

Are there any subsidiary companies that must be included?

Yes No

NAME	REGISTRATION NUMBER

NOTE: Please remember that an entity can only be included as a subsidiary if:

* The proposer owns more than 50% of that subsidiary

* The entities are under the proposer's direct control

For the rest of the proposal form, the Proposer means all the branches and entities to be insured under this policy.

This means that the questions must be answered in a way that discloses their weaknesses also.

2 | INSURANCE HISTORY

1 Are you in the present or have you in the past been Insured, for the type of Insurance now being proposed?

Yes No

If yes, please state: Insurers: _____

Limit of Indemnity:	R
Excess:	R
Premium:	R
Date of expiry of coverage:	
Retroactive Date:	

2 For the type of Insurance now being proposed, has any Insurer ever:

i) Required an increased premium or imposed special terms?

Yes No

ii) Refused to accept or renew any insurance for the body corporate

Yes No

iii) Cancelled the insurance?

Yes No

If any answer is Yes to any of the above 3 questions, please provide full details

3 Please list all incidences of employee dishonesty and cybercrime against the Proposer over the past 36 months

DATE (MM/YY)	AMOUNT LOST	CATEGORY	BRIEF DESCRIPTION OF METHOD

4 What steps have been taken to prevent a recurrence?

3 | REQUIRED COVER

1 State the LIMIT OF INDEMNITY and EXCESS required:

Limit	R	R	R
Excess	R	R	R

2 Do you require cover in respect of liability incurred but not discovered prior to the effecting of this insurance at a single premium to be negotiated? Yes No

4 | PREVIOUS LOSSES / EXISTING CIRCUMSTANCES

1 Is any Principal, AFTER FULL ENQUIRY, aware of any circumstance which might:

i) Give rise to a claim against the Proposer, any predecessor or any past or present Principal? Yes No

ii) Cause any loss to the Proposer, any predecessor or any past or present Principal? Yes No

iii) Otherwise affect the consideration of this proposal for insurance? Yes No

If YES, please provide details:

2 In respect of ANY of the risks to which this proposal relates, has any Claim been made (whether successful or not) against the Proposer or any past or present Principal? Yes No

If YES, please identify details (including loss date, amount claimed and a brief description):

5 | STAFF COMPLIMENT

1 **Number of Staff**
How many people (employees and contractors) are under the proposer's direct supervision?
This includes contractors who are treated similarly to ordinary employees.

Up to 50 people, please state the total number of people

More than 50, please complete table below

STAFF COUNT BY AREA	PERMANENT Includes persons who the proposer has contractually engaged with for a period of one year or longer.	TEMPORARY
Finance		
Admin		
HR		
Stock (including warehousing, purchasing, sales, etc.)		
Other white collar workers		
Other blue collar workers		

2 Does the Proposer have branches, subsidiaries, entities which are based outside of the RSA?

No

Yes

If Yes, Please detail these subsidiaries area below

i) Please state the number of staff based outside of RSA in:

The rest of Africa	
Elsewhere in the world	

ii) In which country does the Proposer's head office reside?

3 Gross annual revenue

Last Year	Current Year Estimate	Forthcoming financial year
/ /	/ /	/ /
R	R	R

6 | EMPLOYEES

1 Do any of the persons involved in Finance, Admin, HR or Stock have any criminal convictions related to dishonesty?

They are all checked for criminal records and there are no convictions relating to dishonesty No Yes

If Yes, do any of the persons involved in Finance, Admin, HR or Stock currently have a negative credit record?

Credit checks are done on all these people and none currently have a negative record	<input type="checkbox"/>
They are all checked for criminal records and there are no convictions relating to dishonesty	<input type="checkbox"/>
There are staff with current negative credit records	<input type="checkbox"/>

Not all have been checked but there are no known convictions No Yes

There are some convictions No Yes

7 | HUMAN RESOURCES

How often does someone who is not normally involved in the payroll's update and preparation check to ensure that only current employees are on the payroll?

At least once a month	<input type="checkbox"/>	At least once a quarter	<input type="checkbox"/>	At least once every 6 months	<input type="checkbox"/>
At least once a year	<input type="checkbox"/>	Less often	<input type="checkbox"/>		

8 | ACCOUNTING

An owner/manager is an individual who owns most of the proposers shares (more than 67%) and who runs the business.

1 Does the proposer's processes allow for someone to make payments without the owner/manager's knowledge?

No, the owner/manager would be aware of all payments	<input type="checkbox"/>	Skip to 8.4
Yes, payments can be made without the owner/manager's knowledge	<input type="checkbox"/>	Complete 8.2 onwards
No application, there is no owner/manager as defined above	<input type="checkbox"/>	Complete 8.2 onwards

2 Which of the following require dual authority?

EFT	<input type="checkbox"/>	Complete 8.2. i) below
Cheque	<input type="checkbox"/>	
Loading or updating payment beneficiary details	<input type="checkbox"/>	
Petty cash disbursements	<input type="checkbox"/>	

i) Are the persons loading and releasing the payments both required to check that the payment is being made against a suitable authorisation document (e.g. signed purchase order, delivery note or similar)? Yes No

3 Does the proposer have an annual formal budgeting process and is management approval required for payments which fall outside the budget?

No formal budget	
Yes, there is a budget but it is a guideline only and is not strictly enforced	
Yes, there is a formal budget and any deviation requires management approval	
Yes, there is a formal budget but small purchases outside the budget do not require management approval	

4 How does the proposer ensure that payments are made to the legitimate/correct bank account?

Always ask for a cancelled cheque or letter from bank	
Always ask for bank details on customer letterhead	
Other consistently adhered to process which ensures that correct bank details are captured	
No consistently adhered to process	
Not sure/cannot be determined at the moment	

5 How often are banking and other finance passwords changed?

At least once every month	
At least once every three months	
Sometimes longer than three months	

9 | CASH

1 What is the typical maximum amount of cash and near cash on hand at any one time?

This includes petty cash, payments by debtors, creditor's payments, etc. Near cash includes coins and negotiable securities such as cheques, etc.

Less than R 50,000		
Less than R 100,000		Complete 9.1. i) onwards
Less than R 250,000		Complete 9.1. i) onwards
Less than R 2,500,000		Complete 9.1. i) onwards
More than R 2,500,000		Complete 9.1. i) onwards

i) Is the proposer paid in cash for goods/services?

Never	
Less than once a month	
Typically less than 5 times a month	
Typically less than 20 times a month	
More than 20 times a month	

ii) How often are cash reconciliations done?

Daily		Complete 9.1. ii) a. onwards
At least weekly		Complete 9.1. ii) a. onwards
At least monthly		Complete 9.1. ii) a. onwards
Less often		

a. Are the bank reconciliations and cash book entries done by the same person?

No, the proposer's processes don't allow this	
Yes, but it happens very seldom	
Yes	

2 How often are all the proposers' bank statements reconciled?

At least weekly	
At least monthly	
At least Quarterly	
Other intervals	
Not all bank statements are reconciled	

3 Is physical access to the proposer's cheque books properly secured?

Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	N/A - no cheque book	<input type="checkbox"/>
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10 | DEBTORS

1 How many days does an account need to remain unpaid before someone, other than the person doing debtors collections, contacts the non-paying customer?

Up to 60 days	<input type="checkbox"/>
Up to 90 days	<input type="checkbox"/>
Up to 120 days	<input type="checkbox"/>
More than 120 days	<input type="checkbox"/>

2 Are the people who create the invoices and do the debtor's collections able to manipulate journals and credit notes so that outstanding debtors are removed from the debtor's age analysis?

No	<input type="checkbox"/>	Yes	<input type="checkbox"/>
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3 How often does the proposer's internal audit department investigate the proposer's bank account details given to debtors?

At least once a quarter	<input type="checkbox"/>
At least once a year	<input type="checkbox"/>
Less than once a year	<input type="checkbox"/>
N/A. No internal audit department	<input type="checkbox"/>

4 Does the proposer have a (consistently adhered to) process to quickly revoke the computer access of those who leave the proposer's employ

No	<input type="checkbox"/>	Yes	<input type="checkbox"/>
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11 | STOCK AND WAREHOUSING

For the purposes of the following questions, the term stock not only includes the insured's own property but also third party property in the insured's care (such as items sent for repairs, 3rd party warehousing, transport services and money/securities stored on behalf of others).

1 What is the typical maximum value of stock in the Insured's care at any one branch/office?

Less than R30,000	<input type="checkbox"/>
Less than R250,000	<input type="checkbox"/>
Less than R2,500,000	<input type="checkbox"/>
Less than R25,000,000	<input type="checkbox"/>
More than R25,000,000	<input type="checkbox"/>

2 How much of the stock consists of items costing R1000 or more and which can be placed in a clothing pocket? E.g. jewellery, ipod, cell phone, etc.

None or very little	<input type="checkbox"/>
Less than a quarter of the stock	<input type="checkbox"/>
More than a quarter of the stock	<input type="checkbox"/>

3 How much of the stock consists of items costing R1000 or more and can easily be carried on your person? E.g. laptop, text books, etc

None or very little	<input type="checkbox"/>
Less than a quarter of the stock	<input type="checkbox"/>
More than a quarter of the stock	<input type="checkbox"/>

4 How is physical access to the stock controlled?

No formal control	<input type="checkbox"/>
Kept in a locked room or locked cabinet with restricted access	<input type="checkbox"/>
Stock is only released when a formal document (e.g. invoice, etc.) is given to an independent person (e.g. security guard, stock controller, etc.)	<input type="checkbox"/>

5 How often are stocktakes done?

At least once a month	
At least once every 3 months	
At least once every 6 months	
At least once a year	
Stock takes are not always done every 12 months	

6 Are the people who normally work with the stock able to distort the results of a stock take so that theft of stock remains undetected?

No, employees who work with the stock are not able to distort stocktake results	
Yes, it is possible that employees who work with the stock to distort stocktake results	
N/A, no formal stock takes done	

7 Did the results of stocktakes during the past 12 months suggest that adequate control over the stock was being maintained?

The results clearly show that excellent control is being maintained	
The results show that reasonable control is being maintained	
The stocktake results were inconclusive	
The results indicated a problem in stock control	
N/A stocktakes no stocktakes done	

8 Does the proposer have separate receiving and dispatching bays?

No	<input type="checkbox"/>	Yes	<input type="checkbox"/>	<i>If Yes, please answer questions below</i>
i) Do any of the staff overlap between these two areas?				
No - No staff work in both areas				<input type="checkbox"/>
Yes - There are staff who work in both areas				<input type="checkbox"/>
ii) Is there is separate product returns section?				
Yes				<input type="checkbox"/>
No				<input type="checkbox"/>

9 How much of the area containing stock is monitored using CCTV coverage?

All of the area containing stock	
At least 90% of the area containing stock	
At least half of the area containing stock	
Only the entrances and exits	
Limited or no coverage	

Stock documents means the documentation used for controlling the receiving or dispensing of stock.

10 Are stock documents generated by an automated computer system or are they manually generated?

Only computer generated documentation is used	
Manual documentation is used less than once a quarter	
Manual documentation is used more than once a quarter	

12 | EXTERNAL AUDITS

1 What was the result of the most recent audit (or audit review if applicable)?

Unqualified opinion		Complete 12.1. i) below
Qualified opinion		
Adverse opinion or disclaimer of opinion		
No recent audited financials available		
Not trading long enough to have a full years financial statements		Complete 12.1. i) below

i) The proposer's most recent audited financials are for the period ending on:

ii) When did the proposer start trading?

13 | CYBER RISKS

1 How often does the proposer run anti-virus updates on its computers?

They are run automatically as often as they are available	
They are updated occasionally	
No specific policy is enforced	
Not known/cannot be determined	

2 Does the proposer operate a computer network?

No	<input type="checkbox"/>	Yes	<input type="checkbox"/>	<i>If Yes, please answer questions below</i>
i) Does the proposer run a firewall with Intrusion Prevention Services?				
No	<input type="checkbox"/>	Yes	<input type="checkbox"/>	
ii) Does the proposer run a stateful firewall?				
A stateful firewall keeps track of the state of network connections (such as TCP streams, UDP communication) traveling across it. It is programmed to distinguish legitimate packets for different types of connections. Only packets matching a known active connection will be allowed by the firewall; others will be rejected.				
No	<input type="checkbox"/>	Yes	<input type="checkbox"/>	
iii) How often are firewall updates/upgrades run?				
They are run automatically as often as they are available	<input type="checkbox"/>	They are updated occasionally	<input type="checkbox"/>	
No specific policy is enforced	<input type="checkbox"/>	Not known/cannot be determined	<input type="checkbox"/>	

3 Have the proposer's employees had awareness training on the risks of opening unsolicited emails or clicking on unknown links?

Yes, all or almost all employees using the Insured's computers have had awareness training	<input type="checkbox"/>
No	<input type="checkbox"/>
No specific awareness policy is enforced	<input type="checkbox"/>
Not known/cannot currently be determined	<input type="checkbox"/>

What security measures does the proposer enforce when mobile devices (laptops, smart phones, tablets, etc.) synchronise with the proposer's mail server?

4 Are all the devices password protected?

Yes all are protected	<input type="checkbox"/>
Almost all the devices are password protected	<input type="checkbox"/>
Some of the devices are protected	<input type="checkbox"/>
No specific policy is enforced	<input type="checkbox"/>
Not known/cannot currently be determined	<input type="checkbox"/>

5 Is the "remote wipe" facility is enabled on those devices with that functionality?

Yes	<input type="checkbox"/>
Almost all the devices have this functionality enabled	<input type="checkbox"/>
The functionality is enabled on some of the devices	<input type="checkbox"/>
No specific policy is enforced	<input type="checkbox"/>
Not known/cannot currently be determined	<input type="checkbox"/>

14 | OTHER

1 Does the proposer engage in any of the following:

Acting as a financial Institution	
Manufacturing tobacco	
Gambling of any nature	
Pharmaceuticals (except pharmacies)	
Security companies and cash distribution	

2 Does the proposer derive more than 10% of its income from the following activities

Agricultural Co-operatives	
Cell phone air time and hand set sales	
Jewellery sales	
Motor spares manufacture or sales	
General hauliers (including logistics and 3rd party warehousing)	
Labour broking services	

DECLARATION

Signing this proposal form binds neither the proposer to complete this insurance, nor does it bind the insurer to accept the proposal. It is agreed that all written statements and attachments furnished to the insurer in conjunction with this proposal are hereby incorporated by reference into this proposal and made part thereof. It is understood and agreed that the insurer has relied upon this proposal and attachments, which shall be the basis of the insurance contract.

The undersigned is an authorised signatory of the Proposer and certifies that reasonable inquiry has been made to obtain the answers herein which are true, correct and complete to the best of his/her knowledge and belief. We undertake to inform the insurer of any material alteration to these facts, whether occurring before or after completion of the insurance contract.

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NAME	CAPACITY
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SIGNATURE OF THE PROPOSER	DATE DD/MM/YYYY
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BROKER DETAILS

Broker:

Contact Person:	Tel:
Email:	Fax number: