

## Application for Commercial Crime Coverage

**1. General Information**

a. Name of Insured: \_\_\_\_\_

b. Address: \_\_\_\_\_

c. Date Established: \_\_\_\_\_

d. Describe the products or services of your predominant business or activity

\_\_\_\_\_

Locations

Domestic	Foreign	Grand Total

Totals

**2. INTERNAL CONTROLS PRACTICES**

**1. AUDITS:**

(A) Are the books audited by an approved auditor? \_\_\_\_\_ If so, by whom? \_\_\_\_\_  
 \_\_\_\_\_ How often? \_\_\_\_\_

(Please attach a copy of the latest audited financial statements)

(B) Are these audits complete and unqualified? \_\_\_\_\_ if not, describe the limitations \_\_\_\_\_  
 \_\_\_\_\_

(C) Are these audits made for each entity to be covered? \_\_\_\_\_ if not, explain \_\_\_\_\_  
 \_\_\_\_\_

(D) Does the audit include all locations? \_\_\_\_\_

**2. INVENTORY CONTROL:**

Is a complete inventory made with physical check of stock and equipment? \_\_\_\_\_

By whom? \_\_\_\_\_ How often? \_\_\_\_\_

**3. BANK ACCOUNT CONTROL:**

Do the employees who reconcile the monthly bank statements also either

(a) Sign checks?  Yes  No

(b) Handle deposit  Yes  No

(c) Have access to check signing machines or signature plates  Yes  No

It is inadvisable for the reconciliation to be done by an employee who also signs checks, handles deposits or has access to check signing machines or signature plates because under such circumstances losses may be concealed.

If any answer in question No. 3 is yes, will you correct this weakness?  Yes  No

Is countersignature of checks required?  Yes  No

Over what limit? \_\_\_\_\_

**4. COMPUTER CONTROL:**

(A) Are pre-authorization controls maintained for all programmers and operators?  Yes  No

(B) Are the duties of programmers and operators separated?  Yes  No

(C) Is the output reconciled by persons who do not prepare or process the input?  Yes  No

(D) Do audit practices include "tests" to detect unauthorized programming changes?  
 Yes  No

(E) Are computerized check writing operations segregated from departments that authorize checks?  
 Yes  No

**5. SECURITIES:** State the value of negotiable securities owned or held (If none, so state) \_\_\_\_\_

Where are the securities kept? \_\_\_\_\_

If safe deposit boxes are used, has the bank been instructed to require that two individuals be present before access to any box is permitted? \_\_\_\_\_ if not, identify by name and position of those having access \_\_\_\_\_

**6. PRECIOUS METALS:** Is there an exposure of precious metals or stones, such as Gold, Silver, Copper, Platinum, Industrial Diamonds or similar high-value materials? \_\_\_\_\_ If yes, attach a separate listing of such exposures, identify each such location and state a maximum value at each such location.

**7. EMPLOYEE**

**1. CLASS I EMPLOYEES in % of total employees** \_\_\_\_\_

Employees located in foreign countries. Please specifically list countries in the space provided and use a separate sheet if necessary:

Country	Domestic	Foreign	Number of Locations	Type of Operation
TOTAL				

**8. MONEY, SECURITIES & PAYROLL EXPOSURES**

Indicate maximum amount of:

a) Money \_\_\_\_\_

b) Checks \_\_\_\_\_

c) Cash Payroll \_\_\_\_\_

d) Negotiable Securities \_\_\_\_\_

**5. LOSS EXPERIENCE**

List all employee dishonesty, burglary, robbery, disappearance, destruction and forgery losses discovered by the Insured in the last six (6) years, itemizing each loss separately.

Check if none

Date of Loss	Total Amount*	Description	Precautions Taken to Prevent Repetition

\* Please include that part of any loss covered by insurance as well as any additional amount incurred by the Insured.

SIGNING OF THIS APPLICATION DOES NOT BIND THE APPLICANT OR THE INSURER TO COMPLETE THE INSURANCE, BUT IT IS AGREED THAT THIS APPLICATION SHALL BE THE BASIS OF THE CONTRACT SHOULD A POLICY BE ISSUED AND IT WILL BE ATTACHED TO AND BECOME A PART OF THE POLICY.

ALL WRITTEN STATEMENTS AND MATERIALS FURNISHED TO THE INSURER IN CONJUNCTION WITH THIS APPLICATION FORM ARE HEREBY INCORPORATED BY REFERENCE INTO THIS APPLICATION AND MADE A PART HEREOF.

Place and Date \_\_\_\_\_

Signature \_\_\_\_\_ Title \_\_\_\_\_