

Covers nonprofit credit counseling and debt management plan providers, HUD-approved housing counseling, bankruptcy counseling and education, student loan counseling, and financial literacy and coaching programs. Complete with ACORD 125. Attach state licenses and bonds, accreditation letters, the DMP client agreement and fee schedule, and the latest trust account reconciliation and audit.

1 APPLICANT / ORGANIZATION INFORMATION

LEGAL ORGANIZATION NAME	DBA	FEIN	YEARS OPERATING
MAIN OFFICE ADDRESS	CITY / STATE / ZIP	WEBSITE	

Approvals and accreditation (check all):
☐ NFCC member ☐ FCAA member ☐ COA accredited ☐ HUD-approved housing counselor ☐ U.S. Trustee-approved (bankruptcy)
☐ None

EXECUTIVE DIRECTOR / CONTACT	PHONE	EMAIL

STATES LICENSED FOR DEBT MANAGEMENT	SURETY BOND AMOUNTS (BY STATE)

2 OPERATIONS

DESCRIPTION OF SERVICES (WHO IS SERVED, HOW CLIENTS REACH YOU, PHONE/ONLINE/IN-PERSON)

SERVICE	CLIENTS PER YEAR	% OF REVENUE

Services: credit counseling sessions; debt management plans; housing / foreclosure counseling; reverse mortgage counseling; bankruptcy pre-filing counseling; bankruptcy debtor education; student loan counseling; financial literacy classes; employer financial wellness.

Size:

Active DMP clients	Monthly DMP disbursements (\$)	Certified counselors	Offices	States served
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3 EXPOSURE & RISK QUESTIONS — CLIENT FUNDS & DEBT MANAGEMENT PLANS

A Utah credit counseling agency closed after regulators alleged its client trust account went into deficit and client payments to creditors bounced.

3-1 Are DMP client payments held in a separate trust account, never mixed with operating funds?	☐ Yes ☐ No
IF YES, EXPLAIN	
3-2 Is the trust account reconciled daily or weekly by someone other than the person who disburses funds?	☐ Yes ☐ No
IF YES, EXPLAIN	
3-3 Are creditor payments sent within a set number of days after client funds clear?	☐ Yes ☐ No
IF YES, EXPLAIN	
3-4 Do disbursements over a set amount require two approvers, with bank changes confirmed by phone?	☐ Yes ☐ No
IF YES, EXPLAIN	

3-5 Is a third-party payment processor used, and is it audited or bonded? ☐ Yes ☐ No
IF YES, EXPLAIN

3-6 Is the trust account audited annually by an outside CPA? ☐ Yes ☐ No
IF YES, EXPLAIN

3-7 Has a creditor payment ever been missed, late, or misapplied, causing a client complaint? ☐ Yes ☐ No
IF YES, EXPLAIN

4 EXPOSURE & RISK QUESTIONS — COUNSELING QUALITY, FEES & COMPLIANCE

The IRS once revoked or moved to revoke the tax exemption of 41 credit counseling agencies — about 40% of the industry's revenue — for selling debt plans with little real counseling.

4-1 Are all counselors certified (NFCC, AFCPE, HUD) before advising clients? ☐ Yes ☐ No
IF YES, EXPLAIN

4-2 Is every client offered counseling and options other than a DMP, with the session documented? ☐ Yes ☐ No
IF YES, EXPLAIN

4-3 Are DMP fees within state limits, and waived or reduced for clients who cannot pay? ☐ Yes ☐ No
IF YES, EXPLAIN

4-4 Are counselors paid commissions or bonuses based on DMP enrollments? ☐ Yes ☐ No
IF YES, EXPLAIN

4-5 Does the organization buy leads, use outbound telemarketing, or partner with for-profit debt companies? ☐ Yes ☐ No
IF YES, EXPLAIN

4-6 Has a state regulator, the CFPB, FTC, or IRS examined or taken action against the organization? ☐ Yes ☐ No
IF YES, EXPLAIN

4-7 Are client Social Security numbers, bank accounts, and credit reports encrypted and access-limited? ☐ Yes ☐ No
IF YES, EXPLAIN

5 PAYROLL, SALES & REVENUE

TOTAL ANNUAL PAYROLL (\$, ILLUSTRATIVE)	NUMBER OF EMPLOYEES	COUNSELORS
CLIENT FEES (\$, ILLUSTRATIVE)	CREDITOR FAIR SHARE / CONTRIBUTIONS (\$, ILLUSTRATIVE)	GRANTS (\$, ILLUSTRATIVE)

6 PRIOR INSURANCE & LOSS HISTORY

Attach currently-valued loss runs for the last 5 years.

CURRENT E&O CARRIER

CRIME / CLIENT FUNDS LIMIT

CYBER LIMIT

6-1 Has any carrier declined, cancelled, or non-renewed coverage for this organization in the last 5 years? ☐ Yes ☐ No

IF YES, EXPLAIN

6-2 Has the organization had a theft, payment fraud, or data breach in the last 5 years? ☐ Yes ☐ No

IF YES, EXPLAIN

DATE OF LOSS	DESCRIPTION	TOTAL INCURRED (\$, ILLUSTRATIVE)	OPEN / CLOSED

6-3 Is the applicant aware of any incident, complaint, or circumstance not yet resulting in a claim that could reasonably give rise to one? ☐ Yes ☐ No

IF YES, EXPLAIN

7 RISK MANAGEMENT & SAFETY

7-1 Are client complaints logged, investigated, and reviewed by management monthly? ☐ Yes ☐ No

IF YES, EXPLAIN

7-2 Are sessions recorded or reviewed for quality and compliance? ☐ Yes ☐ No

IF YES, EXPLAIN

7-3 Are staff background-checked before handling client funds or data? ☐ Yes ☐ No

IF YES, EXPLAIN

8 SIGNATURE & FRAUD WARNING

The undersigned declares that the statements and answers given in this supplemental are true, complete and correct to the best of their knowledge, and that no material fact has been withheld or misstated. The applicant agrees that this supplemental, together with all ACORD applications and attachments, forms the basis of any submission to insurers and may be relied upon by them. Signing this supplemental does not bind coverage. This supplemental is an intake document prepared by Cory Washington & Co. LLC to support carrier submission; it does not itself provide coverage.

FRAUD NOTICE: 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 and subjects such person to criminal and civil penalties. (State-specific fraud warnings apply; see state amendatory notice.)

APPLICANT / AUTHORIZED SIGNATURE (TYPE FULL NAME)

TITLE

DATE

PRODUCER — CORY WASHINGTON & CO. LLC

PRODUCER SIGNATURE (TYPE FULL NAME)

DATE