

Bajaj Allianz

COMMERCIAL CRIME INSURANCE PROPOSAL FORM

Please note all questions must be answered to enable a quotation to be given. The completion and signature of this proposal form does not bind the Applicant or the Underwriter to complete a contract of insurance. If there is insufficient space to answer questions, please use an additional sheet and attach it to this form (please indicate question number).

The Applicant's:

1. latest audited consolidated accounts;
and
2. organisational structure chart in which all insured entities (or entities to be insured) are
shown

must be attached to this Proposal Form.

NOTICE TO THE PROPOSED INSURED

1. Disclosure of Relevant Facts

Your Duty of Disclosure

Before you enter into a contract of insurance with an insurer, you have a duty to disclose to the insurer every matter which you know, or could reasonably be expected to know. The disclosures that you make are relevant to the insurer's decision whether to accept the risk of the insurance and, if so, on what terms.

You have the same duty to disclose those matters to us before you renew, extend, vary or reinstate a contract of insurance.

Comment

The requirement of full and frank disclosure of anything which may be material to the risk for which you seek cover (eg. Claims or circumstances, whether founded or unfounded), or to the magnitude of the risk, is of the utmost importance with this type of insurance. It is better to err on the side of caution by disclosing anything which might conceivably influence the insurer's consideration of your proposal.

2. Claims Made Policy

This proposal is for a "claims made" policy of insurance. This means that the policy covers you for claims made against you and notified to the insurer during the period of cover. This policy does not provide cover in relation to:

- events that occurred prior to the retroactive date of the policy (if such a date is specified);
- claims made after the expiry of the period of cover even though the event giving rise to the claim may have occurred during the period of cover;
- claims notified or arising out of facts or circumstances notified (or which ought reasonably to have been notified) under any previous policy;
- claims made, threatened or intimated against you prior to the commencement of the period of cover;
- facts or circumstances of which you first became aware prior to the period of cover, and which you knew or ought reasonably to have known had the potential to give rise to a claim under this policy;
- claims arising out of circumstances noted on the Proposal Form for the current period of cover or on any previous proposal form.

However, where you give notice in writing to the insurer of any facts that might give rise to a claim against you as soon as reasonably practicable after you become aware of those facts but before the expiry of the period of cover, the policy will, subject to the terms and conditions, cover you notwithstanding that a claim is only made after the expiry of the period of cover.

You should familiarise yourself with our standard form of policy for this type of cover before submitting this proposal.

Please note that you are to disclose in the proposal form fully and faithfully all facts that you know or ought to know which may affect the insurance cover being applied for. Otherwise the policy issued may be void or you may risk losing all cover or part of the cover under the policy.

I/We understand and agree that any information provided herein and/or in any other related document may be provided to third parties in relation to the insurance cover applied for including without limitation, vendors, reinsurers and professional advisers. For the avoidance of doubt, such consent applies to all information provided by the undersigned for and/or on behalf of the proposed insured(s), where applicable.

1. Applicant Details

- 1.1 Applicant Name
 1.2 Principal Address
 1.3 How long has the Applicant continually carried on business?
 1.4 Business activities of the Applicant and its subsidiary undertakings
 1.5 During the past five years has the name of the Applicant been changed?
 Yes No

If the answer is 'Yes', please give details:

2. Locations

- 2.1 a) Total Domestic locations:
 b) Total Overseas locations:
 c) Total Domestic and Overseas locations:
 d) Do you want all locations included for coverage: Yes No
 If "No" which locations are not to be covered?

3. Employees

- 3.1 a) Total Domestic employees:
 b) Total Overseas employees:
 c) Total Domestic and Overseas employees:
 d) Total number of employees who handle Money or Securities:
- 3.2 Do you have an established policy for checking the background of job candidates prior to their being offered employment? Yes No
 If "Yes" are there any exceptions?
- 3.3 Are all staff required to take two weeks uninterrupted holiday each year? Yes No
- 3.4 Are wages/salaries independently checked against personnel records? Yes No

4. Financial Information

- 4.1 a) Latest year end group turnover:
 b) Latest year end group operating profit:
 c) Latest year end group total assets:

5. Audits

- 5.1 a) Name of External Auditors:
 b) Have you changed External Auditors in the last three years? Yes No
 b) Do they audit all operations at least annually? Yes No
 c) Are there any outstanding recommendations following the most recent audit? Yes No
 If "Yes", please provide details:

- 5.2 Is there an Internal Audit department: Yes No
- a) How many individuals within the Internal Audit department: Yes No
- b) Do you have an established Internal Audit cycle? Yes No
- c) Are all locations subject to Internal Audit on a regular basis? Yes No
- If "No", please provide details:
- d) Does Internal Audit extend to all IT activities and services as well as to Treasury function? Yes No
- e) Does Internal Audit include regular and random surprise checks on stocks of raw materials, work in progress and finished goods? Yes No
- f) Does Internal Audit receive and investigate exception reports post-audit? Yes No
- g) Do you have a whistle-blower policy? Yes No

6. Accounting Controls

- 6.1 Are accounting procedures consistent at all locations? Yes No
- 6.2 How often do local management report into the Home / Head Office? Yes No
- 6.3 Are duties of employees segregated such that no individual can control any of the following transactions from start to finish:
- a) Signing cheques above INR 5 lakhs? Yes No
- b) Issuing funds transfer instructions? Yes No
- c) Issuing amendments to funds transfer instructions? Yes No
- d) Investment in and custody of securities or other valuables? Yes No
- 6.4 Are bank statements independently reconciled by individuals not authorised to deposit / withdraw funds, or issue funds transfer instructions? Yes No
- 6.4 Are supporting documents obtained and verified before releasing payments? Yes No

7. Funds Transfer

- 7.1 What is the annual volume of funds transfer instructions given to financial institutions:
- a) Internally:
- b) Externally:
- 7.2 What is the average value of funds transfer payment:
- a) Internally:
- b) Externally:
- 7.3 a) What procedure is used to issue and authorise such instructions?
- b) Are these all on a pre-formatted basis? Yes No
- c) Are the banks required to authenticate any instructions before payment? Yes No
- d) Are all instructions confirmed in writing within 24 hours? Yes No

8. Suppliers

- 8.1 Are all new suppliers vetted? Yes No
- 8.2 Do you carry out due diligence checks on all your suppliers? Yes No
- 8.3 Do you apply the principle of dual control when appointing new suppliers? Yes No
- 8.4 Are full records kept on file of the decision reached when appointing a new supplier, and the individuals involved in the decision process? Yes No

9. Physical Security, Valuables, Money and Inventory

- 9.1 What is the maximum value of money, negotiable securities, precious metals and/or jewellery on the premises:
- a) During business hours:
- b) Outside business hours:
- 9.2 What is the maximum value of stock held at any one location:
- 9.3 Is a complete inventory with physical check of stock and equipment carried out? Yes No
- 9.4 Is there controlled access to all locations? Yes No
- 9.5 What physical protection methods are used to safeguard property?
(ie. alarms, security cages, closed circuit tv, etc)
- 9.6 Is transfer of money and negotiable securities usually made by armored vehicles?
If "No", please provide details of transit procedures: Yes No

10. Computer Controls

- 10.1 Is responsibility for Information Technology within the group centralised? Yes No
- 10.2 Are unique passwords used to provide varying levels of access to the computer system, depending on the authorisation of the user? Yes No
- 10.3 Is your computer system firewall protected? Yes No
- 10.4 a) Do you transact business over the internet? Yes No
- b) Are all transactions encrypted? Yes No

11. Outsourcing

- 11.1 Do you outsource any of your operations?
If "Yes", please provide details: Yes No
- 11.2 Do you provide any outsourced services to other companies or organizations?
If "Yes", please provide details: Yes No

12. Claims

12.1 Please provide brief details of any losses sustained within the last 5 years, whether within the deductible or whether such loss was insured or uninsured, together with any preventive measures taken to prevent reoccurrence:

- a) Date of Loss:
- b) Location:
- c) Nature of Loss / how discovered:
- d) Post-loss measures taken:
- e) Amount:

12.2 Please tick if there have been no losses

13. Coverage Details

13.1 Does the Applicant currently have a Crime insurance policy in place? Yes No
If the answer is 'Yes', please answer 13.2.

13.2 Please fill in the details pertaining to coverage currently in place:

- a) Insurer:
- b) Limit:
- c) Deductible:
- d) Annual Premium:
- e) Expiry Date:
- f) Retroactive Date (if applicable):
- g) Has the Applicant ever been refused this type of insurance or had a similar insurance cancelled? Yes No
If the answer is 'Yes', please give details on a separate sheet.
- h) Please select the level of coverage required? INR
 (Aggregate Limit of Indemnity)
 - 1,000,000
 - 5,000,000
 - 10,000,000
 - Other (please specify):

Coverage Description	Sub Limits (INR)
Coverage for Cash & Valuables	
Coverage for the Insured's Legal Liability	
Coverage for Fees and Expenses	
Extension	Sub Limits (INR)
Coverage for Additional Costs	
Coverage for Expectation Damages	
Coverage for Financial Loss as a result of an IT Criminal Act	
Coverage for Reconstitution Costs as a result of an IT Criminal Act	

13.3 Discovery Period Opted

60 Days 90 Days 180 Days 365 Days

Declaration

I DECLARE that the above statements are true and complete to the best of my knowledge and belief, and that no material facts have been misstated or suppressed after enquiry. I undertake to inform insurers of any material alteration to those facts occurring before inception of the contract of insurance.

A material fact is one which would influence the acceptance or assessment of the risk.

Signed
Chairman/Chief Executive Officer/Managing Director

(This form must be signed by the Chairman, Chief Executive Officer or Managing Director of the Applicant)

Applicant
Date

SECTION 41 OF INSURANCE ACT, 1938

No person shall allow or offer to allow either directly or indirectly as an inducement to any person to take out or renew or continue an insurance in respect of any kind of risk relating to lives or property in India, any rebate of whole or part of the commission payable or any rebate of the premium shown on the policy, nor shall any person taking out or renewing or continuing a policy accept any rebate except such rebate as may be allowed in accordance with the published prospectuses or tables of the Insurer.

Any person making default in complying with the provisions of this section shall be punishable with fine, which may extend to Ten Lakh Rupees.
