

Crime Insurance for Financial Institutions

PROPOSAL FORM

Important

Please answer all questions from each section, tick the appropriate boxes where necessary and supply any further information requested. If there is insufficient space to complete any answer, please continue on a separate sheet of paper

Even if some or all of the answers can be given by reference to your website, you should nonetheless set out your full answers here and also provide us with any other material information that you know or ought to know following a reasonable search of information available to you.

Please take all reasonable care to answer all of the questions honestly, clearly and to the best of your knowledge. If you do not answer all the questions correctly, or the declaration honestly, your policy may be cancelled and any claim rejected or not fully paid.

The completion and signature of this questionnaire does not bind the proposer or Travelers to complete a contract of insurance. Please refer to the policy wording for details of the cover provided.

GENERAL DETAILS

1. Name

2. a) Address

b) Main Tel. No

c) Website address

d) Email address

e) Company registration number

3. Business activities of the proposer and its subsidiaries

LOCATION AND EMPLOYEES

4. Please provide the information requested in the table below:

Location	Number of Locations	Number of Employees	Turnover/Revenue (GBP)
UK & Republic of Ireland			
EEA (excl. Republic of Ireland)			
USA & Canada			
Rest of World			
Total:			

5. Number of employees who handle, have custody or maintain records of money or securities

AUDIT & CORPORATE GOVERNANCE

6. Do external auditors audit all operations (including those operations outsourced) at least annually Yes No

7. Have all recommendations by external auditors regarding internal controls been complied with following your last audit? Yes No

If no, please provide details

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

9. Do you have an internal audit team? Yes No

If yes, how many individuals are employed in the team?

10. How frequently does internal audit review IT activities and services as well as the finance department?

RECRUITMENT PROCESS

11. When recruiting employees to positions of trust involving handling of stock, money, financial, treasury or business critical functions, do you:

- | | | |
|--|-----|----|
| a) Undertake independent checks into their employment history? | Yes | No |
| b) Undertake a criminal records check? | Yes | No |

INTERNAL FINANCIAL CONTROLS

12. Are financial controls applied consistently across all locations? Yes No

13. Are wages/salaries independently checked against personnel records for unusual payments? Yes No

14. 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 authorising payments (including capital expenditure) above £5,000? | Yes | No |
| b) Issuing fund transfer instructions? | Yes | No |
| c) Amending fund transfer procedures? | Yes | No |
| d) Opening new accounts? | Yes | No |
| e) Investment in and custody of securities and valuables (including blank cheques, travellers cheques, bills of exchange etc.?) | Yes | No |
| f) Refund monies or return goods above £5,000? | Yes | No |
| g) Disbursement of assets or funds of any pension plan? | Yes | No |
| h) Awarding contracts following a tender? | Yes | No |

15. Is anti-fraud training, including social engineering, phishing, or other fraud schemes provided to all employees? Yes No

16. Is there a procedure in place at all locations to verify the authenticity of payment or fund transfer instructions made by senior management by a call back to senior management at a pre-agreed phone number? Yes No

17. Is there a procedure in place at all locations to verify the authenticity of requests from suppliers to change their bank account details by a call back to the supplier at a pre-agreed phone number? Yes No

If you have answered no to Q.15 – Q.17, what procedures do you have in place?

18. What is the approximate annual value of fund transfers?

£

19. How many fund transfers are typically undertaken annually?

20. Can payment instructions be made to an account which has not been pre-agreed? Yes No

21. Is the recipient financial institution required to authenticate the instruction before payment is released? Yes No

22. Are bank statements independently reconciled by persons not authorised to deposit/withdraw funds, issue funds transfer instructions or dispatch accounts to customers? Yes No

If yes, how frequently?

23. Are all counterparties handling cash or assets on behalf of the business vetted to ensure they meet your minimum standards of security, propriety and compliance ? Yes No

COMPUTER SYSTEMS

24. Do you have a process in place to ensure all anti-virus protection, software updates / patches and equipment security settings are properly installed within 30 days? Yes No

25. Do you have an Intrusion Detection System (IDS)? Yes No

26. Has an external company undertaken penetration testing of your network within the last 12 months? Yes No

27. Do you have an external company conduct an annual network security assessment? Yes No

28. Is remote access to your network limited to VPN? Yes No

29. Is multifactor authentication required for remote access to email and other systems? Yes No

30. Is multifactor authentication required for administrative or privileged access? Yes No

31. Are access rights terminated as part of the employee exit procedure? Yes No

32. Do you back up sensitive and critical system information? Yes No

a) If yes, how often?

b) Are these backups stored in an offsite location or in a segregated portion of the network? Yes No

c) Are these backups tested regularly? Yes No

E-COMMERCE

33. Does your site allow customers or intermediaries to do the following?

a) View product information only? Yes No

b) View account balance? Yes No

c) Undertake pre-authorised account to account transfers? Yes No

d) Submit loan applications? Yes No

e) Complete interactive mortgage applications? Yes No

f) Access business / company account management facilities? Yes No

g) Purchase insurance products? Yes No

- | | | |
|--|-----|----|
| h) Undertake on-line securities dealing? | Yes | No |
| i) Other, please provide details below | | |

FUND / INVESTMENT / ASSET MANAGEMENT COMPANIES

- | | | |
|---|-----|----|
| 34. Are authorised confirmations sent for all deals prior to settlement? | Yes | No |
| 35. Are investment decisions segregated from accounting activities and custodial responsibilities? | Yes | No |
| 36. Are trades checked both before and after execution to ensure compliance with client instructions? | Yes | No |

INSURANCE COMPANIES

- | | | |
|--|-----|----|
| 37. Is a claim adjuster required to approve a claim for payment, prior to the processing of any payment? | Yes | No |
| 38. Do the duties of claim supervisors include: | | |
| a) The review of all claim files over a certain amount? | Yes | No |
| b) The approval for payment of all claims over a certain amount? | Yes | No |
| c) The approval of the provision of outstanding claims at the end of the fiscal year? | Yes | No |
| d) Overall control of the claims adjusting of all lines insured? | Yes | No |
| e) The handling of salvage and recoveries? | Yes | No |
| 39. When a claim file is submitted to a claim supervisor, is all supporting documentation required to be attached? | Yes | No |
| 40. Do you use Third Party Administrators (TPA) to provide claim adjustment services? | | |
| If 'Yes', please attach a list specifying by whom such services are provided | Yes | No |
| a) Are follow up audits performed where previous audits have discovered errors or irregularities? | Yes | No |
| b) Does the TPA have separate fidelity coverage in place? | | |
| If 'Yes' does the coverage include an Applicant as a joint loss payee? | Yes | No |

LOSS HISTORY

- | | | |
|--|-------|----------|
| 41. That after enquiry, the proposer is not aware of any circumstance which might give rise to a direct financial loss | Agree | Disagree |
| If you have answered disagree, please provide details below: | | |



42. Please provide details of any direct financial losses sustained during the past five (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.)

43. Please describe what measures have been taken to prevent similar losses arising in future

DECLARATION

I/We declare that to the best of my/our knowledge or belief, the statements and particulars given in this questionnaire are true and complete and that any other material facts likely to influence the acceptance and assessment of any insurance offered have been provided. (If you are in any doubt as to whether a fact is material, you should disclose it.)

I/We agree to inform Travelers of any change to any material fact.

I/We also declare that if any information on this questionnaire has been written by another person on my/our behalf, that person acted as my/our agent for that purpose.

I/We also declare that no other insurer has ever declined a proposal, declined to pay a claim in full or in part, cancelled or declined to renew my/our insurance or invited renewal at special terms.

I/We declare that no partner or director has ever been convicted of or charged (but not yet tried) with a criminal offence other than a motoring offence or "spent" conviction as allowed for under the Rehabilitation of Offenders Act 1974, been declared bankrupt whilst being a director of a company that went into liquidation, receivership or administration or been disqualified from being a director.

I/We declare that I/We have not suffered any loss/damage or incurred any liability (whether insured or not) as a result of the risk(s) for which cover is now required, or know of any incident which is likely to give rise to a loss that has not already been declared to Travelers.

I/we have read the above and declare that to the best of my/our knowledge and belief the statements are true and complete.

Signature of the Proposer

Print Name and position held:

For and on behalf of

Date:

NO COVER IS IN FORCE UNTIL CONFIRMED BY THE COMPANY



Occasionally we or selected parties may wish to contact you about products and services, offers and promotions, news and events. If you're happy for us to do this please check any of the contact preferences below:

Email Yes No

Phone Yes No

USING PERSONAL INFORMATION

How we treat information about you and your rights under data protection legislation.

In order to provide our insurance services, we (Travelers acting as a Data Controller) will collect certain personal information about you. The type of information that we collect will depend on our relationship with you. For example, you may be a Travelers policyholder, prospective policyholder or a third party making a claim under a Travelers insurance policy.

If you provide us with personal information about a third party, you should share this notice with them.

We will also collect different types of information depending upon the kind of insurance cover we are being asked to provide or the kind of claim we are being asked to assess or pay.

Some of the information we collect may be classified as 'special category data', which is data that may contain information about physical or mental health, religious beliefs and criminal and disciplinary offences (including convictions).

Your personal information may be used in a number of ways including:

- considering an application for insurance,
- providing and administering an insurance policy,
- handling claims including claims validation,
- preventing and detecting fraud, including providing information to the relevant authorities.

Where relevant, we will share your information with other companies in the Travelers group, third parties such as claims handlers, loss adjusters, other insurers and reinsurers, fraud prevention agencies, service companies associated with our products, or as required by law (including providing the information to government or regulatory authorities). This may involve the transfer of your information to countries inside and outside the European Economic Area.

We may also use your personal information for marketing purposes, but only in accordance with your marketing preferences.

For more information about how we process your data and the rights you have, please click www.travelers.co.uk/privacy-policy.