

Comprehensive Commercial Crime Insurance Policy Application

Please ensure that the following are provided with the application:

- Latest audited annual report, OR available financial statements
- Auditor's letter to Management on internal controls, if available
- Employee Benefit Plans to be included, if applicable, including plan name, country of domicile, date established, total assets
- List of high-valued material exposures and controls, if applicable
- Schedule of entities to be included which the Applicant has 50% or less ownership, and/or does not have the right to elect or appoint a majority of the board, if applicable, including entity name, location, date established, annual revenues, total number of employees
- Copy of Client contract insurance requirements, if applicable
- If more space is needed than provided in a particular question, please provide an addendum

General Information

1. Name of Legal Entity (**Applicant**) _____
2. Year Established _____
3. Principal Address _____
4. Website Address _____
5. Name of Applicant's Business (brief description of operations) _____

6. Please check all activities, instruments, and property applicable to the Applicant's business within the last 12 months and all activities, instruments, and property the Applicant anticipates will apply within the next 12 months.

<input type="checkbox"/> Active participation in more than one industry	<input type="checkbox"/> Banking, Lending, Credit or Escrow Services
<input type="checkbox"/> Care, custody, and control of client's property	<input type="checkbox"/> Cash exposure
<input type="checkbox"/> Computer Chips	<input type="checkbox"/> Debit Collection
<input type="checkbox"/> Employee credit cards	<input type="checkbox"/> Gaming
<input type="checkbox"/> High unit value, portable inventory	<input type="checkbox"/> Investment advisory or management services
<input type="checkbox"/> Issuing warehouse receipts	<input type="checkbox"/> Joint Ventures
<input type="checkbox"/> Leasing	<input type="checkbox"/> Narcotics, Cannabis
<input type="checkbox"/> Precious metals or gemstones	<input type="checkbox"/> Private collections of art or collectibles
<input type="checkbox"/> Proprietary credit card operation	<input type="checkbox"/> Storing customer credit card information
<input type="checkbox"/> Trading	<input type="checkbox"/> Transporting or storing high-value material
<input type="checkbox"/> Transporting or storing high-value material for others	<input type="checkbox"/> Warehouse operations
<input type="checkbox"/> Other _____	

7. If precious metals, gemstones, computer chips, or other high-valued materials exposure exists, please attach a list of each exposure, and identify each location, describe all security controls, and state the maximum value at each location.
8. Form of business: Corporation Partnership Limited Liability Company
 Corporation: Public Ticker _____ Private Not for Profit

9. Annual Revenue: \$_____ Currency _____
10. Has there been any change in ownership or management within the past three years? Yes No
If Yes, explain: _____
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11. Has the Applicant or any of its subsidiaries completed or are contemplating any of the following within an 18-month period:
- (a) Reorganization or arrangement with creditors under federal or provincial law? Yes No
- (b) Mergers, acquisitions, or divestitures? Yes No
- If Yes, to either (a) or (b), explain: _____

Location and Employees

12. Class 1 Employees: For the purposes of premium computation, Class 1 Employees include management positions, and other employees who have access to money, securities and/or other property (such as cashiers, bookkeepers, shipping clerks etc.)
- If there are more country locations than space provided, provide an addendum with the information below for each.

Country	Number of Locations	Sales or Revenues	Class 1 Employees	Operations if Different from Question 5	Independent Contractors	Other Employees
Canada		\$				
U.S.		\$				
		\$				
		\$				
		\$				
Total		\$				

13. Is there likely to be a substantial increase in the number of employees or locations during the next 12 months by reason of:
- (a) Seasonal Activity or other circumstances? Yes No
- (b) Expansion of Applicant's business? Yes No
- If Yes, to either (a) or (b), explain: _____

Audit Procedures

14. (a) Is there an audit by an independent CPA, or equivalent? Yes No
If Yes, how often: Quarterly Semi-Annual Annual
- (b) Name and address of firm performing audit: _____
- (c) Is the audit made in accordance with generally accepted auditing standards and so certified? Yes No
If No, explain the scope of the audit: _____
- (d) Is there an Auditor's letter to management on internal controls? Yes No
If Yes, attach a copy

- (e) Date of completion of last audit of:
- (i) Cash and Accounts _____
- (ii) Inventory _____
- (f) Is there an internal audit by an Internal Audit Department? Yes No
- (g) Are all locations audited? Yes No
- If Yes:
- (i) Are audits made at branches or are they based on records maintained in the principal office?

- (ii) How often will branches be completely audited and inventoried, and by whom?

- (iii) When was the last audit and inventory of branches made? _____
- (iv) Were all accounts then found correct, and all cash, merchandise and securities found on hand or properly accounted for? Yes No
- (h) What percentage of receipts are: Cash ____% Cheques ____% Other ____%

Internal Controls – Other Than Audit Procedures

15. (a) Do employees who reconcile monthly bank statements also perform any of the following tasks?
- (i) Sign Cheques Yes No
- (ii) Handle Deposits Yes No
- (iii) Access Cheque-signing machines or signature plates Yes No
- (iv) Withdraw or transfer from bank accounts Yes No
- (b) Is countersignature of cheques required at all locations? Yes No
- If No, describe the system in effect to prevent unauthorized issuance of cheques _____
- _____
- (c) Is a cheque signing machine or electronic signatures used? Yes No
- If Yes:
- (i) Describe controls over signature plates/files: _____
- _____
- (ii) What control is there over the number of items processed with the cheque signing machine or electronic signatures? _____
- _____
- (iii) Is bank held harmless for improper use of facsimile signature? Yes No
- (d) If facsimile/electronic signatures are used, are such signatures subject to dual control and password protected? Yes No
- (e) Is payroll by: Cash Cheque Direct Deposit Other (explain) _____
- _____
- (f) What provision is made for safekeeping of securities (if applicable)? _____
- _____
- (g) Value of securities (if applicable)? \$ _____
- (h) Does the Applicant maintain a master list of vendors? Yes No

- (i) Are there procedures in place to verify the legitimacy and ownership of new vendors prior to adding them to the authorized master list? Yes No
- (j) Is there a separation of duties to authorize new verified vendors and the ability to edit master vendor list? Yes No
- (k) Are vendors paid only after verifying that goods were physically received? Yes No

If No, explain: _____

Employment Practices

- 16. (a) Is an application for employment completed by each prospective employee? Yes No
- (b) Are background checks performed on all prospective employees? Yes No
- (c) Does the organization maintain a personnel file for each employee? Yes No
- (d) Does the organization distribute a copy of its Code of Conduct to all employees? If Yes, are all employees required to sign the document annually as evidence of receipt and understanding? Yes No
- (e) When employees are transferred to more sensitive positions within the organization is additional screening performed? Yes No
- (f) Are building access cards disabled immediately upon employee termination? Yes No

Independent Contractors

- 17. Is coverage required to be extended to Independent Contractors? Yes No
- If Yes, please answer the following:
 - (a) Is there a written contract between the Applicant and Independent Contractors? Yes No
 - (b) Are reference checks performed on Independent Contractors? Yes No
- If No, explain: _____

- (c) Do Independent Contractors have custody or control over any funds, accounts, or property of the Applicant? Yes No
- (d) Are Independent Contractors subject to the same internal control procedures as the Applicant's employees? Yes No

Computer Fraud

- 18. Is Computer Fraud coverage required? Yes No
- If Yes, please answer the following:
 - (a) Are access controls designed so that users cannot gain access to programs and files to which they have not been granted access? Yes No
 - (b) Does the Applicant run a test for unauthorized changes to the system? Yes No
 - (c) Do any non-employees have access to the computer systems? Yes No
- If Yes, please provide details: _____

- (d) Are systems in place to detect fraudulent usage by employees and non-employees? Yes No
- (e) Are access codes and passwords changed regularly? Yes No

- (f) Are access codes terminated immediately upon employee termination? Yes No
- (g) Is multi-factor authentication used for signing on to company networks? Yes No
- (h) Has the Applicant's computer system ever been hacked? Yes No

If Yes, please provide corrective measures taken: _____

Funds Transfer Fraud

19. Is Funds Transfer Fraud coverage required? Yes No

If Yes, please answer the following:

- (a) Does the Applicant transfer funds by wire electronic transfer voice-initiated transfer
- (b) Average number of transfers annually? _____
- (c) Average dollar volume for a transfer? \$ _____
- (d) Is there a current procedure manual for transfers? Yes No
- (e) Is approval by more than one person required for wire, electronic, or voice transfers? Yes No
- (f) Is there a segregation of duties between initiating and approving wire transfers? Yes No
- (g) Are all financial institutions required to call an employee other than the one who requested the transfer before acting on the request? Yes No
- (h) Are all financial institutions required to confirm funds transfer transactions within 24 hours? Yes No
- (i) Does the Applicant conduct business transactions over the internet? Yes No
- (j) Are wire transfers reconciled daily by a person not involved in approving or initiating wire transfers? Yes No
- (k) Do these procedures apply to all locations? Yes No

Client Property

20. Is Client Property coverage required? Yes No

If Yes, please answer the following:

- (a) Provide a list of the Applicant's Client(s) for whom coverage is required and the products/services provided to such Client(s).

Client(s)	Coverage Required by Contract			Products/Services
	(Y/N)*	Contract Value	Contract Length	
		\$		
		\$		
		\$		

- (*) If Yes, please provide a copy of the contract(s) insurance requirements
- (b) Expected number of employees to be placed within such Clients premises: _____
- (c) Will any of the employees mentioned in (b) above handle, have custody or maintain records of money, securities or other property? Yes No

If Yes, please provide details: _____

(d) Will the Applicant's Employees have access to the Clients' computer system or networks? Yes No

If Yes:

(i) Are the Clients' staff physically present at all times to monitor the Applicant's employees' activities? Yes No

(ii) If work is done remotely does the Clients' staff monitor the Applicant's employees' activities? Yes No

Describe/Explain: _____

(iii) Does this access involve the Applicant's Clients' accounting, payment or banking functions in anyway? Yes No

(iv) Does this access involve the Applicant's Clients' inventory or distribution functions in any way? Yes No

If Yes, to (iii) or (iv), please provide details as to how these exposures are controlled or mitigated:

(e) What additional screening does the Applicant conduct on employees to be placed within Client's premises?

Loss Inside Premises

21. Is coverage for robbery, safe burglary or theft inside the Applicant's premises required? Yes No

If Yes, please complete the following:

(a) What is the maximum amount at any one location?

	Daily	Overnight
Money	\$	\$
Cheques	\$	\$
Negotiable Securities	\$	\$

(b) At locations where there is money and securities, does the Applicant utilize a fire resistant safe? Yes No

(c) Do the safes have central station alarm systems? Yes No

(d) Does the Applicant utilize any night watchman or security services? Yes No

Loss Outside Premises

22. Is coverage required for theft, disappearance, damage or destruction of money or securities while outside the Applicant's premises, in the custody of a messenger employed and authorized by the Applicant, or hired armored motor vehicle company? Yes No

If Yes, please complete the following:

(a) What is the maximum amount transported from any one location by a method other than an armoured motor vehicle?

	Daily	Overnight
Money	\$	\$
Cheques	\$	\$
Negotiable Securities	\$	\$

(b) Method of transportation? _____

Prior Insurance

23. Does the Applicant have a commercial crime insurance currently? Yes No

If Yes, please complete the following with the current coverage amounts.

If No, please complete the following with the desired coverage amounts.

Insurer:		
Coverage	Limit Each Loss	Deductible Each Loss
Employee Theft	\$	\$
Employee Benefit Plan	\$	\$
Client Property	\$	\$
Loss Inside Premises	\$	\$
Loss Outside Premises	\$	\$
Money Orders and Counterfeit Paper Currency	\$	\$
Depositors Forgery	\$	\$
Credit Card Forgery	\$	\$
Computer Fraud	\$	\$
Funds Transfer Fraud	\$	\$
Restoration Expenses	\$	\$
Claims Expenses	\$	\$
Social Engineering Fraud	\$	\$
Other _____	\$	\$

Loss History

24. Has the Applicant discovered or sustained crime losses in the past three years that have been submitted to any insurer or under any self-insurance instrument? Yes No

If Yes, please complete the following:

Date of Loss	Type of Loss and Corrective Measures Taken	Amount of Loss
		\$
		\$
		\$
		\$

25. Has there been during the past 5 years any employee theft, burglary, robbery, forgery, social engineering fraud or any other crime losses, whether insured or not, that would fall within the scope of the proposed insurance? Yes No

If Yes, please describe the details of the loss and corrective measures taken: _____

FALSE INFORMATION

Any person who, knowingly and with intent to defraud any insurance company or other person, files an Application for insurance containing any false information, or conceals information concerning any fact material thereto for the purpose of misleading any insurance company or other person, commits a fraudulent insurance act which is a crime.

DECLARATIONS AND SIGNATURE

The undersigned authorized officer of the Applicant:

- (i) declares, after inquiry, that the statements and representations set forth in this Application, and all materials submitted to or requested by the Insurer in conjunction with this Application, are true;
- (ii) acknowledges that these statements, representations, and materials are relied on by the Insurer and that they shall be deemed material to the acceptance of the risk assumed by the Insurer under the insurance applied for, should the insurance be effected;
- (iii) agrees that if the information supplied in connection with this Application changes between the date of this Application and the effective date of any insurance effected pursuant to this Application, the undersigned will immediately notify the Insurer of such changes, and the Insurer may withdraw or modify any outstanding indications, quotations and/or authorization or agreement to effect the insurance; and
- (iv) acknowledges that any personal information provided in connection with the insurance applied for, including but not limited to the information contained in this Application, has been collected in accordance with all applicable privacy legislation. The undersigned confirms that all necessary consents have been obtained for the collection, use, and disclosure of such information for the purposes of any investigation and inquiry in connection with this Application for insurance and, if applicable, investigating and settling claims, detecting and preventing fraud, and acting as required or authorized by law.

Signing of this Application does not obligate the Applicant or the Insurer to effect the insurance, but it is agreed that all materials submitted to or requested by the Insurer in conjunction with this Application are hereby incorporated by reference into this Application and made a part hereof. Terms and conditions, including limits of coverage, offered by the Insurer may differ from those applied for by the Applicant. It is further agreed that this Application and all materials submitted to or requested by the Insurer in conjunction with this Application are the basis of and are deemed attached to and incorporated into any policy effected pursuant to this Application.

PLEASE NOTE: COVERAGE CANNOT BE BOUND UNLESS THIS APPLICATION HAS BEEN FULLY COMPLETED AND DULY SIGNED AND DATED.

Applicant	Date
Signature of duly authorized signing Officer	Title