



## CRIME INSURANCE APPLICATION

**PLEASE ENSURE THAT THE FOLLOWING ARE PROVIDED WITH THE APPLICATION:**

- Latest audited annual report
- Auditor's letter to Management, if available

### 1. GENERAL INFORMATION

1. Name of Organization or Legal Entity (Applicant) including any subsidiaries:

\_\_\_\_\_

(Whenever used in this Application, the term "Applicant" shall mean the Insured, unless otherwise indicated)  
(please show complete name as you wish it to appear on the policy)

2. Year established: \_\_\_\_\_

3. Address (Not P.O. Box):  
\_\_\_\_\_  
\_\_\_\_\_

Website: \_\_\_\_\_

4. Nature of Applicant's Business (brief description of operations):  
\_\_\_\_\_

5. Annual Revenue: (in 000's): \_\_\_\_\_

6. If Publicly Traded what is Ticker Symbol? \_\_\_\_\_

7. Form of business organization:     Corporation                       Partnership                       Limited Liability

8. Corporation:                       For Profit                       Not for Profit

9. DESCRIPTION OF OPERATIONS:

In the course of your business do you perform any of the following functions?

- |  |                              |                             |
|--|------------------------------|-----------------------------|
| (a) Trading                                      | <input type="checkbox"/> YES | <input type="checkbox"/> NO |
| (b) Extending Credit                             | <input type="checkbox"/> YES | <input type="checkbox"/> NO |
| (c) Issuing Warehouse Receipts                   | <input type="checkbox"/> YES | <input type="checkbox"/> NO |
| (d) Transporting or Storing Valuables for Others | <input type="checkbox"/> YES | <input type="checkbox"/> NO |
| (e) Leasing                                      | <input type="checkbox"/> YES | <input type="checkbox"/> NO |
| (f) Storing Customer Credit Card Information     | <input type="checkbox"/> YES | <input type="checkbox"/> NO |
| (g) Narcotics                                    | <input type="checkbox"/> YES | <input type="checkbox"/> NO |

If YES to any of above, please attach an explanation of the function performed for each one.

10. Have there been any changes in ownership or management within the past (3) three years?                       YES     NO  
If YES, please explain:

\_\_\_\_\_  
\_\_\_\_\_

**2. COVERAGE REQUESTED**

DESIRED COVERAGE: (PLEASE CHECK THE COVERAGE REQUESTED)	LIMITS REQUESTED	DEDUCTIBLE REQUESTED
<input type="checkbox"/> Employee Theft	\$	\$
<input type="checkbox"/> Forgery or Alteration	\$	\$
<input type="checkbox"/> Theft – Inside Premises	\$	\$
<input type="checkbox"/> Theft – Outside Premises	\$	\$
<input type="checkbox"/> Money Orders & Counterfeit Currency	\$	\$
<input type="checkbox"/> Computer Fraud and Funds Transfer Fraud	\$	\$
<input type="checkbox"/> Client Coverage	\$	\$
<input type="checkbox"/> Credit Card Coverage	\$	\$

11. POLICY PERIOD REQUESTED:  
 From: \_\_\_\_\_ To: \_\_\_\_\_  
 (Both dates at 12:01am Local Time at the principal Address of the Insured)

12. LOCATIONS AND EMPLOYEES:  
 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.)

	NUMBER OF LOCATIONS	SALES OR REVENUES	CLASS 1 EMPLOYEES	ALL OTHER EMPLOYEES
Canadian		\$		
U.S.		\$		
Total		\$		

Foreign Operations: If the Insured has operations outside of the U.S. or Canada, please list below:

FOREIGN COUNTRY	NUMBER OF EMPLOYEES	NUMBER OF LOCATIONS	TYPE OF OPERATIONS	AMOUNT OF ANNUAL REVENUE FROM COUNTRY
				\$
				\$
				\$
				\$
<b>TOTAL</b>				

13. Is there likely to be a substantial increase in the number of employees or locations during the policy period by reason of  
 a) Seasonal Activity or other circumstances?  YES  NO  
 b) Expansion of Applicant's business?  YES  NO  
 If YES to either of the above, please explain.

\_\_\_\_\_

\_\_\_\_\_

14. What percentage of receipts are Cash? \_\_\_\_\_ % Cheques? \_\_\_\_\_ % Others? \_\_\_\_\_ %

15. EMPLOYMENT PRACTICES:  
 a) Are any of the following background checks performed on all prospective employees?  
 Verification of Prior Employment  YES  NO Education  YES  NO  
 Credit History  YES  NO Criminal History  YES  NO  
 b) Are building access cards disabled immediately upon employee termination?  YES  NO

16. AUDITS CONTROLS:  
**External Audits:**  
 a) Does an independent CA audit your books at least annually?  YES  NO  
 (i) If YES, by whom? \_\_\_\_\_  
 (ii) If NO, please attach an explanation.  
 b) Are the audits complete and unqualified?  YES  NO

If NO, please attach an explanation.

- c) Are all locations and entities audited?  YES  NO  
If NO, please attach description of the extent of your audit.
- d) Have you changed auditors in the past (3) three years?  YES  NO  
If YES, please attach an explanation.
- e) Does the auditor provide a letter to Management?  YES  NO  
If YES, please include the most recent copy and applicant's response to the letter.

**Internal Audits:**

- a) Is there an Internal Audit Department responsible for the oversight and review of internal audit programs for all business operations?  YES  NO  
If NO, please attach an explanation of how this function is fulfilled.

**17. INVENTORY CONTROL:**

- a) Is a complete physical count of inventory conducted at least annually?  YES  NO  
If NO, please attach details. \_\_\_\_\_
- b) Does such inventory include all locations?  YES  NO
- c) Are inventory records computerized?  YES  NO
- d) Please provide details of the controls in place to prevent theft of inventory.  
\_\_\_\_\_

**18. ACCOUNTS PAYABLE CONTROLS:**

- a) Do all requisitions and purchase orders require the prior approval of authorized personnel?  YES  NO
- b) Do purchase orders require next level of approval?  YES  NO
- c) Do expense reimbursements require original receipts for expenses before reimbursement?  YES  NO
- d) Do expenses reimbursements require management approval at the next level?  YES  NO  
If NO to any of the above, please attach an explanation.

**19. BANK ACCOUNT CONTROL:**

- a) Do the employees who reconcile the monthly bank statements also either:
  - (i) Sign cheques?  YES  NO
  - (ii) Handle deposits?  YES  NO
  - (iii) Make withdrawals?  YES  NO
  - (iv) Have access to cheque signing machines or signature plates?  YES  NO
 If any answer above is YES, how will you correct this weakness?  
\_\_\_\_\_
- b) Is countersignature on cheques required?  YES  NO  
If YES, over what limit? \_\_\_\_\_  
If NO, please provide confirmation that only the owner signs ALL cheques. \_\_\_\_\_
- c) Are all outgoing cheques pre-numbered and all numbers accounted for, including voided cheques?  YES  NO  
If NO describe the system in effect to prevent unauthorized issuance of cheques: \_\_\_\_\_
- d) Is a cheque signing machine used?  YES  NO  
If YES:
  - (i) Describe controls over signature plates: \_\_\_\_\_
  - (ii) What controls are there over the number of items processed on the cheque signing machine:  
\_\_\_\_\_

**20. COMPUTER CONTROL:**

- a) Does the Organization run a test for unauthorized changes to the system?  YES  NO
- b) Are the duties of programmers and operators separated?  YES  NO
- c) Do non-employees have access to the computer system?  YES  NO
- 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

**21. VENDOR CONTROLS:**

- a) Does the Insured have procedures in place to verify the existence and ownership of all new vendors prior to adding them to the authorized master vendor list?  YES  NO
- b) Does the Insured allow the same person who verifies the existence of vendors to also edit the authorized master vendor list?  YES  NO

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c) Is the master vendor list verified annually by the Insured's internal or external audit department to check for fraudulent vendors?  YES  NO

d) Are supplier's invoices matched with related purchase orders, receiving reports, and authorized vendor lists for review prior to each cash disbursement?  YES  NO  
If NO, please attach a description of procedures followed.

**22. FUNDS TRANSFER CONTROLS:**

- a) Does the organization transfer funds by Wire?  Electronic Transfer?  Voice-initiated Transfers?
- b) What is the total annual value of all funds transfers? \$ \_\_\_\_\_
- c) What is the average value of a transfer? \$ \_\_\_\_\_
- d) Is dual authorization required for all transfers?  YES  NO
- e) Are all banks required to authenticate the identity of the caller before acting upon the instructions?  YES  NO
- f) Are all banks required to confirm funds transfer transactions in writing within 24 hours?  YES  NO
- g) Are there independent checks of funds transfer records by staff not authorized to handle/instruct such transfers?  YES  NO

**23. SECURITIES:**

- a) State the value of negotiable owned or held securities. (if none, please write none): \$ \_\_\_\_\_
- b) Where are the securities kept? \_\_\_\_\_

**24. PRECIOUS METALS OR HIGH VALUE PROCESSING MATERIALS:**

a) Is there an exposure of precious metals or stones (such as gold, silver, copper, platinum, industrial diamonds, computer chips or similar high-valued materials)?  YES  NO  
If YES, please attach a separate listing of exposures, identify each location, describe security controls and state a maximum value at each location.

**25. EMPLOYEE BENEFIT PLANS:**

Attach a separate sheet listing the names of each employee benefit plans required to be insured.  
If NO plans are to be covered, please check this box:

**26. MONEY, SECURITIES AND PAYROLL EXPOSURES:**

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

	DAILY	OVERNIGHT
Money:		
Cheques		
Negotiable Securities:		

b) 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:		

- c) At locations where there is money and securities does the Insured utilize a Fire Protected Safe?  YES  NO
- d) Do the safes have central station alarm systems?  YES  NO
- e) Do you utilize any night watchman or security services?  YES  NO
- f) Method of transportation: \_\_\_\_\_

**3. PREVIOUS INSURANCE INFORMATION**

27. During the last five (5) years, has the Company carried Crime/Fidelity insurance?  YES  NO  
If YES, please complete the following for all previous policies:

INSURER	TERM	LIMIT	DEDUCTIBLE

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28. Has any similar Crime/Fidelity insurance been declined, cancelled, or non-renewed in the last (5) five years?  YES  NO  
If YES, please explain:

\_\_\_\_\_  
\_\_\_\_\_

**4. PREVIOUS CLAIM INFORMATION**

Please provide the following information for ANY loss(es) discovered during the past (5) five years which involve or potentially involve a peril of the type covered by the policy. If none, please indicate that fact.

CAUSE OF LOSS	DATE DISCOVERED	GROSS AMOUNT OF LOSS (ACTUAL OR ESTIMATED)	AMOUNT RECEIVED FROM INSURANCE LESS SALVAGE	DEDUCTIBLE AT TIME OF LOSS	LOCATION, IF OTHER THAN MAIN OFFICE

Describe corrective actions to prevent a further similar occurrence:

\_\_\_\_\_  
\_\_\_\_\_

**5. THIRD PARTY CRIME UNDERWRITING INFORMATION**

29. Name(s) of client(s) where your employee(s) will be on their premises?

\_\_\_\_\_  
\_\_\_\_\_

30. Total number of employees currently placed within your client(s)' premises? \_\_\_\_\_ Expected # to be placed: \_\_\_\_\_

31. What is the typical length of time an employee(s) will stay on your client(s)' premises? \_\_\_\_\_

32. Provide a brief description of products and/or services provided to your client(s)?

\_\_\_\_\_  
\_\_\_\_\_

33. Will your client(s) supervise your employee(s) while working on their premises?  YES  NO

34. Will your employee(s) be performing your services during normal business hours (i.e. 9:00 am – 5:00 pm)?  YES  NO

If NO, what controls are in place for unsupervised activities?

\_\_\_\_\_  
\_\_\_\_\_

35. Will your employee(s) have access to money, securities, banking systems, wire transfer systems or any sensitive computer data?  YES  NO

If YES, please provide details:

\_\_\_\_\_  
\_\_\_\_\_

**6. 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 for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent act, which is a crime.

**7. NOTICE CONCERNING PERSONAL INFORMATION**

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By purchasing insurance from Beazley Canada Limited, a customer provides Beazley with his or her consent to the collection, use and disclosure of personal information, including that previously collected, for the following purposes:

- the communication with underwriters;
- the underwriting of policies;
- the evaluation of claims;
- the detection and prevention of fraud;
- the analysis of business results;
- purposes required or authorized by law.

For the purposes identified above, personal information may be disclosed to Beazley's related or affiliated companies and service providers.

Further information about Beazley's personal information protection policy may be obtained by contacting their privacy officer at 416-601-2155.

**8. WARRANTY STATEMENT**

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The undersigned warrants that to the best of their knowledge, the statements set forth in this Application are true. The undersigned also warrants that they have not suppressed or misstated any material fact.

If the information provided in this Application should change between the date of the Application and the effective date of the policy, the undersigned warrants that they will immediately report such changes to the Insurer.

Signing this Application does not bind the undersigned to purchase this insurance, nor does it bind the Insurer to issue this insurance. However, should the Insurer issue a policy, this Application shall serve as the basis of such policy and will be attached to and form part thereof.

SIGNED: \_\_\_\_\_  
(Authorized Representative)

DATED: \_\_\_\_\_

NAME (Please Print): \_\_\_\_\_

TITLE/POSITION: \_\_\_\_\_