

# Crime

## Proposal

Lumley, a business division of IAG New Zealand Limited, Lumley Centre, 88 Shortland Street, PO Box 2426, Auckland 1140, New Zealand  
Tel 09 308 1100 [www.lumley.co.nz](http://www.lumley.co.nz)

### Applicant details

1 Name:		
2 Address of head office:		
3 Website:		
4 Describe the nature of your business operations:		
5 How long has the business been established:		
6 Total annual turnover:		
7 Total number of locations: New Zealand:		8 Rest of world:
9 Total number of employees:		
	Category A	Category B
New Zealand		
Rest of world		

Category A - Employees having responsibility for money, stock and/or accounts, including any financial dealing or trading (eg executives, managers, accounts personnel, stock controllers, computer staff, site managers, commercial travellers van drivers etc.)  
Category B - Employees not having responsibility for money, stock and/or accounts.

### Audit, corporate governance

10 Do External Auditors audit all operations at least annually?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
11 Have all recommendations by External Auditors regarding internal controls been complied with, following the last audit?	Yes <input type="checkbox"/>	No <input type="checkbox"/>

Please attach a copy of the latest available "Audit Letter to Management" document.

### Internal controls

12 Are wages/salaries independently checked against personnel records for unusual or excessive payments?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
13 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 <input type="checkbox"/>	No <input type="checkbox"/>
(b) issuing funds transfer instructions?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
(c) amending funds transfer procedures?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
(d) opening new accounts?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
(e) investment in and custody of securities and valuables?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
(f) refund monies or return goods above \$5,000?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
(g) disbursement of assets or funds of any pension plan?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
(h) awarding contracts following a tender?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
14 Are statements of accounts sent to customers independently of employees receiving statements?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
15 Are bank statements independently reconciled with customer accounts by persons not authorised to deposit/withdraw funds, issue funds transfer instructions or dispatch accounts to customers?	Yes <input type="checkbox"/>	No <input type="checkbox"/>

### Inventory and physical security

16 Is there controlled access to all locations?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
17 Are all premises containing stock, money, securities, precious metals etc. connected to an intruder alarm?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
18 Are intruder alarms maintained in proper working order and connected to a central station or a police station?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
19 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 <input type="checkbox"/>	No <input type="checkbox"/>
(a) How frequently?		
(b) Were any discrepancies discovered during last stock check?	Yes <input type="checkbox"/>	No <input type="checkbox"/>

If **Yes**, please provide details:

---



---

**20** Above what value is the transfer of money and securities usually made by a security or professional cash carrying company? \$

**21** 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? \$ \_\_\_\_\_

**Suppliers / outsourcing**

**22** Do you maintain an approved suppliers list? Yes  No

**23** Are suppliers, service providers and outsourcing companies appointed under written contract? Yes  No

**24** Do you outsource any activities to third party service providers? Yes  No

If **Yes**, please detail the services provided.

---



---

**25** If the service provider or outsourcing company operates in your premises are their employees under your daily management control? Yes  No

**Recruitment procedures**

**26** Do you screen potential employees by use of credit checks, police, previous employers, individual applications etc? Yes  No

**27** Do you obtain written references for the preceding three years of employment, in confirmation of the honesty of all future employees with responsibility for money, stock and or accounts? Yes  No

**IT systems**

**28** Are unique passwords used to give various levels of entry to the computer depending on the users authorisation? Yes  No

**29** Are passwords automatically withdrawn when people leave? Yes  No

**30** Are all amendments to programmes approved independently of the persons making the amendments? Yes  No

**31** Are programmes protected to detect unauthorised changes? Yes  No

**32** Is your computer system protected by virus detection and repair software? Yes  No

**Funds transfers**

'Fund Transfers' means any instruction (other than cheques) given to a Financial Institution to pay or deliver funds.

**33** What is the approximate annual value of funds transfers? \$ \_\_\_\_\_

**34** Please specify the method of instruction (e.g. written, electronic, telephone etc.) \_\_\_\_\_

**35** Can payment instructions be made to an account which has not been pre-agreed? Yes  No

**36** Is the financial institution required to authenticate the instruction before payment is released? Yes  No

**Loss history**

**37** Has the Applicant sustained any losses (of a type covered by a Crime policy) during the past five (5) years and before application of any deductible, retention or excess whether insured or not? Yes  No

If **Yes**, please include date discovered, location, nature of loss and amount.

---



---

If **Yes**, please also describe what corrective measures have been taken to prevent similar losses.

---



---

**Declaration:**

On behalf of all proposed Insureds I/We declare and agree that:

- (a) all information provided, in this proposal or attachments, is true and complete in every respect and that no Material Facts remain undisclosed;
- (b) if this risk is accepted, such information will be incorporated into and form the basis of the contract of insurance;
- (c) I/We understand that Lumley requires this information in order to evaluate this proposal and that the Privacy Act 1993 entitles me/us to have access to, and request the correction of, any information retained;
- (d) Lumley is authorised to disclose information to its advisers, reinsurers, other insurers and parties with a financial interest in the subject matter of this proposal;
- (e) Lumley is authorised to check details against the Insurance Claims Register and to place information on the Insurance Claims Register which other insurers can access;
- (f) Lumley is authorised to obtain from other parties any information which may be relevant to the acceptance of this risk;
- (g) the signing of this proposal does not bind either party to complete the contract and that no cover will be in force until confirmed by Lumley.

Insured(s) signature: \_\_\_\_\_ Date: \_\_\_\_ / \_\_\_\_ / \_\_\_\_