

COMMERCIAL CRIME INSURANCE

Proposal Form

GUIDELINES FOR COMPLETION OF THE PROPOSAL FORM

1. Please fill the proposal form in BLOCK LETTERS. All details with * are mandatory.
2. The Liability of the Company in relation to the subject matter of this Proposal does not commence until this Proposal has been accepted by the Company through the issuance of the Policy Document/Cover Note and subject to the receipt by the Company of the premium paid.
3. This Proposal will be the basis of any subsequent policy that we issue to you. It is therefore essential that you provide all the information in this Proposal FULLY, ACCURATELY AND CORRECTLY and that you provide us with any and all additional information relevant to risk to be insured or our decision as to acceptance of the risk or the terms upon which it should be accepted.
4. The Policy shall become voidable at the option of the Company, in the event of any untrue or incorrect or incomplete statement, misrepresentation, non-description or on non-disclosure in any material particular in the Proposal Form /personal statement, declaration and connected documents, or any material information having been withheld by the proposed policyholder or any one acting on its behalf to obtain any benefit under this Policy.
5. If you require additional space to answer any question on this Proposal Form, please attach additional sheets of paper and indicate on the additional sheet the question number to which the information being provided pertains. (Information given herein will be treated in strict confidence).

Policy issuing office:

Policy servicing office:

Intermediary/Agent Name:

Intermediary License no /Agent code.:

Intermediary/Agent Contact No.:

1. Proposer Details

1. Name of Proposer:

***Note:** The cover proposed for automatically includes all subsidiaries (and associated companies in which you have retained management control), worldwide, and the answers given in this proposal form should reflect this.*

Company Website/URL:

2. Address of Head Office

Is the Communication address same as the Head Office address ?

If No, please provide below

Communication Address:

3. Policy Period: From: To:

4. Country of Registration:

5. Date of incorporation/formation:

6. Nature of Operations:

7. Please list each region you operate in and show in the appropriate column:

Region	(i) Annual Turnover	(ii) Number of Locations	(iii) Total Number of Employees
India			
Europe			
US & Canada			
Other			

8. Current Market Value of all Pension and Employee Benefit Plans _____

9. (i) Please list all acquisitions and mergers you have made in the past 5 years and indicate the turnover for each acquisition:

(ii) Are all recommendations arising from the pre-acquisition due diligence process immediately implemented? ☐ Yes ☐ No

If “no”, please provide details: _____

2. Audit and Corporate Governance

10. Do external Auditors audit all operations at least annually? ☐ Yes ☐ No

11. (a) Have all recommendations by External Auditors regarding internal controls been complied with following your last audit? ☐ Yes ☐ No

(b) If “No”, please provide details _____

12. Is there an Audit Committee which monitors the effectiveness of internal controls and reports directly to the Board? ☐ Yes ☐ No

13. (a) Do you comply with all provisions of the Combined Code of Corporate Governance relating to Financial Aspects of your business? ☐ Yes ☐ No

(b) If “No”, please briefly explain reasons for areas of non-compliance: _____

14. (a) Do you have an Internal Audit Department? ☐ Yes ☐ No

(b) Do they have an established audit cycle for all operations? ☐ Yes ☐ No

15. (a) Do you have a Treasury Department? ☐ Yes ☐ No

(b) Do they have a procedures manual specifying authority levels for each member of staff? ☐ Yes ☐ No

3. Internal Financial Controls

16. Are wages/salaries independently checked against personnel records for unusual or excessive payments? ☐ Yes ☐ No

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

a) signing cheques or authorizing payments (including capital expenditure) above \$5,000? ☐ Yes ☐ No

b) issuing funds transfer instructions? ☐ Yes ☐ No

c) amending funds transfer procedures? ☐ Yes ☐ No

d) opening new bank accounts or amending approved signatory details ☐ Yes ☐ No

e) investment in and custody of securities and valuables (including blank cheques, travellers cheques, bills of exchange etc.)? ☐ Yes ☐ No

f) refund of monies or return of goods above \$5,000? ☐ Yes ☐ No

g) disbursement of assets or funds of any Pension Plan? ☐ Yes ☐ No

h) appointing new suppliers or awarding contracts? ☐ Yes ☐ No

i) disbursement of loans (including loans to employees) or approving borrowings? ☐ Yes ☐ No

18. Is all supporting documentation validated before signing cheques or authorising payments above \$5,000? ☐ Yes ☐ No

19. Are statements of accounts sent to customers independently of employees receiving payment?

20. Are bank statements independently reconciled by persons not authorised to deposit/withdraw funds, issue funds transfer instructions or dispatch accounts to customers, at least every 30 days? ☐ Yes ☐ No

4. Recruitment procedures

21. When recruiting or promoting employees to positions of trust involving handling of stock, money, financial or treasury functions, do you:
- a) obtain written references covering, at least, their previous 3 years employment history? ☐ Yes ☐ No
- b) undergo a process to ensure their suitability for the position? ☐ Yes ☐ No

5. Stock and Physical Security

22. Is there controlled access to all locations? ☐ Yes ☐ No
23. Are all premises containing stock, money, securities, precious metals, etc. connected to an intruder alarm which is connected to a central station or a police station and are such intruder alarms maintained in proper working order? ☐ Yes ☐ No
24. 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
25. Is the transfer of money and securities valued above \$10,000 made by a security or professional cash carrying company? ☐ Yes ☐ No
26. What is the maximum value of money, securities, precious metals and/or Jewellery at any one location:
- a) During business hours? _____
- b) Outside business hours? _____
27. What is the maximum value of stock, work-in progress and raw materials at any one location? _____

6. Third Parties

28. Do you maintain an approved suppliers list? ☐ Yes ☐ No
29. Are suppliers and service providers:
- a) vetted for competency, financial stability and honesty before being approved? ☐ Yes ☐ No
- b) appointed under written contract? ☐ Yes ☐ No
30. Are procedures in place to assess the suitability of trustees, fiduciaries, administrators or officers of all of your Pension Plans? ☐ Yes ☐ No
31. a) Do you outsource any normal administrative function to third party service providers? ☐ Yes ☐ No
- b) If “yes”, please detail the services and estimated annual contract values. _____
32. Do you audit outsourcing companies during the term of their contract? ☐ Yes ☐ No
33. If the outsourcing company operates on your premises, are their employees under your daily management control? ☐ Yes ☐ No

Note: Losses caused by employees of organisations to whom normal administrative functions have been outsourced will only be covered if you have: vetted them for competency, financial stability and honesty; appointed them under written contract; and you retain the right to audit them.

7. Computer Systems / Internet E-Commerce

34. Are unique passwords used to give various levels of entry to the computer depending on the users job functions? ☐ Yes ☐ No
35. Are passwords automatically withdrawn when people leave? ☐ Yes ☐ No
36. Are all amendments to programmes approved independently of the persons making the amendments? ☐ Yes ☐ No
37. Are programmes protected to detect unauthorised changes? ☐ Yes ☐ No
38. Is your computer system protected by virus detection and repair software? ☐ Yes ☐ No
39. Which business activities do you utilise the Internet for?
☐ E- Mail ☐ Advertising ☐ Selling Products ☐ Hosting services for third party
☐ Other
-
40. What is the estimated value of e-business revenue in your business? _____
41. Please list your website addresses: _____
-

8. Fund Transfers

“Fund Transfers” means any instructions (other than cheques) given to a Financial Institution to pay or deliver funds.

42. What is the approximate total annual value of fund transfers?
 a) InterGroup Payments _____
 b) External Payments _____
43. Please specify which methods are utilized to send fund transfer instructions:

Type	Secured by
Written ☐	Secured by ☐
Electronic ☐	Encryption ☐
Telephone ☐	Codeword ☐
Facsimile ☐	Callback ☐
Other _____	Other _____

44. Are all fund transfer instructions subject to a verification and authentication process? ☐ Yes ☐ No
45. Can payment instructions only be made to accounts which are pre-determined as an approved beneficiary? ☐ Yes ☐ No

46. Is the financial institution required to authenticate the instruction in accordance with a specified mandate before payment is released? ☐ Yes ☐ No

9. Plans and Policies

47. Do you maintain a written crisis management or contingency plan covering procedures following kidnapping or extortion? ☐ Yes ☐ No
48. Do you maintain a written anti – fraud policy which is distributed throughout your organisation? ☐ Yes ☐ No
49. Do you have a whistleblowing service accessible to all staff? ☐ Yes ☐ No
50. Are special security precautions taken to protect against kidnapping of directors or employees who live in or travel to volatile countries? ☐ Yes ☐ No

10. Optional extensions to Cover

51. In addition to providing cover for losses arising from Employee Fraud or Dishonesty, Commercial Crime Insurance Complete also covers damage, destruction or disappearance of money or securities and losses caused by third parties arising from: computer fraud, funds transfer fraud, extortion and kidnap, forgery, fraudulent alteration of a financial instrument, incoming cheque forgery, forged money orders, counterfeit negotiable instruments and credit card fraud. Do you wish cover to be extended to also include:
- a) Theft (violent and forcible) of property from your premises by third parties? ☐ Yes ☐ No
- b) Criminal damage (excluding fire) caused by any person? ☐ Yes ☐ No
- Commercial Crime Insurance provides cover for your direct financial loss but please indicate whether you wish this to be extended to include
- c) Contractual penalties incurred as a direct result of insured loss ☐ Yes ☐ No
- d) Interest (prior to date of discovery) which would have been receivable or becomes payable as the direct result of insured loss? ☐ Yes ☐ No

11. Loss History

- (a) Please provide brief details of any losses (of a type covered under this policy) sustained during the past 5 years and before application of any deductible, retention or excess whether insured or not. (Please include date discovered, location, nature of loss and amount).
- (b) Please describe what corrective measures were taken to prevent similar losses:

Have such corrective measures been implemented across all operations? ☐ Yes ☐ No

If “No”, please provide details: _____

12. Other Details

1. Nationality: ☐ Indian ☐ Non – Indian

If Non-Indian, please specify country:

2. Sources of funds :

☐ Salary

☐ Business

☐ Investments

☐ Other

(Please Specify)

3. Company's CKYC Identifier / Number (Generated by CERSAI):

PAN (mandatory):

GSTIN:

4. Please share the below details for the Authorised Signatory:

Name:

Designation:

PAN:

CKYC Identifier / Number (Generated by CERSAI):

13. Bank Account Details

PAYMENT DETAILS	REFUND / CLAIMS DETAIL
☐ Cheque ☐ Demand Draft ☐ Credit/Debit Card ☐ Online Payment Cheque / D.D #	☐ Details as per premium cheque to be used for electronic fund transfer; ☐ Cancelled cheque submitted of other bank
Drawn Amount 	Account Number:
Drawn To 	IFSC/MICR Code:
Date IFSC/MICR Code	Bank Name:
Bank and Branch Name: 	Account Holder name:
For Credit/Debit Card: Transaction Reference No: 	<i>Disclaimer: Zurich Kotak General Insurance Company (India) Limited shall not be liable to anybody, in any manner, whatsoever if the NEFT transaction does not complete</i>
Transaction Date: 	

14. Electronic Insurance Account Details of Applicant (E-mail ID is mandatory)

Do you have an EIA Account:	☐ Yes ☐ No
If Yes, please quote EIA Number:	
Please mention name of Insurance Repository:	

If No, do you want Us to create an EIA account for you:	☐ Yes ☐ No (If Yes, please fill up Insurance Repository Application form)
Email id (Registered with Insurance Repository):	
Your address details as mentioned in the EIA account shall override the address provided in this application for Insurance.	

ACKNOWLEDGEMENT:

Received from Ms. /Mrs. / Mr.

_____ a
 sum of Rs. _____ Through Cheque/DD _____ against your
 proposal for Commercial Crime Insurance.

Signature of Zurich Kotak General Insurance Company (India) Limited Official / Intermediary

Date _____

Zurich Kotak General Insurance Company (India) Limited Official/Intermediary Name:

Time: ____: ____

Place:

Note: Neither the submission of a completed proposal for insurance or any payment for any policy sought oblige the Company to agree to issue a policy, which decision is and always shall be in the Company's sole and absolute discretion. If Zurich Kotak General Insurance Company (India) Limited accepts a proposal for insurance, it shall be subject to the Board approved underwriting policy of Zurich Kotak General Insurance Company (India) Limited and the policy Terms and Conditions of Commercial Crime Insurance and the Company shall have no liability to make any payment if premium is not received by Zurich Kotak General Insurance Company (India) Limited in full and in time, or is not realized. If a proposal is not accepted, Zurich Kotak General Insurance Company (India) Limited will inform you and refund any payment received from you without interest.

15. Declarations

I / We hereby declare that the statements made by me / us in this Proposal Form are true to the best of my / our knowledge and belief and I / We hereby agree that this declaration shall form the basis of the contract between me / us and the "Zurich Kotak General Insurance Company (India) Limited"

Protect and contribute in conserving the environment, all your policy and service related communication would be sent in soft copy to the email id mentioned in the proposal form and it is valid for all regulatory /policy servicing requirements. ☐ I / We would still want to receive a physical copy of the policy.

☐ I / We hereby give my/our consent to the Company to verify and obtain my/our identity/address proof through Central KYC Registry or Goods and Service Tax Portal or Ministry Of Corporate Affairs Portal or National Securities Depository Limited portal for the purpose of undertaking KYC.

AML DECLARATION

I / We hereby confirm that all premiums have been/will be paid from bonafide sources and no premiums have been /will be paid out of proceeds of crime related to any of the offence listed in Prevention of Money Laundering Act, 2002. I / We understand that the Company has the right to call for document to establish sources of funds. The Insurance Company has right to cancel the insurance contract in case I am/have been found guilty by any competent court of law under any of the statutes, directly or indirectly governing the prevention of money laundering in India.

In case of entity, Type of Organization making the payment:

☐ Limited Company ☐ Government Organization ☐ Non-Government Organization (NGO)
☐ Society ☐ Trust ☐ Partnership ☐ International Organization
☐ Co-operatives ☐ Section 25 Company ☐ Others

Are You or any of the proposed applicants or close relatives is/are associated to Politically Exposed Person (PEP)?* ☐ Yes ☐ No

"Politically Exposed Persons" (PEPs) are individuals who have been entrusted with prominent public functions by a foreign country, including the heads of States or Governments, senior politicians, senior government or judicial or military officers, senior executives of state-owned corporations and important political party officials.

Are you a Non-Profit Organization?*(only in case of an entity) ☐ Yes ☐ No

“Non-profit organization” means any entity or organization, constituted for religious or charitable purposes referred to in clause (15) of section 2 of the Income-tax Act, 1961 (43 of 1961), that is registered as a trust or a society under the Societies Registration Act, 1860 (21 of 1860) or any similar State legislation or a Company registered under the section 8 of the Companies Act, 2013 (18 of 2013).”

*Place: _____

*Date: / /

*Signature and Stamp of Proposer

Declaration for Agent

I hereby declare that, I have fully explained the features and terms & condition of the policy in detail to the Proposer and the Proposer has affixed the signature after fully understanding the features thereof.

Signature of Proposer

Signature & Stamp as applicable of the Insurance Advisor/ Specified person of Corporate Agent/Authorised Employee of Broker/ Sales person*

*Place: _____

*Date: / /

Vernacular Declaration

I hereby declare that, I have fully explained the contents of the proposal form and terms and conditions of the Policy to the Proposer in the language understood to him/her and that the Proposer has affixed the thumb impression / signature above after fully understanding the contents thereof.

Signature of Proposer

Signature of Intermediary/ Sales Person*

*Place: _____

*Date: / /

16. Statutory Warning

PROHIBITION OF REBATES (Under Section 41 of Insurance Act 1938)

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