAC/FANNIE MAE/GINNIE MAE

A. Description Of Coverage

Services of mortgages that are sold to the Federal Home Loan Mortgage Corporation (Freddie Mac), the Federal National Mortgage Association (Fannie Mae) or the Government National Mortgage Association (Ginnie Mae) (Collectively, Government sponsored enterprises (GSEs)) must obtain fidelity bond coverage pursuant to applicable GSE requirements. The GSEs have required servicers to amend the fidelity bond coverage so that the respective GSE is named as a loss payee.

Ginnie Mae requires that they be able to make a claim under the fidelity bond on behalf of the insured. The primary reason for this requirement is that the insured is often out of business or winding down operations at the time the loss is discovered.

Riders are **OPTIONAL**.

B. Limits

Not applicable

C. Premium Determination

No rate impact.

D. Forms

FB990013 Freddie Mac or Fannie Mae Rider
FB990020 Ginnie Mae Rider

FINANCIAL INSTITUTION BOND MANUAL

COMPANY RULES

FB-1022-CW 1016 SECURITY TOKEN EXCEPTION

A. Description Of Coverage

This OPTIONAL rider removes the call-back requirement if a Security Token is used.

B. Limits

Not applicable

C. Premium Determination

No rate impact.

D. Forms

FB990013 Security Token Exception Rider

FINANCIAL INSTITUTION BOND MANUAL

COMPANY RULES

FB-1023-CW 1016 WORKPLACE VIOLENCE

A. Description Of Coverage

This OPTIONAL rider extends the bond to add coverage for workplace violence.

B. Limits

Minimum

No minimum

Maximum

Not to exceed the amount
of Basic Bond Coverage.

C. Premium Determination

No rate impact.

D. Forms

FB990015 Workplace Violence Rider

FINANCIAL INSTITUTION BOND MANUAL

COMPANY RULES

FB-1024-CW 1016 DELETE MANIFEST INTENT

A. Description Of Coverage

This OPTIONAL rider modifies the bond by removing the manifest intent from **INSURING AGREEMENTS (A)**.

B. Limits

Minimum

Same as those established in
Section III., A., 1., b.(1).

Maximum

Not to exceed the amount
of Basic Bond Coverage.

C. Premium Determination

No rate impact.

D. Forms

FB990016 Delete Manifest Intent Rider

FINANCIAL INSTITUTION BOND MANUAL

COMPANY RULES

FB-1025-CW 1016 REWARD PAYMENT

A. Description Of Coverage

This OPTIONAL rider revises the amount, per event, for a reward payment.

B. Limits

Minimum

No minimum

Maximum

Not to exceed the amount of Basic Bond Coverage.

C. Premium Determination

Limit	Premium
\$ 5,000	\$150
\$ 10,000	\$300
\$ 15,000	\$375
\$ 20,000	\$400
\$ 25,000	\$625
>\$ 25,000	Refer to Company

Standard debits/credits do not apply.

D. Forms

FB990017 Reward Payment Rider

FINANCIAL INSTITUTION BOND MANUAL

COMPANY RULES

FB-1026-CW 1016 VANISHING DEDUCTIBLE

A. Description Of Coverage

This OPTIONAL rider reduces the deductible over 5 annual Bond Periods by 20% each period.

B. Limits

Not applicable

C. Premium Determination

No rate impact.

D. Forms

FB990018 Vanishing Deductible Rider

FINANCIAL INSTITUTION BOND MANUAL
COMPANY RULES

FB-1027-CW 1016 FOREIGN CHECK

A. Description Of Coverage

This OPTIONAL rider adds losses due to reliance on a Foreign Check.

B. Deductible

10% of Foreign Check limit

C. Premium Determination

<u>Limit</u>	<u>Base Rate</u>
\$ 50,000	\$ 425
\$100,000	\$ 750
\$250,000	\$1,200

Standard debits/credits do not apply

D. Forms

FB990019 Foreign Check Rider

FINANCIAL INSTITUTION BOND MANUAL

COMPANY RULES

FB-1028-CW 1016 EXPANDED FORGERY

A. Description Of Coverage

This **OPTIONAL** rider adds Original Requirement to the Forgery, Alteration or Unauthorized Signatures Insuring Agreement.

B. Limits

Not applicable

C. Premium Determination

No rate impact.

D. Forms

FB990021 Expanded Forgery, Alteration or Unauthorized Signatures Rider

FINANCIAL INSTITUTION BOND MANUAL

COMPANY RULES

FB-1029-CW 1016 EXPANDED KIDNAP & EXTORTION

A. Description Of Coverage

This **OPTIONAL** rider adds additional medical and financial payments to the Kidnap and Extortion Insuring Agreement.

B. Limits

Not applicable to this rule.

C. Premium Determination

No rate impact.

D. Forms

FB990022 Expanded Kidnap & Extortion Rider

FINANCIAL INSTITUTION BOND MANUAL

COMPANY RULES

FB-1030-CW 1016 EXPANDED CONSOLIDATED ASSETS

A. Description Of Coverage

This OPTIONAL rider revises the percentage of assets and liabilities a transaction can contain.

B. Limits

Not applicable to this rule.

C. Premium Determination

No rate impact.

D. Forms

FB990023 Expanded Consolidated Assets Rider

FINANCIAL INSTITUTION BOND MANUAL

COMPANY RULES

FB-1031-CW 1016 VIRTUAL CURRENCY

A. Description Of Coverage

This OPTIONAL rider adds explicit coverage for Virtual Currency.

B. Limits

Minimum

No minimum

Maximum

Not to exceed the amount
of Basic Bond Coverage.

C. Premium Determination

No rate impact.

D. Forms

FB990024 Virtual Currency Rider

FINANCIAL INSTITUTION BOND MANUAL

COMPANY RULES

FB-1032-CW 1016 EXPANDED UNATTENDED AUTOMATED MECHANICAL DEVICES

A. Description Of Coverage

This **OPTIONAL** rider adds Video Teller Machine to the definition of an Unattended Automated Mechanical Device.

B. Limits

Not applicable to this rule.

C. Premium Determination

No rate impact.

D. Forms

FB990025 Expanded Unattended Automated Mechanical Devices Rider

FINANCIAL INSTITUTION BOND MANUAL

COMPANY RULES

FB-1033-CW 1016 REMOVE COLLUSION REQUIREMENT

A. Description Of Coverage

This **OPTIONAL** rider removes the Collusion Requirement from the Employee Dishonesty Insuring Agreement.

B. Limits

Not applicable to this rule.

C. Premium Determination

No rate impact.

D. Forms

FB990026 Remove Collusion Requirement Rider

State: District of Columbia
TOI/Sub-TOI: 23.0 Fidelity/23.0000 Fidelity
Product Name: Financial Institutions Bond
Project Name/Number: /DC-FB-1701-02-1603

Filing Company: Security National Insurance Company

Supporting Document Schedules

Bypassed - Item:	Consulting Authorization
Bypass Reason:	N/A
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	Actuarial Certification (P&C)
Bypass Reason:	N/A No policyholders
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	District of Columbia and Countrywide Experience for the Last 5 Years (P&C)
Bypass Reason:	N/A No policyholders
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	District of Columbia and Countrywide Loss Ratio Analysis (P&C)
Bypass Reason:	N/A No policyholders
Attachment(s):	
Item Status:	
Status Date:	