

- Euler Hermes – cover against Employee Dishonesty
- Fidelity/Crime Insurance
- Data required for the preparation of an offer for Fidelity/Crime Insurance

Euler Hermes
Kreditversicherungs-AG
Bereich 05

22746 Hamburg

(Fax: 0049 (0) 40 8834 5025)

1. Name of Company.....
2. Address.....
3. Contact person.....
4. Phone, fax, email.....
5. Operations.....
6. Annual Turnover.....
7. Number of locations.....
8. Number of employees.....
9. Has the Company sustained any losses due to the dishonesty of employees?.....
10. If so, please provide full details together with information on actions taken to prevent similar losses:

I. Audit & Corporate Governance

Delete as appropriate

If the answer is „No“,
please describe your
system

- | | | |
|--|-----|----|
| 1. Do external auditors audit all operations at least annually? | Yes | No |
| 2. (a) Have all recommendations by external auditors regarding internal controls been complied with following your last audit? | Yes | No |

(b) If „No“, please provide details

3. Is there an Audit Committee which monitors the effectiveness of internal controls and reports directly to the Board?	Yes	No
4. (a) Do you have an internal audit department?	Yes	No
(b) Do they have an established audit cycle for all operations?	Yes	No
5. Do you always obtain satisfactory written references direct from former employers for the 3 years immediately preceding the engagement of any employee?	Yes	No
6. Employees receiving cash and cheques in the course of their duties are required to pay in daily?	Yes	No
7. Statements of account are sent to customers direct by post at least monthly?	Yes	No
8. Employees who handle money cannot interfere with the dispatch of statements of account or reminders?	Yes	No
9. All cheques require two signatures?	Yes	No
10. When cheques are being signed each signatory examines supporting documents?	Yes	No
11. When wages and salaries are prepared they are independently checked before payment?	Yes	No
12. Is there a physical check of the cash book entries against bank statements receipt counterfoils and vouchers and the balance tested against cash and unpresented cheques at least monthly independently of the employees making cash book entries or paying into the bank?	Yes	No
13. A physical check of goods is carried out independently of employees responsible for such goods at least every 6 months?	Yes	No
14. Different employees acting independently are responsible for		
(a) ordering goods?	Yes	No
(b) recording receipt of goods?	Yes	No
(c) authorising payment or goods?	Yes	No
15. Are all premises containing stock, money, securities, precious metals etc. connected to an intruder alarm?	Yes	No
16. Are intruder alarms maintained in proper working order and connected to a central station or a police station?	Yes	No
17. Is an independent physical count of stock, raw materials, work in progress and finished goods undertaken at least quarterly and is this count reconciled against stock records?	Yes	No

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| 18. Is the transfer of money and securities valued above EUR 50.000,-- usually made by a security or professional cash carrying company? | Yes | No |
| 19. 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? | | |

II. Suppliers/Service Providers/Outsourcing

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|---|-----|----|
| 1. Do you maintain an approved suppliers list? | Yes | No |
| 2. Are suppliers, service providers and outsourcing companies vetted for competency, financial stability and honesty before being approved? | Yes | No |
| 3. Are all suppliers, service providers and outsourcing companies appointed under written contract? | Yes | No |
| 4. Are procedures in place to assess the suitability of trustees, fiduciaries, administrators or officers of any of your Pension Plans? | Yes | No |
| 5. (a) Do you outsource any activities to third party service providers? | Yes | No |
| (c) If „Yes“, please detail the services provided | | |
| 6. Do you audit outsourcing companies during the term of their contract? | Yes | No |
| 7. If the service provider or outsourcing company operates on your premises are their employees under your daily management control? | Yes | No |

III. Computer Systems

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|--|-----|----|
| 1. Are unique passwords used to give various levels of entry to the computer depending on the users authorisation? | Yes | No |
| 2. Are passwords automatically withdrawn when people leave? | Yes | No |
| 3. Are all amendments to programmes approved independently of the persons making the amendments? | Yes | No |
| 4. Are programmes protected to detect unauthorised access? | Yes | No |

- 5. Is your computer system „firewall“ protected to prevent unauthorised access? Yes No
- 6. Is your computer system protected by virus detection and repair software? Yes No

IV. Fund Transfers

„Fund transfers“ means any instructions (other than cheques) given to a financial institution to pay or deliver funds.

- 1. What is the approximate annual value of fund transfers?.....
- 2. Please specify the method of instruction (e.g. written, electronic, computer, telephone, etc.).....
- 3. Can payment instructions be made to any account which has not been pre-agreed? Yes No
- 4. Is the financial institution required to authenticate the instruction before payment is released? Yes No
- 5. Please provide a brief description of the methods used to secure fund transfers (e.g. passwords, encryption, code words, call back)

May we please receive the last annual report if it is possible?

Declaration

I/We declare that the statements and particulars in this proposal are true and that no material facts have been misstated or suppressed after enquiry. I agree that this proposal, together with any information supplied, shall form the basis of any contract of insurance effected thereon. I undertake to inform the Insurers of any material alteration to those facts occurring before the completion of the contract of insurance.

Date

Signature.....