



Crime Manager Complete Insurance

PROPOSAL FORM

Important Notices

Your Duty of Disclosure

Before you enter into a contract of general insurance with an insurer, you have a duty to disclose to the insurer every matter that you know, or could reasonably be expected to know, is relevant to the insurer's decision whether to accept the risk of the insurance and, if so, upon what terms. You have the same duty to disclose those matters to the insurer before you renew, extend, vary or reinstate a contract of general insurance.

However, your duty of disclosure does not require you to disclose matters:

- that diminish the risk to be undertaken by the insurer;
- that are of common knowledge;
- that your insurer knows, or in the ordinary course of its business, ought to know;
- as to which compliance with your duty of disclosure is waived by the insurer.

Your duty of disclosure continues after the proposal form has been completed up until the Inception Date of the policy.

Consequences of Non-Disclosure

If you fail to comply with your duty of disclosure, the insurer may be entitled to reduce its liability under the contract in respect of a claim or may cancel the contract. If your non-disclosure is fraudulent, the insurer may also have the option of avoiding the contract from its beginning.

Subrogation

This policy contains provisions which have the effect of excluding or limiting the insurer's liability in respect of a loss where you have prejudiced the insurer's rights of subrogation where you are a party to an agreement which excludes or limits insurer's rights to recover the loss from another party. You are hereby notified of the effect of these provisions.

When completing this Proposal Form

Please answer all questions giving full and complete answers;

If the space provided on the Proposal Form is insufficient, please use a signed and dated sheet in order to provide a complete answer to any questions;

Please ensure that the Proposal Form is properly signed and dated.

Details of the Proposer

Name of Company: _____

Physical address of Office: _____

Website: _____

Nature of Operations: _____

Date Company Established: _____

Annual Turnover: K _____

Number of Locations: _____

Total Number of Employees by Country (whether full time or part-time)

Country	Number of Employees
Papua New Guinea	

Current market value of all Superannuation and Employee Benefit Plans: K _____

Audit and Corporate Governance

Do external auditors audit all operations at least annually? YES / NO

Have all recommendations by external auditors regarding internal controls been complied with, following your last audit? YES / NO

If No, please provide details:

Is there an Audit Committee which monitors the effectiveness of internal controls and reports directly to the Board? YES / NO

Do you have an internal audit department? YES / NO

Do they have an established audit cycle for all operations? YES / NO

Recruitment Procedures

When recruiting or promoting employees to positions of trust involving handling of stock, money, financial or treasury functions, do you:

- a) undertake independent checks in their employment history? YES / NO
- b) undergo a process to ensure their suitability for the position? YES / NO

Internal Financial Controls

Are wages/salaries independently checked against personnel records for unusual or excessive payments?
 YES / NO

Are duties segregated so that no individual can control any of the following activities from commencement to completion without referral to others:

signing cheques or authorising payments (including capital expenditure) above K10,000? YES / NO

issuing funds transfer instructions? YES / NO

amending funds transfer procedures? YES / NO

opening new bank accounts? YES / NO

investment in and custody of securities and valuables (including bank cheques, travellers cheques, bills of exchange etc)? YES / NO

refund of monies or return of goods above K10,000? YES / NO

disbursement of assets of any superannuation fund? YES / NO

awarding contracts following a tender? YES / NO

Is all supporting documentation validated before authorising payments? YES / NO

Are statements of account sent to customers independently of employees receiving payment?
 YES / NO

Are bank statements independently reconciled with customer accounts by persons not authorised to deposit/withdraw funds, issue funds transfer instructions or dispatch accounts to customers?

YES / NO

Stock and Physical Security

Is there controlled access to all locations? YES / NO

Are all premises containing stock, money, securities, precious metals etc. connected to an intruder alarm?
 YES / NO

Is an independent physical count of stock, raw materials, work-in-progress, and finished goods undertaken at least quarterly and is this count reconciled against stock records? YES / NO

Is the transfer of money and securities valued above K20,000 usually made by a security or professional cash carrying Company? YES / NO

What is the maximum value of money, securities, precious metals and/or jewellery at any one location:

- a) during business hours: K _____
- b) outside business hours: K _____

Suppliers/Service Providers/Outsourcing

Do you maintain an approved suppliers list? YES / NO

Are suppliers, service providers and outsourcing companies vetted for competency, financial stability and honesty before being approved? YES / NO

Are all suppliers, service providers and outsourcing companies appointed under written contract? YES / NO

Are procedures in place to assess the suitability of trustees, fiduciaries, administrators or officers of any of your superannuation funds? YES / NO

Do you outsource any activities to third party service providers? YES / NO

If yes, please give details of services provided:

Do you audit outsourcing companies during the terms of their contract? YES / NO

If the service provider or outsourcing company operates on your premises are their employees under your daily management control? YES / NO

Computer Systems

Are unique passwords used to give various levels of entry to the computer depending on the users authorisation? YES / NO

Are passwords automatically withdrawn when people leave? YES / NO

Are all amendments to programmes approved independently of the persons making the amendments? YES / NO

Are programmes protected to detect unauthorised changes? YES / NO

Is your computer system protected by virus detection and repair software? YES / NO

Funds Transfers

Fund Transfers

means any instruction (other than cheques) given to a Financial Institution to pay or deliver funds.

What is the approximate value of annual fund transfer? K _____

Please specify the method of instruction (e.g. written, electronic, computer, telephone etc.)

Can payment instructions be made to any account which has not been pre- agreed? YES / NO

Is the financial institution required to authenticate the instruction before payment is released?
YES / NO

Please provide a brief description of the methods used to secure fund transfers (e.g. passwords, encryption, code words, call back).

Plans and Policies

Do you maintain a written anti-fraud policy which is distributed throughout your organisation? YES / NO

If 'Yes' please provide a copy of the plan.

Policy History

Does the Company have a Crime Insurance policy currently in force? YES / NO

If yes, please state:

Limit of Liability: K _____

Deductible: K _____

Expiry date: _____

Has the Proposer ever had any Insurer decline a proposal, imposed any special terms, cancelled or refused to renew a Crime Insurance policy? YES / NO

If 'Yes', please give details

Loss History

Has the Proposer had any losses (of a type covered by a Crime policy) sustained during the past 5 years and before application of any deductible, retention or excess whether insured or not?

YES / NO

If 'Yes', please provide details, including date discovered, location, nature of loss and amount.

If 'Yes', please describe what corrective measures were taken to prevent similar losses.

Limit of Liability

Limit of Liability required:

- a) K 1 million
- b) K 2 million
- c) K 5 million
- d) Other:

Once you have completed the questions above please sign and date the proposal at the declaration on the next page. Signing this proposal does not bind the proposer or the insurer to complete this insurance.

Declaration

We declare that the statements and particulars in this proposal are true and that no material facts have been misstated or suppressed after enquiry. We agree that should any of the information given by us alter between the date of this proposal and the inception date of this insurance to which this proposal relates, we will give immediate notice thereof. We agree that this proposal, together with any other information supplied by us shall form the basis of any contract of insurance effected thereon.

We acknowledge receipt of the 'Important Notice' contained in this proposal, and that we have read and understood the content of that notice.

I confirm that I am authorised by the Insured to complete, sign and submit this proposal on behalf of the Insured.

Name: _____

Title: _____

Company: _____

Signature: _____

Date: _____

(to be signed by Chairman/Chief Executive or equivalent)

Please enclose with this Proposal Form

- **Your current Annual Report & Accounts (or equivalent) for the Proposer.**
- **Precious Metals Supplementary Questionnaire (if applicable).**