

## LONPAC INSURANCE BHD (307414-T)

Fidelity Insurance Proposal Form

STATEMENT PERSUANT TO SECTION 149 (4) OF THE INSURANCE ACT 1996,
You are to disclose in this Proposal Form, fully and faithfully all the facts which you know or ought to know, otherwise the policy issued hereunder my be void

GENERAL INSURANCE		
1. Name of Proposer		
2. Address		
	Postcode	
Trade of Business     (Please include full details of all activities)		
4. How long has the business been established ?	Years	
5. Have there been any losses (whether insured or not) due to the dishonesty of employees, partners or directors during the last five years?	YES NO	
If "YES", please provide, on a separate sheet, details of a) Date b) Circumstances c) amount and d) steps taken to prevent recurrence.		
Has there been any occasion to question the honesty of any present or former employee during the last five years.	YES NO	
If "YES", please give full details.		
7. Has any insurer in respect of the risks to which this Proposal relates :  a) declined a proposal, refused renewal or cancelled an insurance?	YES NO	
b) required an increased premium or imposed special conditions?  If "YES" to (a) or (b), please give full details.		
8. a) Do you always obtain references directly from former employers for the three years immediately preceding engagement of employees responsible for money, goods or computer operations?	YES NO	
b) Are the references in writing ?	YES NO	
If the answer is "NO" to (a) or (b), please describe your procedure.		

Please state largest amount any employee is responsible for at any one time.	a) Money b) Goods	
SYSTEM OF CHECK		
1. Do you have an internal audit department?  If "YES"  a) to whom does the department manager report?	YES	NO
b) how frequently are all areas of the business audited ?		
2. a) Do external auditors examine your accounts every twelve months?      b) Who are your external auditors?	YES	NO
Are employees receiving cash and cheques in the course of their duties required to pay in all such monies and/or bank in full on the day of receipt or the next banking day?	YES	NO
4. Are bank statements, receipts, counterfoils and supporting documents checked (independently of the employees responsible) at least monthly against the cash book entries and is the balance tested with cash and unpresented cheques?	YES	NO
5. a) Is there a predetermined limit above which manually prepared cheques or other bank instruments are required to have two signatures?	YES	NO
If "YES", what is the limit ?		_
b) Does one signatory examine the supporting documentation before signing the cheque or instrument ?	YES	NO
c) i) In the case of computer or machine produced cheques is the supporting documentation examined before the requisition is input?	YES	NO
ii) Is there a predetermined limit above which two signatures are required before the requisition for such a cheque is input?	YES	NO
If "YES", what is the limit ?		
Is cash in hand and petty cash checked independently of the employees responsible at least weekly?	YES	NO
7. Is the wages and salary documentation checked, independently of the employees responsible, before payment are made ?	YES	NO

	8. Is a reconciliation by means of a formal stock-taking process carried out on all stock independently of the employees responsible for such stock?			YES	NO
ı	If "YES", at what intervals ?				months
9. Are different employees, acting independently, responsible for the ordering of stock and materials, the recording of the receipt of such and authorising the payment of them?			ock and materials, the recording of the receipt of such	YES	NO
10.	a)		ments of account for all amounts due sent to customers t at least monthly?	YES	NO
	b)	or ch	our practice to ensure that employees who receive cash eques cannot interfere with the despatch of statements ount and reminders for payment?	YES	NO
	c)	Is action	on taken at management level if an account becomes months overdue?	YES	NO
11. Are any of your accounting, salary or stock control functions computerized?				YES	NO
	If "YES",				
	a)		onsibilities for authorisation of transactions, processing actions and handling of output exercised by different es?	YES	NO
	b)		r internal auditors supervise computer security? e leave blank if you have no internal auditors)	YES	NO
		ii) Do you	ur external auditors examine your computer security?	YES	NO
	c)	Do you computer	use a "Mainframe" computer ? (i.e. not a "personal")	YES	NO
If "YES",					
		i)	Is access to the system controlled by passcode procedures so that only staff with the appropriate authority can enter?	YES	NO
		ii)	Do procedures exist to ensure that all changes to programmes are authorised at the appropriate level ?	YES	NO
		iii)	Is there an adequate system to check that these procedures have been complied with?	YES	NO
		iv)	Is a log kept showing all changes to programmes?	YES	NO

SCOPE OF COVER				
Do you wish to pay the first part of each claim?  If "YES", please state amount	Y	'ES	NO	
2. Which of the following types of cover do you require ?		Please tick only one option and answer the relevant section questions which follow		
		Cover for entir	re workforce	
		Cover for emp	loyees in selected ca nly	ategories of
		Cover for nam	ed employees only	
A) Cover for entire workforce				
i) Staff with direct responsibility for mor accounts or computer operations  ii) Other Staff	ney, stock,	Number of Emplo	oyees <u>Estimated</u>	Annual Remuneration
Limit of Indemnity required		Per employee		
		Total for all employees		
B) Cover for employees in selected categories of occupations only  Category  a)  b)  c)  d)		of Indemnity	Number of E	mployees
e)				

Total

Total Limit of Indemnity required for all employees

C) Cover for named employees only				
Name of Employee	Duties	Length of Service (Years)	Limit of Indemnity	
1.				
2.				
3.				
4.				
5.				
6.				
7.				
8.				
9.				
10.				
Total Limit of Indemnity required for all employees				

## **DECLARATION**

I/We hereby declare that the above statements are true, that I/We have not suppressed or mis-stated any facts, and that should any of the information given by me/us alter between the date of this Proposal and the inception date of the insurance to which this Proposal relates, I/We will given immediate notice thereof. I/We agree that this Proposal is for Insurance in the normal terms and conditions of this Fidelity Insurance Policy and shall be incorporated into and form the basis of the insurance contract.

Signature	:
Name	:
Designation	:
Date	:

PF-Fidelity-Dec 04