

**PROPOSAL FORM
 COMMERCIAL CRIME INSURANCE**

The liability of the Insurer does not commence until the Proposal is accepted by the Insurer and premium paid in advance and upon full realization of the premium payment by the Insurer. The Insurer is under no obligation to accept this Proposal. Receipt of this Proposal by the Insurer along with the premium payment does not tantamount to the acceptance of the Proposal by the Insurer and does not result in a concluded contract of insurance.

Coverage is as per the terms and conditions of our Standard Policy Wordings. Please note that this is a Claims Made policy. Accordingly, the Insurer will only cover the Insured in respect of Claims which are first made against the Insured during the Policy Period and reported to the Insurer during the Policy Period. The Insurer does not assume any duty to defend.

The Policy shall become void at the option of the Insurer, in the event of any untrue or incorrect statement, misrepresentation, mis-declaration, misdescription or non-description, fraud, failure to disclose or suppression of any material facts in response to the questions in the Proposal form or on non-disclosure of any material particular.

Instructions For Filling The Proposal Form

1. Please fill the Proposal form legibly.
2. Some sections of the application will not apply to You. Please mark Not Applicable (N/A) in such cases.
3. Please attach a separate sheet if space indicated in the Proposal form is not sufficient

Name of the Intermediary: _____

Intermediary Code: _____

1. Proposer Details

- a) Proposer Name:
- b) Principal Address:
- c) How long has the Proposer continually carried on business?
- d) Business activities of the Proposer and its subsidiary undertakings
- e) During the past five years has the name of the Proposer been changed? Yes No
- f) *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:

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Liberty General Insurance Limited, 10th Floor, Tower A, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400 013

Phone: +91 22 6700 1313 Fax: +91 22 6700 1606, Email: care@libertyinsurance.in

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IRDA of India registration number: 150 | CIN: U66000MH2010PLC209656

UIN No: IRDAN150P0001V01201718

- 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:

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?

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- 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
- 6.5 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:

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- a) During business hours:
- b) Outside business hours:

9.2 What is the maximum value of stock held at any one location:

9.3.1 Is a complete inventory with physical check of stock and equipment carried out? Yes No

9.4.1 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? Yes No
If "No", please provide details of transit procedures:

10. Computer Controls

10.1 Is responsibility for Information Technology within the group centralised? Yes No

10.21 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

11.110.4 Do you outsource any of your operations? Yes No
If "Yes", please provide details:

11.210.4 Do you provide any outsourced services to other companies or organizations? Yes No
If "Yes", please provide details:

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

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13. Coverage Details

13.1 Does the Proposer 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 Proposer 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) Optional Endorsements Required :
 - 1) Insured's Legal Liability
 - 2) Fees and Expenses
 - 3) Care, Custody and Control
 - 4) Audit Fees
 - 5) Interest Receivable Or Payable

Coverage Description

13.3 Discovery Period Opted

60 Days 90 Days 180 Days 365 Days

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 offences listed in Prevention of Money Laundering Act, 2002.

I/we understand that the Company has the right to call for documents to establish sources of funds. The insurance Company has the right to cancel the insurance contract in case I/we am/are have been found guilty by any competent court of law under any of the statutes, directly or indirectly governing the Prevention of Money Laundering Act, 2002 in India.

I/We hereby declare that the statements, answers and particulars made by me/us in this Proposal Form are correct, complete and true to the best of my/our knowledge and belief. It is hereby understood and agreed that the statements, answers and particulars provided hereinabove, are the basis on which this insurance is being granted and that if, after the insurance is effected, it is found that any of the statements, answers or particulars are incorrect or untrue in any respect, the Company shall have no liability under this insurance.

I/We agree and undertake to convey to Liberty General Insurance Ltd. any additions/ alterations carried out in the risk proposed for insurance after submission of this Proposal Form and in such event it shall be at the discretion of the Company as to whether to continue with the cover as may be granted.

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Signed
Chairman/Chief Executive Officer/Managing Director

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

Proposer Date

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PROHIBITION OF REBATES (SECTION 41) OF THE 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 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 prospectus or tables of the insurer.

Violations of Section 41 of the Insurance Act 1938, as amended, shall be - Any person making default in complying with the provisions of this section shall be liable for a penalty which may extend to ten lakhs.

INSURANCE IS THE SUBJECT MATTER OF SOLICITATION

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