



Commercial Crime Policy Application for Racetracks

Application is hereby made by _____

(Please attach a list of all Insureds, including Employee Benefit Plans)

Principal Address _____

City _____ Province _____ Postal Code _____

Policy Effective Period _____ to _____

1. Insuring Agreements

	Limit of Insurance Per Occurrence	Deductible Per Occurrence
1. Employee Dishonesty	\$	\$
2. Forgery or Alteration	\$	\$
3. Inside the Premises	\$	\$
4. Outside the Premises	\$	\$
5. Computer Hacking	\$	\$
6. Money Orders and Counterfeit Paper Cash	\$	\$
7. Loss of Clients' Property	\$	\$
8. Funds Transfer Fraud	\$	\$
9. Fraudulently Induced Transfer (Separate application required)	\$	\$
10. ERISA Fraud or Dishonesty	\$	\$
Coverage Amendments (Endorsements) _____		
Is Kidnap, Ransom, and Extortion Coverage Desired?		Yes <input type="checkbox"/> No <input type="checkbox"/>
If yes, please complete the following:		

2. Kidnap Ransom, and Extortion

a. Limits of Liability requested (Limits offered between \$500,000 - \$65,000,000) \$	_____	
b. Provide details of any staff travel outside of Canada or the U.S. Include the city and country, number of staff traveling and duration/frequency of travel of the next 12 months. (Attach additional pages as necessary.)		
City and Country	Number of Staff Traveling	Duration of Travel/Frequency

3. Financial Status (per latest FYE)

	Total	% Change from prior year
a. Annual Gross Assets		
b. Annual Gross Sales		
c. Net Income		
d. Net Worth		

Please submit the following information in support of this application: Latest Annual Fiscal Year End Audited Financials, CPA Letter to Management and Management Response

4. Loss History

Enter all claims or occurrences that may give rise to claims for the prior 5 years:

☐ Check here if none
Claim Status
(Open or Closed)

Date of Occurrence	Type/Description of Occurrence or Claim	Date of Claim	Amount Paid	

Comments/Corrective Action Taken

5. Prior Insurance

Yes No

a. Has any similar insurance been declined or canceled during the past three years?

☐ ☐

b. If yes, please explain:

c. Prior insurance to be superseded:

☐ Check here if none

Form of Insurance	Effective Date	Expiration Date	Limit of Insurance	Name of Insurance Company

6. Description of Organization

a. Legal Entity

☐ Proprietorship ☐ Partnership ☐ Corporation ☐ Other _____

b. Date of Establishment _____

Yes No

c. Has there been any change in ownership or management within the past three years?

☐ ☐

d. If yes, please explain

7. Racetrack Controls**1. Money Room**

a. What are the average and maximum cash exposures? Average _____ Maximum _____

b. Who has access to enter the money room? _____

c. How are entrances protected? Are there guards? Can locked doors only be opened from inside by buzzer?

d. What is the class of safe and/or vault within money room? _____

e. Is a guard stationed inside the money room?

Yes No
☐ ☐

If yes, how many? _____ Number armed? _____ Type of weapon? _____

f. Is excess cash locked in safe and/or vault after each race?

☐ ☐

7. Racetrack Controls *Continued***Yes No**

g. Are there recorded CCTV cameras in the money room?

☐ ☐

h. Is the cash from each teller/cashier counted and reconciled after each race?

☐ ☐

i. Are tellers/cashiers allowed in the money room?

☐ ☐**2. Tellers/Cashiers**

a. Do tellers/cashiers start their shift with an imprest amount of funds?

☐ ☐**If yes**, how much? _____

b. Do guards accompany the tellers/cashiers to and from cages?

☐ ☐

c. Are guards present and around cages when windows are open?

☐ ☐

d. Are teller stations protected by bars and/or protective glass?

☐ ☐

e. Are there recorded CCTV cameras on each teller station?

☐ ☐

f. Do the cashiers have hold up alarms?

☐ ☐

g. What type of container is used by teller/cashiers to carry money to and from the money room? _____

3. Outside Exposure**(Before Race)**

a. Is money transported to the track by an armored car company?

☐ ☐

Which one? _____

b. Are track guards used to protect the money once it leaves the truck?

☐ ☐

How many are present? _____ Are they armed? _____

What type of armament? _____

c. Is the money counted as soon as it arrives and then locked in the safe?

☐ ☐**(After Race)**

d. How much money is left in the safe overnight? _____ How much is deposited? _____

e. Assuming armored car is used, do they pick up every day that the track is open, including Sundays and holidays?

☐ ☐**4. Horsemen's Accounts**

a. Do you maintain horsemen's accounts?

☐ ☐**If yes**, please answer the following:

i. Are horsemen's accounts reconciled after each meet?

☐ ☐**If no**, how often? _____

ii. Are horsemen's accounts reconciled by someone not authorized to deposit, withdraw or write checks?

☐ ☐

iii. Are horsemen's accounts audited or reviewed for unauthorized changes on a monthly basis?

☐ ☐**5. Grounds & Premises**

a. Is there a guard at each entrance when the track is open?

☐ ☐

b. How many guards on the grounds when open? _____

c. Do they communicate by radio?

☐ ☐

d. Is there an alarm on the money room when the track is closed?

☐ ☐

Please explain the capabilities of the alarm.

8. Gaming Controls *(only applicable if there are tables games and/or slot machines)*

1. Please provide a breakdown of the total number and types of table games (*i.e. blackjack, craps*) and the total number of slot machines.

	Yes	No
2. Are you in compliance with any provincial or regional gaming authorities/commissions?	<input type="checkbox"/>	<input type="checkbox"/>
If yes, please list _____		
a. How often is cash accounted for? _____		
b. Is each gaming table checked for an accurate count of money at the end of each shift?	<input type="checkbox"/>	<input type="checkbox"/>
c. How many individuals must verify the gaming table inventory for "fill" chips? _____		
d. Is cash counted and recorded at the end of each shift?	<input type="checkbox"/>	<input type="checkbox"/>
e. How many people have access to the counting room? _____		
f. Is there a supervisor on duty at all times?	<input type="checkbox"/>	<input type="checkbox"/>

9. Audit Procedures

	Yes	No
a. Are your annual financial statements audited by a public accountant?	<input type="checkbox"/>	<input type="checkbox"/>
b. Is the public accountant's opinion unqualified?	<input type="checkbox"/>	<input type="checkbox"/>
c. Does it include all interests and locations on an annual basis?	<input type="checkbox"/>	<input type="checkbox"/>
d. Have all recommendations made by the accountant been adopted?	<input type="checkbox"/>	<input type="checkbox"/>
e. Are all reports sent directly to the Owner, Partners or Directors?	<input type="checkbox"/>	<input type="checkbox"/>
f. Is there a full time professional staff auditor?	<input type="checkbox"/>	<input type="checkbox"/>
g. Does the staff auditor conduct an audit annually <input type="checkbox"/> or on a surprise basis <input type="checkbox"/>		
h. Is there a formal audit program?	<input type="checkbox"/>	<input type="checkbox"/>
i. Does the auditor originate entries?	<input type="checkbox"/>	<input type="checkbox"/>
j. If weaknesses are discovered, does the auditor report in writing to the First Named Insured?	<input type="checkbox"/>	<input type="checkbox"/>
k. Do you audit your Wire Transfer procedures?	<input type="checkbox"/>	<input type="checkbox"/>
l. Are foreign locations audited at least annually?	<input type="checkbox"/>	<input type="checkbox"/>
m. Are foreign locations audited by a U.S. <input type="checkbox"/> or foreign auditor <input type="checkbox"/>		

10. Internal Controls

	Yes	No
Bank Accounts		
a. Are bank accounts reconciled monthly?	<input type="checkbox"/>	<input type="checkbox"/>
b. Are bank accounts reconciled by someone not authorized to deposit, withdraw, or write cheques?	<input type="checkbox"/>	<input type="checkbox"/>
Securities		
c. Is countersignature of all cheques required?	<input type="checkbox"/>	<input type="checkbox"/>
If no, above what amount? _____		
d. Do all vouchers or other supporting record accompany all cheques to be signed?	<input type="checkbox"/>	<input type="checkbox"/>
e. Are vouchers/supporting records stamped "PAID" when cheques are signed?	<input type="checkbox"/>	<input type="checkbox"/>
f. Do you maintain a list of approved vendors?	<input type="checkbox"/>	<input type="checkbox"/>

10. Internal Controls Continued

	Yes	No
g. Are your systems designed so that no single employee can control a transaction from beginning to end (e.g. approve a voucher, request and sign a cheque)?	<input type="checkbox"/>	<input type="checkbox"/>
h. Are securities subject to the joint control of two or more employees?	<input type="checkbox"/>	<input type="checkbox"/>
i. Do the above controls differ in foreign locations?	<input type="checkbox"/>	<input type="checkbox"/>
Payroll		
j. Is the payroll made up by persons other than those who distribute it to employees?	<input type="checkbox"/>	<input type="checkbox"/>
k. Are all persons who are authorized to hire and/or fire employees prohibited from distributing the payroll?	<input type="checkbox"/>	<input type="checkbox"/>
l. Are the following included in your pre-employment screening?		
<input type="checkbox"/> Drug <input type="checkbox"/> Credit <input type="checkbox"/> Criminal <input type="checkbox"/> Background		
Shipping and Receiving		
m. Are all persons engaged in purchase or sales activities prohibited from taking part in shipping & receiving activities?	<input type="checkbox"/>	<input type="checkbox"/>
n. Are all shipping and receiving activities reconciled to all applicable sale or purchase orders?	<input type="checkbox"/>	<input type="checkbox"/>
o. Does any employee have access to the purchasing system and also the accounts payable system?	<input type="checkbox"/>	<input type="checkbox"/>
p. Is all purchasing centralized out of your main office?	<input type="checkbox"/>	<input type="checkbox"/>
q. Do you have a system to detect payment to fictitious suppliers?	<input type="checkbox"/>	<input type="checkbox"/>
r. Are cash or cheques on return purchases supervised by at least two persons?	<input type="checkbox"/>	<input type="checkbox"/>

11. 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? _____		

11. Funds Transfer Procedures *Continued***Yes No**

q. Do you utilize port security that detects unusual activity?

☐ ☐

r. How do you detect whether an employee has exceeded their authority? _____

12. 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?

☐ ☐

b. Is an authorized vendor list utilized and updated for all annual purchases, with competitive bidding required over stated amounts?

☐ ☐

c. Are requisitions and purchase orders issued only after the approval of specified personnel within specified limits?

☐ ☐

d. Is each cash disbursement based on a recognized liability, accurately prepared, and appropriately authorized, including comparisons to authorized vendor lists and receiving reports?

☐ ☐

e. Are perpetual inventories maintained of materials and supplies and periodically verified by physical count?

☐ ☐f. Are vendors provided with a statement of your conflict of interest and gift policy (*prohibiting gifts of any significant value*)?☐ ☐

g. Do the same controls apply to locations outside of Canada?

☐ ☐**13. Property**

Please provide a description of property, merchandise, stock, etc. to be covered. Please also state the maximum value.

14. Internet Security**Yes No**

a. Do you buy or sell goods via the Internet?

☐ ☐

b. Do you have a Firewall?

☐ ☐

c. Do you have an Intrusion Detection System that identifies unauthorized access?

☐ ☐

d. Has your computer system ever been invaded by a Hacker or Virus?

☐ ☐**If yes to question (d), when and what controls have been implemented to prevent further incidences?****15. Precious Metals****Yes No**

a. Do you handle, store or use for manufacturing, valuable or precious and/or non-precious metals?

☐ ☐

b. Any type of mining?

☐ ☐**If yes, please complete our Valuable Metals Questionnaire (*available upon request*).**

16. Classification of Employees and Locations

	U. S	Canada	Foreign	Grandtotal
Number of Employees				
Number of Locations				

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 _____