



AIG Europe Limited

# CorporateGuard Comprehensive Crime Proposal

## Note to the Proposer

Signing or completing this proposal does not bind the Proposer, or any individual or entity he or she is representing to complete this insurance.

Please provide by addendum any supplementary information which is material to the response of the questions herein.

All answers should be given as a group response i.e. if any subsidiary company has different responses these should be provide separately on your headed paper.

## Proposer Details

Name of Proposer	<input type="text"/>
Principal address of Proposer line one	<input type="text"/>
Principal address of Proposer line two	<input type="text"/>
City and postcode	<input type="text"/>
Date established	<input type="text"/>
Principal activities/services of Proposer	<input type="text"/>
Number of permanent directors	<input type="text"/>
Number of employees: UK	<input type="text"/>
Number of employees: Overseas	<input type="text"/>
Number of locations: UK	<input type="text"/>
Number of locations: Overseas	<input type="text"/>

## Internal Controls and Procedures

Does the company have an employee Handbook/Manual?  Yes  No

If 'Yes'

does it contain written instructions on all aspects of your business?  Yes  No

does it clearly define the individual duties of each employee?  Yes  No

does it address security procedures (including electronic data security)?  Yes  No

If any of these are answered 'No', then please provide further details on how these practices are addressed.

Does the company maintain a code of conduct, which includes confidentiality policies, for all employees  Yes  No

Is each employee required to sign acceptance?  Yes  No

Are employees trained and re-trained, if necessary, on all aspects of:

(a) physical and electronic data security?  Yes  No

(b) operational procedures?  Yes  No

Are all employees required to take an uninterrupted, two week holiday each calendar year?  Yes  No

Are the duties of each employee arranged so that no one employee is permitted to control any transaction from commencement to completion?  Yes  No

Do you have an established group recruitment policy which assesses the suitability for all positions?  Yes  No

Do you require references to be obtained for all candidates for positions of managerial or key influence, or where a position would exert influence over significant company or customer assets?  Yes  No

Do you have established employee leaving procedures, including termination of access to computer systems?  Yes  No

Are any branches, subsidiaries or associated companies allowed to maintain different operational procedures than the Head Office/Parent Company?  Yes  No

If 'Yes', is prior approval required from Head Office/Parent Company?  Yes  No

Do you maintain dual control over the handling of:

(a) securities?  Yes  No

(b) company/corporate cheques and drafts?  Yes  No

(c) dormant accounts (if inactive for longer than 6 months)?  Yes  No

(d) access codes, cyphers, test keys?  Yes  No

Is joint custody maintained for the safeguarding of:

(a) access codes, cyphers, test keys?  Yes  No

(b) access to Property whilst in safes and/or vaults?  Yes  No

**Computer Systems**

Do you operate or subscribe to any automated teller machine network or electronic point of sale system?

Yes  No

Do you make or receive funds transfer instruction via any of the following methods?:

- (a) interbank electronic communications systems  Yes  No
- (i) BACS  Yes  No
- (ii) SWIFT  Yes  No
- (iii) CHAPS  Yes  No
- (iv) Bankwire  Yes  No

(v) Other, please specify

- (b) internet  Yes  No
- (c) electronic mail  Yes  No
- (d) telex  Yes  No
- (e) facsimile  Yes  No
- (f) voice initiated  Yes  No
- (g) on-line cash management  Yes  No

(h) other, please specify

Are all fund transfer instructions subject to a verification and authentication process which is under dual control?  Yes  No

Do you secure fund transfer instructions (e.g. through the use of passwords, encryption, testing, call back or other authentication)?  Yes  No

Do you permit the transfer of funds via telephonic instruction?  Yes  No

If 'Yes', in respect of corporate or business accounts only:

- (a) is there a written agreement with customers?  Yes  No
- (b) does the written agreement contain transfer limits?  Yes  No
- (c) is verification, by someone other than the initiator of the transfer instruction, required prior to such transfer taking place?  Yes  No

Are passwords used to give varying levels of access to your computer system and funds transfer systems on the need and authorisation of user basis?  Yes  No

Are all key source documents maintained in a secure environment prior to being entered into the computer system in order to prevent unauthorised modification or inappropriate use of data?  Yes  No

Are remote terminals kept in a physically secure location accessible by authorised personnel only?  Yes  No

Do you utilise any recognised software packages to control access to your computer system?  Yes  No

If 'Yes', do you modify such software to your own specifications?  Yes  No

Are your data processing centers physically separated from other departments?  Yes  No

Do you have an access control system for your data processing centers?  Yes  No

Do you allow any employees remote access to the company's main computer facilities?  Yes  No

If 'Yes':

(a) is access controlled by 'one time' password systems?  Yes  No

(b) is access limited to non-sensitive systems and data?  Yes  No

(c) is the message traffic protected by encryption?  Yes  No

If any of these are answered 'No', then please provide further details on what controls are in place.

Are data file generations stored and secured off-site in a restricted area?  Yes  No

Do you utilise independent contractors to prepare electronic computer programs?  Yes  No

If 'Yes':

(a) are specific parameters in place to restrict their access?  Yes  No

(b) are their activities overseen when accessing your computer system?  Yes  No

(c) are safeguards in place to prevent access to your other systems?  Yes  No

**Internet Facility/ E-Commerce**

Do you provide an Internet facility?  Yes  No

If 'Yes', do you offer any of the following:

- (a) product information only  Yes  No
- (b) account balance  Yes  No
- (c) pre-authorized account to account transfers  Yes  No
- (d) loan applications  Yes  No
- (e) interactive mortgage applications  Yes  No
- (f) business/company account management facilities  Yes  No
- (g) insurance products  Yes  No
- (h) on-line securities dealing  Yes  No

(i) other, please specify

Do you have formal terms and conditions for the use of your Internet facility, which outline the obligations and responsibilities of the users?  Yes  No

Is the identity of users verified and authenticated?  Yes  No

If 'Yes', please identify the method used

- (a) password  Yes  No
- (b) one-time password  Yes  No
- (c) public/private key encryption  Yes  No
- (d) digital signature  Yes  No

(e) other, please specify

Do you encrypt data whilst it is stored or held within your Internet facility?  Yes  No

Are firewalls and/or comparable software used to authorise access to your Internet facility?  Yes  No

If 'Yes', do you modify such software to your own specifications?  Yes  No

- Do you use any anti-virus software?  Yes  No
- If 'Yes' is this upgraded on a regular basis?  Yes  No
- Do you monitor and produce reports on intrusion/ unauthorised access activity?  Yes  No
- Do you restrict access between your Internet facility and your main computer system?  Yes  No
- Do you have a specific department which maintains your Internet facility (e.g. carrying out program development, testing, firewall maintenance, intrusion monitoring)?  Yes  No
- Do you have a fully tested disaster recovery and business continuity plan?  Yes  No
- If 'Yes', does it include an off-site back-up facility?  Yes  No
- Do you use external specialist organisations to periodically verify the integrity of the protection from intrusion through the internet?  Yes  No

## Lending Procedures

- Do you operate and maintain a formal loan policy manual or similar internal document?  Yes  No
- If 'Yes', does this include:
- (a) individual lending limits?  Yes  No
- (b) tiered authority levels?  Yes  No
- (c) lending criteria?  Yes  No
- (d) collateral requirements and authentication procedures (e.g. property, letter of credit, bill of exchange, certificate of deposit, securities and the like)?  Yes  No
- Are all loans independently reviewed to ensure compliance with the loan policy manual or similar internal document?  Yes  No

## Fund/Investment/Asset Management Companies

**Only complete if the Proposer offers such services to third parties**

- Are all customers required to sign formal contracts?  Yes  No

If 'Yes':

(a) are the contracts subject to approval by a senior executive?  Yes  No

(b) does each contract specify the methods under which the company will accept instructions?  Yes  No

Are transactions only entered into on the basis of appropriate authorisation in accordance with management criteria?  Yes  No

Has management defined and communicated formal trading policies and dealing limits?  Yes  No

Are trading transactions and positions reviewed for compliance with formal trading policies manual or similar internal document?  Yes  No

Are accounts of trades which exceed set limits identified or rectified or referred to senior management for immediate action?  Yes  No

Do counterparties receive authorised confirmation for all deals prior to settlement?  Yes  No

Is the book of investments and securities periodically substantiated and evaluated against recorded values independently of the dealer and fund managers?  Yes  No

Are responsibilities for investment decisions segregated from accounting activities and custodial responsibilities?  Yes  No

## Insurance Companies

**Only complete if the Proposer offers such services to third parties**

Do you operate and maintain a formal underwriting manual in respect of all classes of insurance written?  Yes  No

Are clients/brokers/agents instructed to pay premium in the Proposer's name?  Yes  No

Is the department/ individual designated to receive premium completely divorced from the day to day handling of business?  Yes  No

Is responsibility for claims inspection/settlement completely divorced from underwriting?  Yes  No

Are all claims examined and agreed by a minimum of two authorised individuals before payment is made who ensure that claim payments are made direct to your insured?

Yes  No

**Audit and Compliance**

Do you have an internal audit department which has separate duties from the auditing services provided by an external accountant?

Yes  No

If 'Yes',

(a) is there a formal written audit programme which includes EDP audit?

Yes  No

(b) is there an established audit cycle which encompasses all operations?

Yes  No

(c) are the internal audit department independent of any other function?

Yes  No

(d) are written reports made to either an audit committee or an individual that reports to the Board of Directors

Yes  No

(e) do you have procedures in place to monitor the implementation of recommendations made by the internal audit department?

Yes  No

(f) does the audit team periodically review the segregation of duties, accuracy of records, management and supervisory procedures and the physical and non-physical internal controls?

Yes  No

(a) are you audited annually by a chartered accountant?

Yes  No

(b) do they review the internal controls and report their findings?

Yes  No

(c) has your accountant made any recommendation in the last two years?

Yes  No

If 'Yes',

(i) have such recommendations been complied with?

Yes  No



If 'No',  
 (ii) have you adopted alternatives arrangements to the satisfaction of your accountant?  Yes  No

Do you have a compliance officer who monitors and implements all regulatory directives, rules, principles and guidelines?  Yes  No

**Values at Risk**

Please state the maximum value of securities (including negotiable collateral, unissued stock certificates etc.):

at head office	
at branches	
with custodians	

Please state the maximum amount of cash:

at head office	
at individual branches	
at individual tellers	
at teller counters	
within individual automated teller machine	
within all automated teller machines in a single location	
with custodians	

Please state the maximum amounts/ values carried by:

Third party armoured motor vehicle:	cash	
	securities	
Own armoured motor vehicle:	cash	
	securities	
Own messengers:	cash	
	securities	

**Loss Information**

Please give brief details of any loss sustained by the Proposer (whether insured or uninsured) during the past 5 years as follows:

Nature of Loss	Date of Discovery	Location	Amount of Loss

Does the Proposer, after full enquiry, or any of its directors, officers, partners or trustees have any knowledge, of any act, omission, fact, event or circumstance which might give rise to a loss under this proposed insurance?  Yes  No

If 'Yes', please provide details on a separate sheet.

In the event that a loss has been discovered, has the Proposer taken remedial action to prevent or avoid recurrence?  Yes  No

Is the Proposer is aware of any Kidnap or Extortion event or incident perpetrated against the Proposer or any of its subsidiaries or any directors or employees within the last 5 years?  Yes  No

If 'Yes', please provide details on a separate sheet.

Is the Proposer aware of any crime insurance or extortion and/or kidnap and ransom insurance, in respect of the Proposer or any of its subsidiaries or any directors or employees, that has been cancelled or declined in the past for any reason?  Yes  No

If 'Yes', please provide details on a separate sheet

**SIGNING THIS PROPOSAL DOES NOT BIND THE PROPOSER TO COMPLETE THIS INSURANCE.**

**Declaration**

I declare that statements and particulars in this proposal form are true and no material facts have been misstated or suppressed after full enquiry. I agree that this proposal, together with any other information supplied shall form the basis of the contract of Insurance affected thereon. I undertake to inform Insurers of any material alteration to those facts occurring before the completion of the contract of Insurance.

A material fact is one which would influence the acceptance or assessment of the risk.

Signed	<input type="text"/>
Title (authorised signatory of the Insured)	<input type="text"/>
Company	<input type="text"/>
Date	<input type="text"/>

**Please enclose with this Proposal Form**

- The latest Annual Report and Accounts for the Proposer.



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