



## Crime Policy Application For Governmental Entities

Application is hereby made by \_\_\_\_\_

Principal Address \_\_\_\_\_ City \_\_\_\_\_ Province \_\_\_\_\_ Zip \_\_\_\_\_

Any excluded entities \_\_\_\_\_

Policy Effective Period \_\_\_\_\_ to \_\_\_\_\_

### 1. Insuring Agreement

	Limit of Insurance Per Occurrence	Deductible
1. Employee Dishonesty	\$	\$
2. Forgery or Alteration	\$	\$
3. Inside Premises	\$	\$
4. Outside Premises	\$	\$
5. Computer Fraud	\$	\$
6. Money Orders and Counterfeit Paper Currency	\$	\$
8. Funds Transfer Fraud	\$	\$
9. Fraudulently Induced Transfer <i>(Separate application required)</i>	\$	\$

### 2. Coverage Amendments *(Endorsements)*

	Yes	No
a. Faithful Performance Coverage If Faithful Performance of Duty is requested, please cite statutory provision or indicate None _____	<input type="checkbox"/>	<input type="checkbox"/>
b. Is Kidnap, Ransom, and Extortion coverage desired? <i>(Separate Kidnap and Ransom application is required)</i>	<input type="checkbox"/>	<input type="checkbox"/>

### 3. Description of Your Organization

	Yes	No
a. Description of your organization: <input type="checkbox"/> Province <input type="checkbox"/> County <input type="checkbox"/> City <input type="checkbox"/> Town <input type="checkbox"/> Township <input type="checkbox"/> Village <input type="checkbox"/> Borough <input type="checkbox"/> Other		
b. Is insurance being provided for a school system, college or university?	<input type="checkbox"/>	<input type="checkbox"/>
c. Description of operations for covered entities: _____		
d. Do you receive payments via the internet? If yes, please complete the Internet Security Section of this application located on page 6.	<input type="checkbox"/>	<input type="checkbox"/>

### 4. Financial Status *(per latest FYE)*

	Total	% Change from prior year
Annual Gross Assets		
Net Profit/Change in Net Assets		
Net Worth/Net Assets		

Please submit the following information in support of this application:

Latest Annual Fiscal Year End Audited Financials, CPA Letter to Management and Management Response.



**6. Internal Controls *Continued*****Yes****No*****Purchasing and Inventory***

r. Are all persons engaged in purchasing prohibited from taking part in receiving the inventory?	<input type="checkbox"/>	<input type="checkbox"/>
s. Are all shipping and receiving activities reconciled to all applicable sale or purchase orders?	<input type="checkbox"/>	<input type="checkbox"/>
t. Does any employee have access to the purchasing system and also the accounts payable system?	<input type="checkbox"/>	<input type="checkbox"/>
u. Do you have a system to detect payment to fictitious suppliers?	<input type="checkbox"/>	<input type="checkbox"/>
v. Do you verify tax ID numbers for all vendors?	<input type="checkbox"/>	<input type="checkbox"/>
w. Is a complete inventory made with physical check of stock and equipment?	<input type="checkbox"/>	<input type="checkbox"/>

**7. Funds Transfer Procedures****Yes****No**

a. What departments conduct wire funds transfers? _____		
b. Do you maintain a fully documented procedure manual covering all wire transfer procedures?	<input type="checkbox"/>	<input type="checkbox"/>
c. Are all payment instructions executed under a sequential numbering system?	<input type="checkbox"/>	<input type="checkbox"/>
d. Is there an internal audit department which includes E.D.P. auditing?	<input type="checkbox"/>	<input type="checkbox"/>
e. If there is no internal audit department, please advise how this function is fulfilled: _____		
f. If you utilize consultants, do you change passwords when they finish their work?	<input type="checkbox"/>	<input type="checkbox"/>
g. What is the total annual volume of funds transferred? _____		
h. What is the largest amount one person can transfer? _____		
i. What is the average size of transfers? _____		
j. Are all funds transfer functions handled by banks and/or financial institutions?	<input type="checkbox"/>	<input type="checkbox"/>
k. Do you have facilities to transfer funds yourself without involving third parties?	<input type="checkbox"/>	<input type="checkbox"/>
l. Are all telephone transfer instructions given to banks confirmed in writing within 24 hours?	<input type="checkbox"/>	<input type="checkbox"/>
m. Is there segregation of duties so that no one employee can initiate and complete transactions without approval by others?	<input type="checkbox"/>	<input type="checkbox"/>
n. Do you change passwords when employees leave?	<input type="checkbox"/>	<input type="checkbox"/>
o. Describe controls in place to prevent unauthorized use of computers by employees or others (i.e. are computer rooms locked, maintenance ports protected, etc)? _____		
p. What is the total number of employees who have the authority to make transfers? _____		
q. Do you utilize port security that detects unusual activity?	<input type="checkbox"/>	<input type="checkbox"/>
r. How do you detect whether an employee has exceeded their authority? _____		

**8. Vendor Information****Yes****No**

a. Are background checks performed on vendors in order to determine ownership and financial capability prior to doing business with them?	<input type="checkbox"/>	<input type="checkbox"/>
b. Is an authorized vendor list utilized and updated for all annual purchases, with competitive bidding required over stated amounts?	<input type="checkbox"/>	<input type="checkbox"/>
c. Are requisitions and purchase orders issued only after the approval of specified personnel within specified limits?	<input type="checkbox"/>	<input type="checkbox"/>
d. Is each cash disbursement based on a recognized liability, accurately prepared, and appropriately authorized, including comparisons to authorized vendor lists and receiving reports?	<input type="checkbox"/>	<input type="checkbox"/>
e. Are perpetual inventories maintained of materials and supplies and periodically verified by physical count?	<input type="checkbox"/>	<input type="checkbox"/>
f. Are vendors provided with a statement of your conflict of interest and gift policy ( <i>prohibiting gifts of any significant value</i> )?	<input type="checkbox"/>	<input type="checkbox"/>
g. Are vendors asked to disclose any gifts or favors offered or requested or other questionable behavior by employees?	<input type="checkbox"/>	<input type="checkbox"/>
h. Do the same controls apply to locations outside of Canada?	<input type="checkbox"/>	<input type="checkbox"/>

**9. Prior Insurance****Yes****No**

a. Has any similar insurance been declined or canceled during the past three years? If yes, please explain _____					<input type="checkbox"/>	<input type="checkbox"/>
b. Prior insurance to be superseded					<input type="checkbox"/> Check here if none	
<b>Form of Insurance</b>	<b>Effective Date</b>	<b>Expiration Date</b>	<b>Limit of Insurance</b>	<b>Name of Insurance Company</b>		

**10. Loss History**

Enter all claims or occurrences whether or not paid that may give rise to claims for the prior 5 years. ☐ Check here if none

Date of Occurrence	Type/Description of Occurrence or Claim	Date of Claim	Amount Paid	Claim Status	
				Open	Closed
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>

Comments/Corrective Action Taken:

**11. Classification of Employees and Locations**Grand total of **ALL** employees \_\_\_\_\_**PLEASE ATTACH TOTAL EMPLOYEE CENSUS BY DEPARTMENT** (Definition of employee includes all full time, part time and temporary employees)

Note: Persons required by law to be individually bonded and treasurers or tax collectors by whatever titles known are automatically excluded.

If insurance is desired on any of your appointed or elected agents please complete the following:

Capacity in Which Each Agent Serves	Limit of Insurance
	\$
	\$
	\$
	\$
	\$

**12. Money – Securities**

Which locations require Money and Securities Coverage?

Please enter the exposure for each category. Amounts entered should be the maximum exposure

Type	Money	Securities (Other Than Payroll Cheques)	Cheques (Excluding Retail Cheques)	Payroll Cheques	Money Overnight	Securities (In Bank/Safe Deposit)
Inside						
Messenger #1						
Messenger #2						

Please advise if you need to temporarily increase the above limits for what departments and for what timeframe.

**13. Premises/Safe Protection**

a. What type of alarm(s) do you have at each of your premises?

☐ Hold-up Alarm☐ Premises Alarm☐ Safe Alarm☐ Local Gong☐ Central Station Alarm☐ Police Connected Alarm

If alarms vary from location to location, please explain:

b. Please specify the number of guards and/or watchpersons on duty each shift: \_\_\_\_\_

c. Please describe any additional protection (e.g. fences, floodlights, etc.):

**14. Internet Security****Yes****No**

- |  |                          |                          |
|--|--------------------------|--------------------------|
| a. Do you buy or sell goods via the internet?  | <input type="checkbox"/> | <input type="checkbox"/> |
| b. Do you have a firewall?   | <input type="checkbox"/> | <input type="checkbox"/> |
| c. Do you have an intrusion detection system that identifies unauthorized access?  | <input type="checkbox"/> | <input type="checkbox"/> |
| d. Do you have documented internet guidelines for employees?   | <input type="checkbox"/> | <input type="checkbox"/> |
| e. Do you have documented emergency procedures?  | <input type="checkbox"/> | <input type="checkbox"/> |
| f. Has your computer system ever been invaded by a hacker or virus?<br>If yes, when and what controls have been implemented to prevent further incidences? | <input type="checkbox"/> | <input type="checkbox"/> |

**15. Coupon/Voucher Procedures****Yes****No**

Please complete this section if your organization handles Coupons, Vouchers or Debit Cards (promotional or otherwise)

- |  |                          |                          |
|--|--------------------------|--------------------------|
| a. Where is the bulk supply of coupons, vouchers or debit cards stored? _____<br>Who has access to this storage area? _____            |                          |                          |
| b. How often are they inventoried? Who has the ability to secure the coupons?  |                          |                          |
| c. Are those employees specifically responsible for issuance restricted from access to storage and issuance areas?                     | <input type="checkbox"/> | <input type="checkbox"/> |
| d. How do you distribute coupons, vouchers or debit cards to recipients?<br>_____  |                          |                          |
| e. How are coupons secured for transit? _____<br>Are they stored in a locked container? _____<br>Who is responsible for transit? _____ | <input type="checkbox"/> | <input type="checkbox"/> |
| f. When are they activated and by whom? _____  |                          |                          |
| g. If a card is reported lost or stolen, how are they replaced? What controls are in place to prevent duplicates from being issued?    |                          |                          |

**h. Safe/Vault**

Manufacturer	Label UL/SMNA	Class	Door Type		Combination Locks			Thickness	
			Round	Square	Outer	Inner	Chest	Door	Wall

**Fraud Statements**

**Applicable in AL, AR, DC, LA, MD, NM, RI and WV:** Any person who knowingly *(or willfully)\** presents a false or fraudulent claim for payment of a loss or benefit or knowingly *(or willfully)\** presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison. *\*Applies in MD Only.*

**Applicable in CO:** It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado Division of Insurance within the Department of Regulatory Agencies.

**Applicable in FL and OK:** Any person who knowingly and with intent to injure, defraud, or deceive any insurer files a statement of claim or an application containing any false, incomplete, or misleading information is guilty of a felony *(of the third degree)\**. *\*Applies in FL Only.*

**Applicable in KS:** Any person who, knowingly and with intent to defraud, presents, causes to be presented or prepares with knowledge or belief that it will be presented to or by an insurer, purported insurer, broker or any agent thereof, any written, electronic, electronic impulse, facsimile, magnetic, oral, or telephonic communication or statement as part of, or in support of, an application for the issuance of, or the rating of an insurance policy for personal or commercial insurance, or a claim for payment or other benefit pursuant to an insurance policy for commercial or personal insurance which such person knows to contain materially false information concerning any fact material thereto; or conceals, for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act.

**Applicable in KY, NY, OH and PA:** Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties *(not to exceed five thousand dollars and the stated value of the claim for each such violation)\**. *\*Applies in NY Only.*

**Applicable in ME, TN, VA and WA:** It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties *(may)\** include imprisonment, fines and denial of insurance benefits. *\*Applies in ME Only.*

**Applicable in NJ:** Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties.

**Applicable in OR:** Any person who knowingly and with intent to defraud or solicit another to defraud the insurer by submitting an application containing a false statement as to any material fact may be violating state law.

**Applicable in PR:** Any person who knowingly and with the intention of defrauding presents false information in an insurance application, or presents, helps, or causes the presentation of a fraudulent claim for the payment of a loss or any other benefit, or presents more than one claim for the same damage or loss, shall incur a felony and, upon conviction, shall be sanctioned for each violation by a fine of not less than five thousand dollars (\$5,000) and not more than ten thousand dollars (\$10,000), or a fixed term of imprisonment for three (3) years, or both penalties. Should aggravating circumstances [be] present, the penalty thus established may be increased to a maximum of five (5) years, if extenuating circumstances are present, it may be reduced to a minimum of two (2) years.

**NOTICE TO APPLICANTS:**

**Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance containing any false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime.**

**This document was issued or made by the Company in the course of its insurance business in Canada.**

**Applicant Signature** \_\_\_\_\_ **Title** \_\_\_\_\_ **Date** \_\_\_\_\_

**Producer Signature** \_\_\_\_\_ **Title** \_\_\_\_\_ **Date** \_\_\_\_\_