

## Application for Fidelity Guarantee insurance (Unnamed basis)

### Statement pursuant to Section 25(5) of Insurance Act, Cap. 142 (or any future amendments to it)

You must disclose all facts as you know or ought to know which may affect the insurance cover being applied for. Otherwise, the insurance policy issued may not be valid.

It is important that a complete answer be given to every question. If insufficient space is provided for your answers, please continue on a separate sheet using your company's letterhead and reference the applicable question number.

Please submit the following documents together with this application form:

- 1) Company Annual Report
- 2) Latest Audited Financial Statement for the Company

### Particulars of proposer

Name of proposer

Correspondence address of proposer

Email

Type of business/trade

Contact number

(Office)

(Handphone)

### Details of insurance required

Period of insurance (dd/mm/yyyy)

From \_\_\_\_\_ To \_\_\_\_\_

Total assets and total turnover in SGD

Year established

Number of locations

Total number of employees

Amount of proposed guarantee

Classification and number of employees to be guaranteed in terms of designations

Item	Designation	Total number of insured employees	Length of service

1. What is the largest amount of cash/stocks/securities handled by any one employee at any one time? State occupations/duties of these employees.

a) Cash

b) Stocks

c) Securities

2. Internal controls relating to: Cash/Cheques

a) The number of signatories required to authorise payments and description of such authorised signatories

b) The number of persons authorised to sign cheques and number of authorised signatories required for each cheque.

c) From what sources will money reach the employees' hands?

d) Are all monies received banked by the following morning?

e) How often are bank reconciliation statements prepared?

f) How often are cash books checked with the receipt counterfoils and vouchers by a responsible official?

g) Where employees are allowed to collect monies outside the office premises, are these accounted for daily?

h) Are prenumbered official receipts used as confirmation of the receipt of monies?

i) How often are surprise cash counts done by an employee independent of the cashier?

j) If cheque signing machines are used, what procedures operate to ensure that signatures are only applied to properly authorised cheques?

**Stocks**

a) Nature of stocks

b) Frequency of physical stocktaking

c) Persons responsible to carry out stock checks

d) Are services of a professional firm employed for stocktaking?

e) Who keeps the stock records?

f) Please advise security regarding: Checking of inward goods
Releasing of stocks from stores
<b>Securities</b>
a) How often are securities independently and physically checked with the register of securities?
b) List persons and their designations authorised to deal in securities.
c) Do transactions by custodian require authority of at least two authorising officials?
d) Are securities held in the name of the Company or in the name of a corporation nominee?
<b>Credit Card Facilities</b>
a) If these facilities are given to employees, list persons and their designations.
b) Are these employees allowed to use these facilities for personal expenses and, if so, the method by which such expenses are identified and settled.
c) Which person (s) are responsible for verifying statements received?

### Questions regarding system of check

1. Is a good system of records maintained and is it up to date?	<input type="checkbox"/> Yes <input type="checkbox"/> No
2. Are the duties and authorities of each staff member clearly defined?	<input type="checkbox"/> Yes <input type="checkbox"/> No
3. Is the division of responsibilities between departments, sections and individuals well defined so that no one person handles a transaction from beginning to end?	<input type="checkbox"/> Yes <input type="checkbox"/> No
4. Are independent checks of work carried out in the accounting, cash and stock sections?	<input type="checkbox"/> Yes <input type="checkbox"/> No
5. Is there a proper system of authentication of vouchers for payments?	<input type="checkbox"/> Yes <input type="checkbox"/> No
6. Is there regular (at least once a month) balancing of cash and stock books and reconciliation with control records?	<input type="checkbox"/> Yes <input type="checkbox"/> No
7. a) Is there an imprest system of petty cash funds?	<input type="checkbox"/> Yes <input type="checkbox"/> No
b) Is it in the custody of one person only?	<input type="checkbox"/> Yes <input type="checkbox"/> No

8. Is there a strict system of cash receipts control, including travellers cheques?	<input type="checkbox"/> Yes <input type="checkbox"/> No
9. Is the system of daily bank deposits independently checked?	<input type="checkbox"/> Yes <input type="checkbox"/> No
10. Is there a proper control of bank account operations and cheque books?	<input type="checkbox"/> Yes <input type="checkbox"/> No
11. Is regular (at least monthly) bank reconciliations and checks of receipt counterfoils and vouchers made?	<input type="checkbox"/> Yes <input type="checkbox"/> No
12. Are the approval and control of bills received carried out by responsible staff?	<input type="checkbox"/> Yes <input type="checkbox"/> No
13. Is there a regular balancing and control of debtor accounts with statements sent regularly to all debtors?	<input type="checkbox"/> Yes <input type="checkbox"/> No
14. Is there a responsible control of credit notes by senior accounting staff?	<input type="checkbox"/> Yes <input type="checkbox"/> No
15. Are perpetual records for all categories of stock assets independently maintained by physical control?	<input type="checkbox"/> Yes <input type="checkbox"/> No
16. Is there a close supervision of storage and custody of all stocks maintained?	<input type="checkbox"/> Yes <input type="checkbox"/> No
17. Are all deliveries to and from stores properly authorised?	<input type="checkbox"/> Yes <input type="checkbox"/> No
18. Are all dealings in investments authorised by the Board of Directors and is there a control of registers, certificates, etc?	<input type="checkbox"/> Yes <input type="checkbox"/> No
19. Is capital expenditure controlled by the Board of Directors?	<input type="checkbox"/> Yes <input type="checkbox"/> No
20. Is there a regular independent system of internal audit of the activities of all persons guaranteed made?	<input type="checkbox"/> Yes <input type="checkbox"/> No
21. Is a full external audit (at least once annually) carried out?	<input type="checkbox"/> Yes <input type="checkbox"/> No

### Claims

1. Has any insurer declined, refused renewal or cancelled this insurance within last 3 years? If "Yes", please provide details.	<input type="checkbox"/> Yes <input type="checkbox"/> No
2. Were there any losses/claims (whether insured or not) due to dishonesty of employees, partners or directors? If "Yes", please provide details.	<input type="checkbox"/> Yes <input type="checkbox"/> No
3. In relation to Q2, please advise the steps that you have taken to prevent a recurrence.	

### Declaration by proposer

I/We declare that the above information is true, correct and complete, and whether written by me/us or by anyone else on my/our behalf, I/We accept full responsibility for them.

I/We have not withheld any material information. I/We agree that this application and other written statement, information or declaration made by me/us or on my/our behalf shall form the basis of the contract of insurance between me/us and Income.

I/We acknowledge that the liability of Income does not commence until this application has been accepted and the premium paid and received in full by Income.

**If a material fact is not disclosed in this application, any policy issued may not be valid. If you are in doubt as to whether a fact is material, you are advised to disclose it. This includes any information that you may have provided to the intermediary but was not included in the application. Please check to ensure you are fully satisfied with the information declared in this application.**

\_\_\_\_\_  
Signature of proposer & company stamp

\_\_\_\_\_  
Date (dd/mm/yyyy)

### For official use

Intermediary's name	Intermediary's code	Date (dd/mm/yyyy)	Policy delivery <input type="checkbox"/> Hand <input type="checkbox"/> Mail
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