

## SIGNATURE COMPREHENSIVE CRIME INSURANCE PROPOSAL FORM

New  Renewal Existing Policy Number:

### APPLICATION INSTRUCTIONS

Whenever used in this Application, the term "Applicant" shall mean the Principal Organization and all organizations applying for coverage.

Include all requested underwriting information and attachments. Provide a complete response to all questions and attach additional pages if necessary.

### GENERAL INFORMATION

Name of Applicant:

Address of Applicant:

Date Established:

DD/MMM/YYYY

Contact No.:

Email Address:

Request of Limits Liability:

Deductible Amounts: PHP

Nature of Business:

Incorporation No.:

Date of Incorporation:

DD/MMM/YYYY

Place of Incorporation:

Name of authorized representative/transactor/signee:

Describe or attach a description of the Applicant's operations:

### ULTIMATE BENEFICIAL OWNER'S INFORMATION

Name:

Last Name

First Name

Middle Name

Suffix

Mailing Address:

Block/Lot/Phase No./Floor No./Unit No.

Street

Village/Subdivision/Condo Building

Barangay

City/Municipality

Province/State

ZIP Code

Citizenship:

Nationality:

Date of Birth:

DD/MMM/YYYY

Contact No.:

E-mail Address:

Source of Funds:  Self-Employed  Salary

Please complete the following:

List Countries in which Applicant has operations	Type of Operation	No. of Locations	No. of Employees	Revenues
				PHP
				PHP
				PHP
				PHP
				PHP
<b>TOTAL</b>				PHP

Please provide the following information for any mergers or acquisitions in the past 12 months:

Name of Company Acquired:

Date of the transaction:

Description of operations acquired:

Annual Revenues:

No. of Employees:

Does the Applicant provide any lease financing in the course of its business?  YES  NO

Have policies been published and distributed to all employees regarding a code of ethics, conflicts of interest and gifts and gratuities?  YES  NO

## SPECIFIC INFORMATION

### HUMAN RESOURCES AND PAYROLL - Explain any "NO" answers at the END of this application

1. Is the following pre-employment screening conducted prior to hiring in all business units, both domestically and internationally:

YES  NO

b. Reference checks with all prior employers during the last 5 years?

YES  NO

c. Credit check (if access to cash or control/input of financial transactions)?

YES  NO

2. Are the following payroll controls in place at all domestic and international operations:

a. Are management policies and computer system controls in place to prevent persons who approve new hires from adding them into the payroll?

YES  NO

c. Are managers periodically provided with the names and salaries of all employees assigned to them for verification?

YES  NO

d. Does the audit department have a program in place to detect possible ghost employees and is the payroll system audited at least annually?

YES  NO

e. Is the IT department and accounting department restricted from any access to the payroll computer system?

YES  NO

### AUDITING PROCEDURES - Explain any "NO" answers at the END of this application

1. Internal Auditing:

a. How many professionals are in your internal audit department?

\_\_\_\_\_ CURRENTLY \_\_\_\_\_ THREE YEARS AGO

b. Does the audit department receive automatic exception reports on suspect financial transactions and financial trends?

YES  NO

c. Does the audit schedule include all locations of subsidiaries and joint ventures?

YES  NO

d. Are audit reports furnished to senior management and the board of directors with all recommendations prioritised by the level of risk they pose to the Applicant?

YES  NO

e. Please attach a copy of the current year's audit plan from the internal auditors.

YES  NO

2. External Auditing:

a. Does an independent CPA annually provide the Applicant with a management letter?

YES  NO (If "Yes," please attach the most recent copy and management's response.)

b. Is each corporate location subjected to periodic external audits?

YES  NO

c. Are audit reports furnished to senior management and the board of directors?

YES  NO

### ELECTRONIC FUNDS TRANSFERS (EFT) - Explain any "NO" answers at the END of this application

1. Has separation been established between authority to initiate and approve a EFT?

YES  NO

2. Have approval authorities been established in writing and are they current?

YES  NO

3. Are EFT reconciled daily by a person who did not approve or transmit such EFT?

YES  NO

4. Are international and domestic EFT procedures and controls consistent?

YES  NO

**PURCHASING CONTROLS - Explain any "NO" answers at the END of this application**

1. Are levels of purchasing authority established in writing throughout the Applicant's organization?

YES  NO

2. Has a numbered purchase order system been implemented and is it being followed?

YES  NO

3. Has an approved master vendor list been established?

YES  NO

4. Are procedures in place to verify the existence and ownership of all new vendors prior to adding them to the authorised master vendor list?

YES  NO

If "Yes," is "due diligence" conducted by someone other than the person requesting such addition or with authority and/or ability to add the vendor to the master list?

5. Does the purchasing system automatically produce exception reports to notify management and auditing of potential fraudulent transactions or trends?

YES  NO

6. Are international and domestic purchasing procedures and controls consistent?

YES  NO

**ACCOUNT PAYABLE CONTROLS - Explain any "NO" answers at the END of this application**

1. Are all invoices verified against a corresponding purchase order, receiving report, and authorised master vendor list prior to issuing payment?

YES  NO

2. Are invoices, purchase orders, and check runs reconciled daily by an independent party?

YES  NO

3. Are cheque signing authorities and dual control requirements established in writing?

YES  NO

4. Are blank and cancelled cheques stored under dual control with access documented?

YES  NO

5. Is a perpetual inventory in place for blank cheques and are daily inventories taken?

YES  NO

6. Is a monthly reconciliation conducted of all bank accounts by someone who does not handle deposits, sign cheques or have access to electronic or mechanical signatures?

YES  NO

7. Does the accounts payable system automatically produce exception reports to notify management and auditing of potential fraudulent transactions or trends?

YES  NO

8. Are international and domestic accounts payable procedures and controls consistent?

YES  NO

**INVENTORY CONTROLS - Explain any "NO" answers at the END of this application**

1. Is a perpetual inventory maintained for:

a. Stock, including raw materials, and manufacturing components,

YES  NO

b. Manufactured or finished goods,

YES  NO

b. Scrap

YES  NO

2. Do inventory procedures enable accurate accounting of all inventory items listed above at each stage of the manufacturing or production process?

YES  NO

3. Are daily cycle counts conducted on inventory items?

YES  NO

4. Are physical inventory counts conducted at least annually and reconciled with the perpetual inventory system? If "Yes":
- Is the reconciliation performed by someone not associated with the control of the physical inventory?  
 YES  NO
  - Are inventory variances outside established parameters reported to auditing?  
 YES  NO
5. Does the Applicant use precious metal, stone or other high value items in the manufacturing or processing of goods? If "Yes":
- Is access to such materials restricted, physically controlled and monitored? Yes No Please attach details of such controls.  
 YES  NO
  - Are daily inventories conducted of all high value items?  
 YES  NO
  - Please provide the average \_\_\_\_\_ and maximum value \_\_\_\_\_ at each location.
6. Are international and domestic inventory procedures and controls consistent?  
 YES  NO

**MONEY AND SECURITIES CONTROL - Explain any "NO" answers at the END of this application**

- State the value of negotiable securities owned or held: Php \_\_\_\_\_.  N/A
  - Where are the securities kept? \_\_\_\_\_.
  - If safe deposit boxes are used, has the bank been instructed to require that two authorised individuals be present before entry to any box is permitted?  
 YES  NO  N/A
  - Are cheque signing authorities and dual control requirements established in writing?  
 YES  NO
- What is the maximum amount held at, or transported from, any one location?  
 Cash: Php \_\_\_\_\_ Checks: Php \_\_\_\_\_ Negotiable Securities: Php \_\_\_\_\_  N/A

**COMPUTER SYSTEMS PROTECTION - Explain any "NO" answers at the END of this application**

- Are access controls designed so that users cannot gain access to programs and files to which they have not been specifically granted access through a formal procedure?  
 YES  NO
- Have computer access controls been implemented that include the following:
  - Passwords are required to be alpha/numeric and 6-9 characters? (system enforced)  
 YES  NO
  - Are user IDs automatically revoked upon separation of employment?  
 YES  NO
  - Are password files encrypted for all applications and is access restricted?  
 YES  NO
- Are business-to-business or business-to-consumer transactions performed over the Internet? If "Yes":
  - Are firewalls configured to restrict all IP communications except those necessary to conduct business and are firewall security patches current?  
 YES  NO
  - Is firewall port scanning and penetration testing conducted regularly?  
 YES  NO
  - Were web-based applications independently tested for security vulnerabilities prior too, or at the time of, deployment and have they been similarly tested whenever the applications have been modified?  
 YES  NO
- Intrusion Detection Systems: Is network-based and host-based IDS software installed and are all patches current?  
 YES  NO
- Are B-2-B and B-2-C procedures, systems, and controls the same for domestic and international operations?  
 YES  NO
- Does the Applicant have a formal process for authenticating all transactions done electronically prior to shipping product or authorising payment?  
 YES  NO

**CLIENT SERVICES**

1. Do any clients require the Applicant to carry crime insurance?

YES  NO  N/A

If "Yes," please explain and specify the amount: \_\_\_\_\_

2. Does the Applicant have custody or control over any funds, accounts, or materials of any of its clients?

YES  NO  N/A

If "Yes," please describe:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

3. Do the Applicant's employees have access to any client(s) accounting, payroll or purchasing systems?

YES  NO  N/A

**LOSS EXPERIENCE**

List all employee theft, burglary, robbery, forgery, computer fraud or other crime losses discovered by the Applicant in the last five years, itemising each loss separately (attach additional pages if necessary):  tick if none

Date of Loss DD/MMM/YYYY	Description of Loss <small>(Include controls that were circumvented, controls that were missing, and steps taken to remediate the causes of the loss)</small>	Amount of Total Loss	Please indicate whether or not the loss was covered under another insurance policy and include the insurer's name
		Covered: Yes or No?	Insurer's Name
		<input type="checkbox"/> YES <input type="checkbox"/> NO	
		<input type="checkbox"/> YES <input type="checkbox"/> NO	

Please attach the following additional information:

- A copy of the Internal Auditors Audit Plan for the current year;
- A copy of the Applicant's most recent audited financial statement,
- A copy of the Applicant's CPA management letter on internal controls and management's response;
- An explanation of any "No" answers referenced in the application; and

**DECLARATION AND SIGNATURE:**

The undersigned declares that to the best of his or her knowledge and belief the statements set forth herein are true and accurate. The Company is hereby authorised to make any investigation and inquiry in connection with this proposal that it deems necessary.

This section of the proposal must be signed by the Risk Manager or other person responsible for purchasing insurance.

**AGREEMENT**

I HEREBY DECLARE and warrant the answers given above in every respect true and correct; and have not withheld any information likely to effect acceptance of this proposal; I further agree that this proposal declaration shall be the basis of the contract between FPG Insurance and me.

During the effectivity of the contract/policy, the customer/client agrees to the following:

(1) In case the Company is unable to comply with relevant customer due diligence (CDD) measures, as required under the Anti-Money Laundering Act, as amended and relevant issuances, due to the fault of the client, the company may apply the following:

- a. Measures to restrict the services available or prohibit any further transactions on the contract/policy until full and proper CDD Measures have been successfully conducted; and
- b. In case the foregoing is unsuccessful, terminate business relationship. The exercise of the company of this measure shall only entitle the client/customer to receive the unused portions of premium or withdrawal value, if any, whichever is applicable.

(2) Be bound by obligations set out in relevant United Nations Security Council Resolution relating to the prevention and suppression of proliferation financing of weapons of mass destruction, including freezing and unfreezing actions as well as prohibition from conducting transaction with designated persons and entities.

\_\_\_\_\_  
Applicant's Signature

\_\_\_\_\_  
Date  
DD/MMM/YYYY

**DATA PRIVACY CONSENT FORM**

I acknowledge that FPG Insurance Co., Inc. (FPG) may collect, use, process and share my personal information to its stakeholders, duly authorized representatives, business partners, adjusters and other third parties for purposes such as but is not limited to underwriting, claims, business analysis, compliance with regulatory requirements and any other legitimate business purpose. I authorize FPG to disclose my personal data to FPG group of companies, their service providers, other insurance and distribution parties and to any other third parties and authorities to whom FPG must make disclosures under applicable laws and regulations.

I also authorize FPG to verify and investigate the information I have given, including documents submitted. FPG may retain my personal information as long as my business transaction with FPG is still in force and in case of termination, for a period of five (5) years from the date of termination. I acknowledge and agree to the data privacy provisions as stated above. I hereby provide my consent by affixing my signature in this form.