

fraudProtector

Proposal form

General Details

- 1 Name of Company: _____
- 2 Principal office address: _____

City: _____ County: _____
Postcode: _____ Tel: _____
- 3 Annual Turnover at last year end _____
- 4 Number of locations _____
- 5 Number of employees _____
- 6 Describe the type of business in which the company is engaged. In the case of multiple occupations please provide a split by revenue

Audit & corporate governance

- 7 Do external auditors audit all operations at least annually? Yes No
 - 8 Have all recommendations by external auditors regarding internal controls been complied with, following your last audit? Yes No
- If no, please give details:



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ACE Building
100 Leadenhall Street
London EC3A 3BP

+44 (0) 20 7173 7000 *tel*
+44 (0) 20 7173 7800 *fax*

Authorised and regulated by the
Financial Services Authority

- 9 Is there an Audit Committee which monitors the effectiveness of internal controls and reports directly to the Board? Yes No
- 10 Do you have an Internal Audit Department? Yes No
- 11 Do they have an established audit cycle for all operations? Yes No

Recruitment procedure

- 12 When recruiting or promoting employees to positions of trust involving handling of stock, money, financial, treasury or mission critical functions, do you:
 - a Undertake independent checks into their employment history? Yes No
 - b Undergo a process to ensure their suitability for the position? Yes No

Internal financial controls

- 13 Are wages/salaries independently checked against personnel records for unusual or excessive payments? Yes No
- 14 Are duties segregated so that no individual can control any of the following activities from commencement to completion without referral to others:
- a Signing cheques or authorising payments (including capital expenditure) above £5,000? Yes No
 - b Issuing funds transfer instructions? Yes No
 - c Amending funds transfer procedures? Yes No
 - d Opening new accounts? Yes No
 - e Investment in and custody of securities and valuables (including blank cheques, travellers cheques, bills of exchange etc)? Yes No
 - f Refund monies or return goods above £5,000? Yes No
 - g Disbursement of assets or funds of any pension plan? Yes No
 - h Awarding contracts following a tender? Yes No
- 15 Are all supporting documents validated before authorising payments? Yes No
- 16 Are statements of accounts sent to customers independently of employees receiving payments? Yes No
- 17 Are bank statements independently reconciled by persons not authorised to deposit/withdraw funds, issue funds transfer instructions or dispatch accounts to customers? Yes No
- 18 Are procedures in place to assess the suitability of trustees, fiduciaries, administrators or officers of any of your pension plans? Yes No

Stock and physical security

- 19 Is there controlled access to all locations? Yes No
- 20 Are all premises containing stock, money, securities, precious metals etc. connected to an intruder alarm? Yes No
- 21 Are intruder alarms maintained in proper working order and connected to a central station or police station? Yes No
- 22 Is an independent physical count of stock, raw materials, work in progress and finished goods undertaken and is this count reconciled against stock levels? Yes No
- How frequently? _____

- 23 Above what value is the transfer of money and securities usually made by a security or professional cash carrying company? _____
- 24 What is the maximum value of money, securities, precious metals and/or jewellery at any one location:
- a during business hours? _____
- b outside business hours? _____

Computer systems

- 25 Are unique passwords used to give various levels of entry to the computer depending on the users authorisation? Yes No
- 26 Are passwords automatically withdrawn when people leave? Yes No
- 27 Are all amendments to programmes approved independently of the persons making the amendments? Yes No
- 28 Are programmes protected to detect unauthorised changes? Yes No
- 29 Is your computer system firewall protected to prevent unauthorised access? Yes No
- 30 Is your computer system protected by virus detection and repair software? Yes No
- 31 Do you have a contingency plan in place in the event of a catastrophic disruption to your computer systems? Yes No

Fund Transfers

“Fund transfer” means any instructions (other than cheques) given to a financial institution to pay or deliver funds

- 32 What is the approximate annual value of fund transfers? _____
- 33 Please specify the method of instruction (e.g. written, electronic, telephone etc.)

- 34 Can payment instructions be made to an account which has not been pre-agreed? Yes No
- 35 Is the financial institution required to authenticate the instruction before payment is released? Yes No
- 36 Please provide a brief description of the methods used to secure fund transfers (e.g. passwords, encryption, code words, call back).

E-commerce

- 37 Are your Internet connections through a secure firewall? Yes No
- 38 What is the approximate value of sales that you make via the Internet? _____

- 39 Are all transactions encrypted? Yes No
- 40 Are you registered with a certification authority? Yes No
- 41 In business to business transactions do you require your
counterparties to be registered with a certification authority? Yes No
- 42 How frequently do you back up data? _____
- 43 Is this stored off site in a secure location? Yes No

Loss history

44a Please provide brief details of any losses sustained during the past five (5) years and before application of any deductible, retention or excess whether insured or not. (Please include date discovered, location, nature of loss and amount.)

44b Please describe what corrective measures have been taken to prevent similar losses arising in future.

Declaration

I declare (i) that the statements and particulars in this proposal are true and that no other materials facts have been misstated or suppressed after enquiry; and (ii) I have obtained, and will obtain in the future, the express consent to the disclosure and use of sensitive personal data from every data subject whose sensitive personal data is supplied in relation to this proposal for the purposes of (a) underwriting the risks and (b) performing any resulting insurance contract.

I agree that this proposal, together with any other information supplied shall form the basis of any Contract of Insurance effected thereon. I undertake to inform the Insurer promptly in writing of any material alteration to those facts occurring before completion of the contract of insurance.

Signed: _____

Title: _____

Company: _____

Date: _____

Please enclose with this Proposal form your current annual report and accounts (or equivalent).

If you have answered “no” to any of the above questions then please provide an explanation of the alternative methods you use to reduce your exposure to fraud.