



# Crime Application

## GENERAL INFORMATION

- (a) Insured Name & Applicant Name: \_\_\_\_\_
- (b) Province of Incorporation: \_\_\_\_\_
- (c) Primary Address: \_\_\_\_\_
- (d) Date Established: \_\_\_\_\_
- (e) Nature of Business: \_\_\_\_\_
- (f) Insured Website (if applicable): \_\_\_\_\_
- (g) Name of Insured's designated representative to receive all notices  
from the Insurer on this insurance policy: \_\_\_\_\_
- (h) Standard Industry Classification Code (SIC Code): \_\_\_\_\_
- (i) Annual Revenue: \_\_\_\_\_
- (j) If Publicly Traded what is Ticker Symbol?: \_\_\_\_\_
- (k) Form of business organization:  
 Corporation    Partnership    Limited Liability Corporation    For Profit    Not For Profit

## POLICY PERIOD REQUIRED:

From: \_\_\_\_\_ To: \_\_\_\_\_

Date Quote is due: \_\_\_\_\_

## DESCRIPTION OF OPERATIONS:

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

- |   |  |  |  |
|---|--|--|--|
| Trading                                     | <input type="checkbox"/> Yes <input type="checkbox"/> No | Transporting or Storing high Value Material for Others | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Extending Credit                            | <input type="checkbox"/> Yes <input type="checkbox"/> No | Leasing  | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Issuing Warehouse Receipts                  | <input type="checkbox"/> Yes <input type="checkbox"/> No | Storing Customer Credit Card Information               | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Transporting or Storing High Value Material | <input type="checkbox"/> Yes <input type="checkbox"/> No |  |  |

If any answer is yes to the above description of operations, Please attach an explanation of the function performed.

Has your business had any mergers or acquisition activity in the last twenty-four (24) months or is there any planned in the next twelve (12) months?  Yes  No

**COVERAGE REQUESTED:**

Requested Coverage:

	Limits Requested:	Deductible Requested:
Employee Theft		
Forgery or Alteration	\$	\$
Theft – Inside Premises	\$	\$
Theft – Outside Premises	\$	\$
Money Orders & Counterfeit Currency	\$	\$
Computer Fraud and Funds Transfer Fraud	\$	\$
Client Coverage	\$	\$
Expense Coverage	\$	\$

**LOCATIONS AND EMPLOYEES:**

	Number of Location	Sales or Revenues	Class 1 Employees*	All Other Employees
U.S.				
Canadian				
Other International Countries				
Total				

\***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.)

Are any new **Employees** given background checks which may include prior employment, criminal history or drug testing?

**INTERNATIONAL OPERATIONS:**

If the Insured has operations outside of the U.S.A. or Canada, please advise below:

International Country	Number of Employees	Number of Locations	Type of Operations	Amount of Annual Revenue from Country

**AUDIT CONTROLS:**

External Audit:

- (a) Does an independent CPA audit your books at least once per year?  Yes  No  
(If Yes, by whom?): \_\_\_\_\_

Please attach a complete copy of your most recent annual audited financial statement.  
(If No, please provide an explanation.) \_\_\_\_\_

- (b) Does the audit include a review of EDP Department?  Yes  No  
(If No, please provide an explanation.) \_\_\_\_\_

- (c) Are the audits complete and unqualified?  Yes  No  
(If No, please provide an explanation.) \_\_\_\_\_

- (d) Are all locations and entities audited?  Yes  No  
(If No, please provide description of the extent of your audit.) \_\_\_\_\_

- (e) Have you changed CPAs in the past three (3) years?  Yes  No  
(If Yes, please attach an explanation.)

- (f) Does the CPA provide a Management Letter?  Yes  No  
(If Yes, please include the most recent copy and applicant's response to the letter.)

Internal Audit:

- (a) Is a complete inventory check made with physical count of stock and equipment?  Yes  No  
(If Yes, by whom?): \_\_\_\_\_ How often? \_\_\_\_\_

- (b) Is the inventory check completed on all locations?:  Yes  No

- (c) Please mark any of the following characteristics or exposures that apply to your company's operation:

- |  |   |
|--|---|
| <input type="checkbox"/> Active participation in more than one industry  | <input type="checkbox"/> Joint Ventures                             |
| <input type="checkbox"/> Employee Credit Cards                           | <input type="checkbox"/> Proprietary credit card operation          |
| <input type="checkbox"/> Care, custody, and control of Client's property | <input type="checkbox"/> Narcotics                                  |
| <input type="checkbox"/> Warehouse Operations                            | <input type="checkbox"/> High unit value, portable inventory        |
| <input type="checkbox"/> Cash amount above the deductible                | <input type="checkbox"/> Private collections of art or collectibles |
| <input type="checkbox"/> Precious Metals or Gemstones                    |   |

**ACCOUNTS PAYABLE CONTROLS:**

- (a) Do all purchase orders & requisitions require the prior approval of authorized personnel?  
(If No, please attach an explanation.)  Yes  No
- (b) Do purchase orders require next level of approval?  
(If not, please attach an explanation.)  Yes  No
- (c) Can a purchase order requestor approve their own request?  
(If Yes, please attach an explanation.)  Yes  No
- (d) What dollar amount requires senior management to approve the purchase order? \$ \_\_\_\_\_
- (e) Do expense reimbursements require original receipts for expenses before reimbursement?  
(If not, please attach an explanation.)  Yes  No
- (f) Do expenses reimbursements require management approval at the next level?  Yes  No
- (g) Are all disbursements system generated?  
(If No, please attach an explanation of controls surrounding manual check issuance.  Yes  No

**BANK ACCOUNT CONTROL:**

- (a) Do the **Employees** who reconcile the monthly bank statements also:  
Sign cheques?  Yes  No  
Handle deposits?  Yes  No  
Have access to check signing machines or signature plates?  Yes  No  
(If any answer above is yes, will you correct the weakness?)  Yes  No
- (b) Is countersignature of checks required?  Yes  No  
(If Yes, over what limit?) \$ \_\_\_\_\_

**COMPUTER CONTROL:**

- (a) Are pre-authorized 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 output?  Yes  No
- (d) Do audit practices include "tests" to detect unauthorized programming changes?  Yes  No
- (e) Are computerized cheque writing operations segregated from departments that authorize cheques?  Yes  No

**VENDOR CONTROLS:**

- (a) Does the Insured have procedures 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 vendors to also edit the authorized master vendor list?  Yes  No

(c) Is the master vendor list verified by the Insured's internal or external audit department to check for fraudulent vendors on an annual basis?  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 advise & attach a description of procedures followed.)

(e) Are purchases received at the home office or picked up at the vendor, reconciled to corresponding purchase requisitions by an Employee independent of the purchasing?  Yes  No

(If No, please explain.) \_\_\_\_\_  
\_\_\_\_\_

**FUNDS TRANSFER CONTROLS:**

(a) What is the total annual value of all funds transfers? \$ \_\_\_\_\_

(b) What is the average value of a transfer? \$ \_\_\_\_\_

(c) Are there specific arrangements with banks, as to the individuals in your company authorized to:  Yes  No

1) Transfer funds?  Yes  No

2) Request changes to procedures?  Yes  No

3) Obtain records?  Yes  No

(d) Are all banks required to authenticate the identity of the caller before acting upon the instructions?  Yes  No

(If Yes, how is this achieved?) \_\_\_\_\_

(e) Are all banks required to confirm funds transfer transactions in writing within twenty-four (24) hours?  Yes  No

(f) Are there independent checks of funds transfer records by staff not authorized to handle/instruct such transfers?  Yes  No

Please attach a description of the internal controls which assure that fraudulent instructions cannot be given to any bank by persons either with or without authority to give genuine instructions.

**CLIENT SERVICES:**

Please complete the following if Client coverage is request):

(a) Please fully describe all of the services that the Insured provides for Client(s) at the Client's location (including but not limited to accounting, payroll or purchasing functions):

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

(b) Please provide the estimated annual revenues generated from this operation: \$ \_\_\_\_\_

(c) Do any **Employee(s)** have access to **Client(s)** money, securities and other property?  Yes  No  
(If Yes, what is the value of the money, securities and other property?) \$ \_\_\_\_\_

Please describe the security procedures used to limit theft:

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(d) Confirm are the number of Employees of your organization that will be engaged in the services outlined under item (a) above:

(e) Do you have a written contract with your Client concerning the services outlined under item (a) above?  Yes  No  
(If, Yes, please provide a copy of the contract.)

(f) What hours are these services provided by your Employees? \_\_\_\_\_

(g) Please advise the supervision these Employees receive from both the insured and the Client:  
\_\_\_\_\_  
\_\_\_\_\_

(h) Are the Client supervisors of your Employees rotated by the Client?  Yes  No

(i) Do Employees have any access to the Clients computer and/or security systems?  Yes  No  
(If Yes, please describe details of the work performed and any security procedures used to minimize theft.) \_\_\_\_\_  
\_\_\_\_\_

(j) Do Employees have any access to the Clients payroll and/or accounting departments or similar departments?  Yes  No  
(If Yes, please describe details of the work performed and any security procedures used to minimize theft.) \_\_\_\_\_  
\_\_\_\_\_

**SECURITIES:**

(a) State the value of negotiable owned and/or held securities. (If none, please write 'NONE'): \$ \_\_\_\_\_

(b) Where are any securities kept?: \_\_\_\_\_

(c) If safe deposit boxes are used, has the bank been instructed to require two (2) individuals to be present before entry to any box is permitted?  Yes  No  
(If No, identify by name and the position those having access: \_\_\_\_\_

**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 description of exposures, identify each location, describe security controls and state a maximum value at each location.) \_\_\_\_\_  
\_\_\_\_\_

**EMPLOYEE BENEFIT PLANS:**

Attach a separate sheet listing the names of each Employment Benefit Plans required to be bonded by If there are any employees requiring bonding of the Employee Retirement Income Security Act for which coverage is required.

If there are no coverage plans, please advise. \_\_\_\_\_

**MONEY, SECURITIES AND PAYROLL EXPOSURES:**

(a) What is the maximum amount at any one location of the following:

Money: \$ \_\_\_\_\_ Cheques: \$ \_\_\_\_\_ Negotiable Securities: : \$ \_\_\_\_\_

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

Money: \$ \_\_\_\_\_ Cheques: \$ \_\_\_\_\_ Negotiable Securities: : \$ \_\_\_\_\_

(c) At any location where there is money and securities, does the Insured utilize a fire protected safe?  Yes  No

(d) Do all of the safes have central station alarm systems?  Yes  No

(e) Do the Insured employ any night watchman or security services?  Yes  No

**PRIOR CRIME LOSSES:**

Please provide the following information for ANY loss(es) discovered during the past five (5) years that involve and/or may involve the Insured, and the peril covered by the policy. If none, please advise:

Description of Loss	Date Discovered	Amount of Loss	Deductible at Time of Incident	Location, if other than Main Office

**CURRENT CRIME INSURANCE:**

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

(a) Insurance Carrier: \_\_\_\_\_

(b) Limit of Liability: \_\_\_\_\_

(c) Deductible: \_\_\_\_\_

(d) Premium: \_\_\_\_\_

**SIGNATURE**

The undersigned on behalf of the Applicant declares that the statements set forth are true. The undersigned on behalf of the Insured agrees that if the information supplied on this Application changes between the date of this Application and the effective date of the insurance, they shall, in order for the information to be accurate on the effective date of the insurance, immediately notify the Insurer of such changes, and the Insurer may withdraw or modify any outstanding quotations or authorizations or agreements to bind the insurance.

Signing of this Application does not bind the Applicant/Insured or the Insurer to complete the insurance contract, 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 part of the Policy.

All written statements and materials (including any information provided in the attached Appendices) furnished to the Insurer in conjunction with this Application are hereby incorporated by reference into this Application and made a part hereof.

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**BY APPLICANT/INSURED (WRITTEN NAME & SIGNATURE)**

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**TITLE (PRESIDENT, CEO, OR CFO)**

**DATE:** \_\_\_\_\_

**LOCATION:** \_\_\_\_\_

**BROKER:** \_\_\_\_\_

